

CHAPTER NINE

FINANCIAL ADMINISTRATION AT THE AIS

INTRODUCTION

9.1 The Committee has examined the financial administration of the AIS because of concerns that public monies could be diverted to the purchase of performance enhancing drugs by either overt or covert means.

9.2 The Australian Institute of Sport was incorporated on 24 September 1980, nine months after the then Minister for Home Affairs, Mr Bob Ellicott, announced the Government's decision to establish a National Sports Training Institute.

9.3 An interim AIS Board of Management had held its first meeting on 23 April 1980. The Board consisted of the 10 directors appointed by the Minister and the Executive Director ex officio. The inaugural Chairman was Mr R Kevan Gosper, Chairman and Chief Executive Officer of the Shell Group of Companies, and a former Olympic athlete.

9.4 The inaugural Executive Director, Mr Don Talbot, had a career as a successful swimming coach, but had not previously headed the administration of a body such as the AIS. He started work in October 1980, at which time he 'was the only executive on the staff'.¹

9.5 Company Secretary and Administrator was Mr Peter Bowman, the Financial Administrator being Mr John Scarano. Six junior administrative staff dealt with personnel, financial and travel details.

9.6 According to a 1989 Price Waterhouse internal audit special review of certain aspects of the AIS's operations:

In its early years the Institute was constrained by both finances and staff numbers with the result it was not possible to initiate an 'ideal' system of accounting control over expenditure. However, the system was as good as could be expected in the circumstances.

In later years with increased funding and staff resources the accounting systems have shown considerable improvement and whilst there is always room for further enhancement we believe the systems are appropriate to an organisation of the Institute's size and conform with standards generally applicable in Commonwealth undertakings.²

9.7 The Committee requested the Auditor-General to comment on the Price Waterhouse report in his role as external auditor to the AIS. The response from the Australian Audit Office (AAO) indicated that:

From Audit's viewpoint it is considered that the executive summary in the special review report provides an accurate picture of the AIS accounting systems relating to purchases and travel. The AIS systems and procedures have improved over recent years; however, there is always room for further enhancement. The present systems are appropriate considering the Institute's size and conform with standards generally applicable in Commonwealth undertakings. While there is some potential for misuse of funds, the basic controls are adequate and no direct evidence of misuse was detected by the internal auditors.

The scope and approach of the internal audit review was soundly based and the report represents fairly the matters addressed and the findings of the review.³

9.8 At the Committee's public hearing held on 12 April 1989, representatives of the AIS offered to seek to have conducted by the Australian Audit Office another audit of the expenditure by the weightlifting section, which had been a major area of examination by Price Waterhouse. This offer was accepted by the Committee.⁴ The Committee received this AAO report on 20 April 1989.⁵ References to the findings in this report are made later in this chapter.

9.9 Three aspects of particular concern were addressed during the Committee's hearings:

- . the level of cash advances to coaches and the related acquittal process in relation to overseas travel;
- . the system for ordering and receipt of medical supplies; and
- . delegation of authority.

ACQUITTAL OF CASH ADVANCES

Introduction

9.10 The Committee paid close attention to the system of travel expenditure to examine the extent to which AIS management had sought to prevent misuse of its funds which could be directed towards the purchase of illicit drugs.

9.11 Mr Talbot indicated in his evidence before the Committee that when he was the Executive Director of the AIS 'he was concerned all the time' about the amount of cash that coaches took overseas⁶ and said:

When I had to approve some of the tours and I saw the big amounts of money ... I felt that we should do something about that. So I did speak to John Scarano and Peter Bowman ... on setting up a procedure of application whereby the coach would put in the tour that he wanted to go on, it would then be costed by John Scarano and by a travel agent we had on board at that time, and then we had a figure laid down ... when that was totalled, it would come to me for approval and if I had a problem with it, then I would talk to the coach ... if it was in accordance with the budget, and it seemed to be costed fairly straightforwardly - we knew the costs of airfares, accommodation, food and that sort of thing - it was approved.⁷

He continued:

When the track and field team people in particular ... went onto the European Circuit ... they carried the biggest amounts of money. We set up an account in the UK ... whereby we forwarded certain amounts of money which could be drawn on by the coach ... as well as him having some out-of-pocket money. To a certain degree that did solve the problem ... but ... when you have teams travelling you can get 12 to 15 athletes who are going away for two to three months. They have to be kept, housed, driven around ... and you are getting into big money ... I did request at that time that we have managers travel with the team ... [but] [we could not afford - that was the word that was given to me at board level - to send managers with the teams and the coaches had to be the factotums].⁸

9.12 The 1989 Price Waterhouse report commented in its executive summary that:

In our view there has been, and always will be, scope for unscrupulous persons to misuse Institute funds and would point out that given the nature of the Institute's operations it would be virtually impossible to devise a

'fail-safe' system, particularly with regard to travel expenditure.

Notwithstanding the potential for misuse of funds, we have found no direct evidence of such misuse.⁹

9.13 Price Waterhouse's report then specifically indicated that:

Considering the limited resources available during its early years of operation the travel system implemented by the Institute was adequate ... Whilst the system was adequate our review revealed that in the early years of the Institute's operations certain control procedures were not always complied with. The main area of control deficiency was the acquittal process which was not usually well documented.

However, following internal audit recommendations and increased resources the control environment was enhanced and the deficiencies were gradually eliminated.

Under the current system there is little scope, other than in the area of cash advances, to exploit the system as, amongst other controls, there is a detailed acquittal process.

As mentioned above the only area subject to possible manipulation is the daily cash allowance given to travellers in advance. This practice is in line with current Government practice. It is not considered cost effective to include such expenditure in the acquittal process.

Obviously, if the allowances were not used for food or other authorised purposes they could be used for the purchase of drugs or other unauthorised items.¹⁰

9.14 The current situation with respect to minimising opportunities for misuse of cash advances was described by Mr Robert Hobson, Acting Director, Corporate Services at the AIS in the following terms:

All travel by way of plane is ... put through our account with Australian Airlines. There is no transaction of cash by a coach. We have tried as much as possible to ensure that any expenditure is done through a credit card system. We have tried to ensure that all accommodation is paid for by account and not by cash ... The coach may still carry some cash ... [but] that would only be for the first few days of travel.¹¹

Opportunities for funding of drugs

Introduction

9.15 While athletes and coaches are naturally able to purchase drugs from their own monies, Ms Sue Howland suggested that AIS coaches travelling overseas could divert AIS funds to enable the purchase of drugs by falsification of such receipts as hotel expenses.¹² Mrs Gael Martin alleged that the AIS track and field coaches:

had a trick. At the hotels they would stay at [they] would speak to the person behind the counter and would get an athlete to take letter-head paper from underneath the counter. They would write up their own accounts, and the extra expense would cover for the steroids that they bought.¹³

9.16 Mr Kelvin Giles described how the acquittal of overseas travel expenses was capable of falsification when he discussed his having claimed as 'miscellaneous expenses' or 'taxi fares' the payment of bribes to meeting organisers in Europe. Neither of his explanations of the expenses claimed would apparently have been challenged, because of the nature of the acquittal process which did not require receipts for such items. Mr Giles said that he would guess that the maximum amount capable of such a claim would be of the order of \$250.¹⁴

9.17 Mr Giles said that hotel expenses could not be falsified because hotels would be pre-booked or because the hotel bills were paid directly by the meeting promoter.¹⁵ Mr Merv Kemp denied any personal experience or knowledge of falsification of hotel expenses with a view to overstating expenses.¹⁶

9.18 Mr Scarano was unaware of any AIS coaches having to pay bribes to officials to enable their athletes to compete,¹⁷ but was aware that coaches might receive reimbursement from meeting organisers for expenses already incurred in relation to travel or accommodation while overseas. In these circumstances 'it is possible that an athlete or the coach could keep the cash at the time'.¹⁸ Mr Scarano then qualified this statement by saying:

If the athlete is performing so well, whatever costs can be passed onto the next person, it is all the better for the Institute.¹⁹

Mr Kemp's Pharmaceutical Purchases

9.19 Mr Kemp was asked about the manner in which he accounted for the purchase in Genoa in June 1984 of a quantity of pharmaceuticals which Mrs Martin had alleged included anabolic steroids.²⁰ In summary, Mr Kemp explained that he left Australia with \$11 550 in both cash and traveller's cheques to meet the expenses of his party of four which remained overseas for several weeks and visited several countries. He refunded \$4634 to the AIS upon his return, and accounted to the AIS for the money he had spent, with receipts, for all items except meal allowances.²¹

9.20 Mr Kemp said that it was his understanding that meal allowances did not require acquittal and that 'I could pocket the money and keep it for myself' if he did not spend the allowance in full. He estimated that the total meal allowance for the party was \$100 a day, although meals could be bought for as little as \$1.20 each.²²

9.21 Mr Kemp explained that as coach-manager of the team he controlled the finances for the party. This enabled him to return unexpended amounts to the Institute but, had he wished to tell the Institute that all unacquittable moneys had been expended, the Institute would have accepted that explanation:

They [the AIS] have said to me when I have taken money back that the meals do not have to be accounted for; the things that we were specifically required to account for were the miscellaneous allowances.²³

9.22 The budgeted amount of \$500 in miscellaneous allowance was acquitted in full. In doing this Mr Kemp presented two receipts for pharmaceuticals from Genoa pharmacies. This was despite Mr Kemp having told the Committee (before he was given the opportunity to examine documentation in relation to the acquittal process) that he had not notified the AIS of these purchases because he 'acquitted the money as meal allowance'.²⁴

9.23 Mr Kemp was asked about another Genoa pharmacy receipt which he provided to the Mallesons Stephen Jacques inquiry in November 1987, but which had not been provided to the AIS at the time of acquittal in July 1984. Mr Kemp explained that it was 'located after the acquittal had taken place'.²⁵ The three receipts were for 'trifling amounts', totalling about \$50 only.²⁶

9.24 Mr Kemp's use of surplus meal allowance funds for these purchases of pharmaceuticals which he estimated 'may have been in the order of \$100 or \$200'²⁷ was legitimate, since the moneys spent were technically his own.

9.25 Mr Kemp, like all other AIS coaches in this situation, had a discretion as to which receipts were provided to the Institute to justify claims against the miscellaneous expenses

budget, and thus also had a discretion about the amount of money refunded to the AIS after the completion of a trip.

9.26 Mr Kemp agreed that, hypothetically, he could have spent hundreds of dollars on steroids or other substances using AIS money and imported them into Australia without the Institute being able to detect the matter²⁸ but he denied that he had ever done so.

Certification of expenses

9.27 The practice of obtaining a coach's certification that all monies were spent for the purpose intended was also examined. Mr Scarano said that while receipts would normally be required to substantiate claims for taxis and the like 'where they were not presented by the coach, we always get the coach to write a short note'.²⁹ One such certification is shown in Figure 9.1.

9.28 The 1989 Price Waterhouse report noted several claims of this nature. The report indicated that in relation to an overseas trip in 1981, some \$607 of miscellaneous expenses was claimed by the coach without receipts.³⁰ The reviewers acknowledged the reasonableness of the claim in the context of the trip, and this instance was the largest such claim noted in the report.

9.29 Price Waterhouse commented that:

This approach to acquittal of overseas travel is clearly unacceptable and we are pleased to note it is not a feature of the current system.³¹

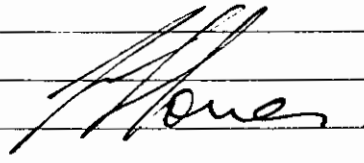
9.30 Problems were noted by Price Waterhouse with travel acquittal until May 1984, after which date 'the travel system was operating satisfactorily ... and there were no reportable deficiencies'.³²

FIGURE 9.1

Re-Finances Wt. Weighting fund.

byu Jane → John Scosano.

This is to certify that all the monies etc. given to me for the Weightlifting fund of Hungary, Yugoslavia & Italy were spent on the purposes for which it was intended. Receipts are provided for major items of expenditure. However receipts are not available for all meals, local transport, taxi fares etc.,

 4/8/81

Certification by an AIS coach of the proper expenditure of funds provided for overseas travel.

Overseas Travel by Weightlifting Coaches

Introduction

9.31 Schedules which described cash advances given to coaches for a number of overseas trips between 1981 and 1983 were provided to the Committee by the AIS.

9.32 Mr Scarano said that the amounts advanced to the coaches in these cases was normal practice, and acceptable provided that adequate substantiation was provided.³³ He added support to Mr Talbot's evidence that concern had been expressed about the responsibility placed on coaches for carrying large amounts of cash, and he said that the system was changed to require athletes to acquit their own meal and other allowances rather than 'the coach collecting the whole lot at one go'.³⁴

9.33 One schedule showed that Mr Lyn Jones was advanced \$10 952 in cash and traveller's cheques for a trip with five athletes to Hungary, Yugoslavia and Italy in May-June 1981. However, a formal acquittal of the advance could not be located by the AIS. A number of receipts and a certification by the coach that funds were expended for the purpose for which they were intended were the only documents located.³⁵ Price Waterhouse's 1989 special examination of weightlifting expenditure revealed that the acquittal process in relation to this trip was not adequately carried out by the travel clerk, despite major invoices and other supporting documentation having been handed to the finance section by Mr Jones on the team's return.³⁶

9.34 A second schedule dealt with a cash advance to Mr Harry Wardle of \$4042.08 for five athletes to travel to Brazil in August 1982.³⁷ Expenditure of exactly \$4042.08 was acquitted, which is a somewhat remarkable result, although Price Waterhouse did not note any reportable deficiencies in relation to this trip.³⁸

9.35 Another schedule dealt with a cash advance of \$7481.34 for Mr Lyn Jones and seven athletes who were to travel variously to several European countries, including USSR and Wales, in October and November 1983. Expenses acquitted for this trip exceeded the cash advance by \$249.88.³⁹ This trip is discussed in some detail in the next section.

1983 Weightlifting Tour

9.36 The Committee paid particular attention to a receipt for \$US1800 tendered by Mr Jones as proof of expenses while in Moscow in October 1983⁴⁰ and two receipts similarly dealing with expense incurred in Cardiff in November 1983. Price Waterhouse had examined expense claims for this trip and queried only the absence of receipts for taxi fares amounting to \$172, which was considered reasonable in the context of the trip.⁴¹

9.37 Mr Jones, as Treasurer of the then named Australian Amateur Weightlifting Federation (AAWF), had issued himself, as AIS coach, with a receipt for accommodation and associated expenses for himself and two weightlifters while in Moscow. (Figure 9.2) The receipt was dated 1 November 1983, the date the group departed from Moscow. The two AIS weightlifters had been selected to represent Australia at the World Championships in Moscow and had their air fares paid by the AAWF. The AIS was apparently liable for all other costs.

9.38 When he examined the receipt Mr Scarano had some difficulty interpreting the nature of this transaction and its timing. He queried whether the receipt had been presented to the AIS for reimbursement without supporting documentation because, 'Generally, we try to obtain as many receipts as we can to support the expenditure'.⁴² No such supporting documentation is apparent from an examination of the acquittal material provided to the Committee by the AIS. The Committee requested the advice

FIGURE 9.2

1 - 11 - 1983

RECEIVED FROM L. Jones (A.I.S.)
THE SUM OF One thousand eight hundred DOLLARS
U.S. Currency
BEING Travel/Account fee for Jones/Hills/Ford CENTS
Rosebud World Club
\$1800.00. Per [Signature]
A.A.W.L.F. Treasurer.

Receipt from Mr Lyn Jones, as Treasurer of the Australian Amateur Weightlifting Federation, to himself as an AIS coach.

of the Australian Weightlifting Federation (AWF) about the nature of the financial arrangements made between the AAWF and the AIS, and sought copies of any records in the Federation's possession relating to the transaction to which Mr Jones' receipt referred.

9.39 Mr Paul Coffa, AWF Treasurer since October 1987, wrote to advise the Committee that he had no documentation available to support any financial transaction prior to his appointment as Treasurer. Mr Coffa referred the Committee to Mr Ralph Cashman, who was manager of the Australian team at the 1983 Moscow World Championships.⁴³

9.40 Mr Cashman, Executive Vice President of the Australian Weightlifting Federation, recalled paying the whole of the Moscow hotel account and receiving payment from Mr Jones for the AIS party. He had no records, accounts or receipts in his possession, however, to support these recollections.⁴⁴

9.41 Mr Coffa and Mr Cashman both noted that it is customary for the competition's host body to provide accommodation at a daily rate established by the international federation, and which is known in advance. Mr Cashman has estimated that the \$US1800 accommodation bill was accounted for by three individuals being accommodated for 12 nights at a rate of \$US50 per day.⁴⁵

9.42 Mr Jones explained that the AIS Finance Department had asked him to provide a receipt from the AAWF Treasurer for acquittal purposes and, on informing them that he was the AAWF Treasurer, he was asked to provide a receipt. Mr Jones pointed out that he could easily have sought a receipt from Mr Cashman, but that that had not been required by the AIS.⁴⁶ Price Waterhouse clearly accepted this document as adequate for acquittal purposes.

9.43 The Cardiff receipts were notable because Mr Jones provided to the AIS for acquittal purposes two receipts from the Welsh Weightlifting Federation for accommodation and meals for £2769 and £1704. He then acquitted only the latter amount. The competition was an AIS v Wales team match involving both the AIS senior and junior groups. Mr Jones had indicated on the £2769 receipt that it consisted of £1704 for seniors and £1065 for juniors.

9.44 Mr Jones has advised that his acquittal was only for the senior team, and Mr Wardle was responsible for acquittal of the junior team's expenses.⁴⁷ Price Waterhouse criticised the acquittal of the junior team's trip, because it was unable to locate supporting documentation to the acquittal process.⁴⁸ It appears that the overlap of the travel plans of the senior and junior groups had led to a confused acquittal process of each group individually.

ORDERING AND RECEIPT OF MEDICAL SUPPLIES

Introduction

9.45 The AIS is naturally concerned about the health and fitness of its athletes, and buys large quantities of medical supplies and pharmaceuticals. While normal accounting and budgetary controls could be expected to apply to such purchases, the Committee examined the potential for the use of AIS ordering of medical supplies as a means of covertly purchasing performance enhancing drugs.

9.46 Price Waterhouse's comments outlined above about constraints on both finances and staff members in the Institute's early years are relevant.⁴⁹ Its report went on to describe several control weaknesses which related to the ordering and receipt of medical supplies and which could in part be explained by lack of resources. These were:

- . that while the finance section sought in most cases written approval from the resident doctor prior to processing a purchase order for medical supplies initiated by a coach, the effectiveness of this control was largely diminished as the doctor approving the purchase order had no involvement with certifying that the goods received were the ones actually ordered;⁵⁰

- . because there was no adequately controlled storeroom for the central receipt of deliveries until 1985, there is evidence to suggest that goods purchased were often directly delivered to the initiating department.⁵¹

9.47 The effect of these control breakdowns was summarised by Price Waterhouse as:

... coaches can buy vitamins and food supplements without medical approval, with the result there is scope for misuse of funds by an unscrupulous coach in collusion with an outside party.⁵²

And:

If such collusion existed it would have been very difficult to prevent through any system of accounting control.⁵³

9.48 Mr Hobson acknowledged that it is impossible to provide a 'fail-safe' system, but said:

I would be quite confident with today's systems that there is minimum opportunity for [fraud] to happen. I am not suggesting for one moment that it cannot - it can.⁵⁴

Purchases by Mr Lyn Jones

9.49 The Price Waterhouse report concentrated particularly on the expenditure of the weightlifting section at the AIS. Athletes began arriving at the Institute in January 1981 and Head Coach of weightlifting, Mr Lyn Jones, was noted as making regular purchases from March 1981 onwards of medical supplies, vitamins and food supplements for which he sought AIS reimbursement.

9.50 The Committee has noted that between March 1981 and April 1982, Mr Jones made some 19 separate purchases of food supplements and vitamins for which he sought reimbursement of \$2250. These are shown in Table 9.1 below.

TABLE 9.1
PURCHASES OF VITAMINS AND FOOD SUPPLEMENTS BY MR LYN JONES
MARCH 1981 - APRIL 1982

<u>Date of Claim</u> (<u>date of invoice</u>)	<u>Item</u>	<u>Amount</u>	<u>Supplier</u>
20.03.81 (19.03.81)	Vitamins & protein supplements (VPS)	\$70.78	Hughes Pharmacy
31.03.81 (31.03.81)	VPS	\$80.14	Belconnen Mall Amcal
April 81 (13.04.81)	VPS and sustagen	\$65.16	Belconnen Mall Amcal
05.05.81 (27.04.81)	VPS	\$102.03	Belconnen Mall Amcal
07.05.81 (09.04.81)	VPS	\$90.00	Colin Bova Chemist, Burwood
27.07.81 (22.07.81)	Protein 90	\$30.15	Unknown
05.08.81 (30.07.81)	Protein 90	\$40.08	Unknown
27.08.81 (?)	Proteins & liniment	\$67.27	Unknown

03.09.81 (01.09.81)	Protein powder & tabs	\$45.93	Healthy Life, Belconnen Mall
28.09.81 (15.09.81) & 25.09.81	Protein 90	\$79.58	Healthy Life, Belconnen Mall
11.11.81 (?)	Protein 90	\$34.29	Unknown
24.11.81 (11.11.81)	Protein 90	\$32.43	Unknown
29.01.82 (?)	Protein 90	\$60.37	Unknown
16.02.82 (?)	Liver extract & yeast tablets. Anti cramp tablets	\$19.34	Unknown
24.02.82 (?)	Protein 90	\$37.17	Unknown
03.03.82 (12.02.82)	Food supplements	\$800.00	Colin Bova
30.03.82 (?)	Protein 90	\$34.00	Unknown
23.04.82 (01.04.82 & 13.04.82)	Protein 90 and sustagen	\$43.52	Various (incl. Brisbane)
18.05.82 (15.03.82)	Food supplements	\$500.00	Colin Bova

9.51 These reimbursements were generally approved by Mr Talbot, and his signature of approval was taken by Mr Scarano as a sufficient basis for payment.⁵⁵

9.52 As pointed out by Mr Scarano, 'Quite a lot of trust was put on senior coaches',⁵⁶ and 'A lot of responsibility was placed on the coaches and, once the coach discussed that with the Director, our finance section assumed that [the goods as ordered] had been received'.⁵⁷

9.53 The Committee notes that head coaches at the AIS are paid salaries approximating those of members of Level 1 of the Senior Executive Service of the Australian Public Service.

9.54 Mr Talbot commented that:

One of the things that did create a problem for us also at that period of time - remember that we were starting early and ... we were really a four-man show, overworked and underpaid - was that some coaches were paying out of their own pocket to buy vitamins or supplements and then looking for reimbursement. In the early stages that happened.⁵⁸

And:

... we were heading towards getting permanent medical staff on board and putting it [medical supplies] onto their accounts and having those people supervise it ...⁵⁹

9.55 The Committee has closely examined the receipts proffered by Mr Jones to the AIS when seeking reimbursement for the 19 purchases. There is no evidence of medical approval for these reimbursements, although Mr Jones indicated on certain claims for payment that the purchases were based on the advice of either Dr Fricker, Dr Maguire or Dr Telford. The Committee also noted that Mr Jones bought vitamin vials to the value of \$140 in August 1982⁶⁰ and 20 syringes in September 1982,⁶¹ both approved by Mr Bowman, without any indication being given of medical staff approval. Mr Bowman's role in these purchases is discussed later in this chapter.

9.56 The Price Waterhouse report tabulated total purchases by weightlifting from 1981/82 to 1987/88, as shown in Table 9.2.

TABLE 9.2
 AIS SPECIAL REVIEW
 WEIGHTLIFTING PURCHASES AND PAYMENTS SUMMARY

Date	Clothing		Medical Supplies		Medical Supplies -Other		Miscellaneous		Travel		Salaries		TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
1981/82	2,865	2,164	458	491	29	31,566	57,695	95,268					
1982/83	3,901	1,065	5,370	822	767	33,558	60,041	105,524					
1983/84	8,532	1,162	3,242	389	411	79,560	64,382	157,678					
1984/85	5,016	793	NIL	903	1,370	40,590	62,241	110,913					
1985/86	5,999	1,742	730	1,963	123	99,066	72,283	181,906					
1986/87	5,218	1,584	NIL	52	763	75,697	77,690	161,004					
1987/88	4,029	562	1,266	NIL	3,094	54,535	79,537	143,023					
TOTALS	35,560	9,072	11,066	4,620	6,557	414,572	473,869	955,316					

It should be noted that the medical supply purchases include any made through the sports science/sports medicine budget on behalf of weightlifting or were made direct by a weightlifting coach; except that the figures cited for 1981/82 represent only accounts billed direct to the weightlifting budget and do not include Mr Jones' ad hoc purchases.⁶²

9.57 Mr Talbot sought to explain the pattern of vitamin purchases in the following way:

The year 1981-82 would be a low year because we did not start till late and we were getting by on shoestring needs. Then 1982 was the first full year, when we were operating at full scale. There was an attempt made to buy product ... in advance and from the cheapest source that we could get because at all times, and at my doing, there had to be restraints shown in the budget. We just did not have the money to throw around. Therefore there was a lot of product bought at that time.⁶³

He continued:

In 1983-84, ... the figure goes down and continues to be down, because it would seem to me that there was an overbuy, which probably occurred in 1982-83, and that better controls were coming in at that point ... because we were locating suppliers ... They were offering us deals ... Some of those deals were pretty good.⁶⁴

9.58 Dr Maguire also noted:

The aim of the Institute of Sport [is] to offer alternatives. With our dietary programs we have undertaken - we now have extremely good catering facilities, good food and qualified nutritionists - we have been able to reduce the use of food supplements quite significantly in all the sports.⁶⁵

9.59 Mr Jones stated in a letter to the Committee:

The early rise in purchases matched:

- i. The need to supplement the very poor food being fed to the lifters while living at the ANU and later at Arscott House.
- ii. Increase in team numbers.

In 1984/85 the new AIS Residences opened together with the dining hall where the food quality and quantity were excellent and the need for much of the food supplementation was reduced. During this time the AIS received vitamins through sponsorship. There came in too at this time a reduction in budgets to individual sports and also each sport was made responsible for all money spent on that sport. Economies had to be made. Around this time too Weightlifting lost its Addidas sponsorship for training and competition equipment so once again priorities had to be worked out and economies made.

In 1987/88 the number of sports at AIS was ever increasing and consequently the availability of sponsorship items such as vitamins and amino acid tablets was diminished and I needed to purchase some of these through the weightlifting budget.⁶⁶

9.60 The Committee also examined the variability in several elements of the weightlifting budget from year to year, as demonstrated in Table 9.2. For example, in 1984/85, vitamin purchases ceased after an expenditure of \$3242 the previous year, while clothing purchases decreased by 30 per cent and miscellaneous expenditure trebled.

9.61 Mr Hobson said:

As a general comment I think you will find that a number of items can fluctuate within a sports budget, depending on what happens with the actual scholarship holders. For example, it is quite common for a number of the sports to bring scholarship holders in for a two-year

period and a lot of the clothing may last for that two-year period. Then at a further intake two years later you are up for a higher cost and so on. I am not for one moment suggesting that that did or did not happen with weightlifting; I am merely trying to explain the fact that quite often movements in budget levels can be quite easily explained for those sorts of reasons.⁶⁷

And:

I think that expenditure patterns within sports budgets can change because of the particular nature of a sport or because of the intakes in the sport or for a whole range of reasons, including competition within the year.⁶⁸

9.62 The Committee requested that this aspect of the operations of the weightlifting section be subjected to closer examination. The report of the Australian Audit Office of April 1989 specifically addressed this matter. Its report stated:

Expenditure Variations

As a result of the inclusion of approximate values for sponsorship and the adjustments arising from the AAO examination of source records there has been, to some extent, a flattening of the patterns of expenditure variations between years in comparison with the figures shown in the [Price Waterhouse] internal audit report.

AAO identified a number of factors that could contribute to valid variations in financial expenditure from year to year. These factors included:

- . sponsorship arrangements and their impact on budget levels and subsequent expenditure patterns
- . intake levels and overall numbers of scholarship holders and their accommodation, catering and training arrangements

- . relationships between programs of competition and usage patterns
- . changes in accounting practices and the classification of expenditure items
- . centralised or bulk purchasing policies and arrangements, and
- . general price changes, particularly for imported clothing and equipment that may be affected by exchange rate fluctuations.

In view of the range of factors, including possible offsetting effects, it was difficult to establish the impact that any one factor might have on expenditure patterns across years and across expenditure classifications. As a consequence of the patterns of expenditure contained in the revised schedule and the factors mentioned above, AAO concluded that the expenditure variations in themselves did not necessarily result from purchases being manipulated to disguise the nature of expenditure. An explanation of the variations required examination at the individual transaction level.⁶⁹

Suppliers of Food Supplements

9.63 Three of the purchases for which Mr Jones sought reimbursement were from a pharmacy operated by Mr Colin Bova in Burwood, NSW.⁷⁰ A fourth order placed by Mr Jones with Bova Chemist was paid by the AIS direct. The receipts indicated purchases as follows:

9 April 1981	Vitamin and food supplements	\$90
12 February 1982	Food supplements	\$800
15 March 1982	Food supplements	\$500
26 August 1982	Vitamin vials	\$140

9.64 The Committee notes that Mr Talbot described how he was approached by Mr Jones early in May 1981, shortly after the first Bova purchase, to discuss his attitude to the use of AIS funds for the purchase of illicit drugs.⁷¹

9.65 The Committee examined these purchases in particular for several reasons:

- . in each instance, goods were received prior to Mr Jones raising an order to seek payment;
- . the first receipt was not pre-printed with the pharmacist's contact details as were the others;
- . the first receipt, in handwriting, showed Bova Chemist as being in Burwood, Victoria, rather than Burwood, NSW;
- . the orders were all rounded to the exact dollar amount;
- . a suggestion in one of Mr Jones' claims for payment that the materials ordered were not available in the ACT;
- . the elapse of time between the date shown on the receipt and the date that Mr Jones sought reimbursement in each case;
- . the fact that Mr Jones made ad hoc purchases on three occasions for small amounts shortly after the date of the third Bova receipt, yet saw fit to claim these small amounts with alacrity, while all the while in possession of a \$500 reimbursement which he failed to pursue;
- . the absence of medical officer approval for any of the purchases; and
- . an allegation that the Burwood pharmacy had been involved in the supply of illicit drugs to local weightlifting clubs.⁷²

9.66 Mr Bova was asked to comment on the first three of these transactions. In an undated letter received by the Committee on 3 March 1989,⁷³ Mr Bova denied that the \$90 receipt had come from his pharmacy, while acknowledging the validity of the other two. He had no records for 1981 and 1982 on which to base his comments, but he recalled having supplied Mr Jones with various vitamin and food supplements in the past. These were said to be energy boosting vitamin B or protein building tablets, vitamin B injectables, and food supplements such as Prolac and Sustagen.

9.67 Mr Bova recalled sending the goods to Mr Jones with an invoice enclosed, receiving a cheque and then issuing a receipt if requested. Mr Bova also denied having supplied steroid-type medication to any athlete without a doctor's prescription.⁷⁴

9.68 Mr Jones has advised that he placed orders with the Bova Chemist by telephone, by mail and in person. Initially he paid for the goods and sought reimbursement, but later he sent order forms to the finance section, medical authorisation was obtained, and the AIS order was mailed to Mr Bova. When the goods arrived he would inform the finance section who would make payment, based on the account sent with the goods. Mr Jones also stated that Mr Bova's goods were either sent to Canberra by airfreight or he would collect them in person if he was in Sydney.⁷⁵

9.69 Mr Scarano recalled that in 1981 Canberra pharmacies did not carry in stock the quantities required by AIS coaches of such things as vitamins, and they had to seek supplies from Sydney or Melbourne. He also refuted claims that supplies could be obtained overnight.⁷⁶ Mr Talbot indicated support for these views,⁷⁷ as did Dr Maguire.⁷⁸

9.70 Mr Jones informed the Committee that he had known of Mr Bova's business when he had worked in Burwood and was aware that he was able to supply requirements for vitamins and food supplements in large quantities, at 'an excellent price'.

Mr Jones recalled purchasing Supradyn, Berocca, Calcevitone, Cytacou, Redoxon, Sustagen (both powder and liquid), various protein tablets, Complian and Sanatogen from Mr Bova.⁷⁹ The Committee notes that the use of airfreight from Sydney to Canberra would substantially lessen any price advantage offered by purchasing from Mr Bova. It is also surprising that airfreight would be used to transport such bulky items as food supplements.

9.71 Mr Jones could not recall whether Mr Bova had provided the \$90 receipt.⁸⁰ This does not provide the Committee with any explanation for the fact that he proffered to the AIS for reimbursement a receipt which the pharmacist has denied issuing and which was erroneously annotated as coming from Burwood, Victoria rather than Burwood, NSW.

9.72 Mr Scarano did not believe there was anything untoward about the two orders for food supplements for a total \$1300 from Bova Chemist being placed within the space of some four weeks:

because I do know that the coaches involved at the time, both in this particular case of weightlifting and in other areas, often had meetings together because budgets were very short. They used to have discussions about where to buy certain items so that if one coach was able to negotiate a large purchase they could at the time discuss some sort of discount component with the various organisations. I do know that with food supplements they were shared between at least three sports at the Institute ...⁸¹

9.73 Similarly, Dr Maguire argued that food supplements were used across several sports and 'that to me is not an extraordinary amount of money for those particular supplements. They are extremely expensive'.⁸² Mr Bowman, after consulting some of the head coaches at the AIS, passed on their recollections of purchasing in bulk on a collective basis.⁸³

9.74 Mr Jones could not recall why the two orders for food supplements totalling \$1,300 were made within one month. He wrote:

It could have been because I had decided to build up a stock and not have to keep ordering all the time. I hardly think all would have been consumed within the month. I often at that time shared my stocks with other sports so I cannot be exactly sure who consumed all the stock. It must be remembered that at this time of AIS development individual sport budgets provided only for travel, education and board and lodging. All other items came out of various central funds controlled by administration so all these items were virtually common property.⁸⁴

9.75 Mr Talbot was asked about the delays in the presentation of the Bova receipts for payment. The approximate time-lags between the dates of the receipts and Mr Jones' claims for payment were four, two and nine weeks respectively. Even the fourth order had been received by Mr Jones some four weeks before he raised an appropriate purchase order, with payment not being made for another six weeks. Mr Talbot responded that claims were dealt with immediately, particularly if it was a reimbursement for a personal amount to one of the coaches. His only explanation for the delays was that he may have been away from Canberra.⁸⁵

9.76 After examining the documentation for the first three Bova orders, Mr Talbot expressed concern that there was no indication that Dr Telford 'who was in charge of the entire sports medicine program'⁸⁶ at that time (having been appointed in June 1981) was referred to in the documents.

9.77 Mr Scarano was asked to comment in general terms about the speed with which reimbursement for purchases was sought. He said:

From my experience the delay between the actual purchase and the reimbursement normally went along with the amount of money involved. Generally, the coaches buying items of whatever could be on overseas travel, interstate travel or whatever, and that always has some sort of lag. In the main, coaches usually bring things in within 14 to 30 days. For larger amounts it is quite often very soon after the event.⁸⁷

9.78 Mr Jones could not recall the reasons for the delays in presentation of receipts for reimbursements. He suggested simply that 'maybe Talbot or myself were away'.⁸⁸ The Committee nonetheless notes that Mr Jones was in Canberra to make successful claims for \$34 and \$43.52 when in possession of a receipt for \$500 for which he did not press for early reimbursement.

9.79 In relation to the delay in the presentation of the \$140 invoice from Colin Bova to the AIS for payment, Mr Jones wrote:

This time was an extremely busy one for me with the imminent start of the Commonwealth Games. I was spending a great deal of time in Brisbane and it is not surprising to me that there might have been variances in normal procedures at this time or that I have very little recollection of a \$140 order.⁸⁹

9.80 Table 9.1 demonstrates that Mr Jones was generally quick to seek reimbursement of relatively small out-of-pocket payments but, for reasons unknown, he deferred for several weeks the seeking of reimbursement from the AIS for the much larger orders placed with Bova Chemist.

9.81 Mr Jones' several purchases were verified by the Australian Audit Office (AAO) in its April 1989 review of AIS expenditure, which detailed all purchases from Colin Bova Chemist. See Table 9.3⁹⁰. The AAO also noted several further purchases from Mr Bova which had not previously been drawn to the Committee's attention, and which were noted as having been made

on behalf of both weightlifting and track and field. None of these purchases was queried by the AAO, however, and were apparently purchased according to proper controls.⁹¹

TABLE 9.3
DIRECT PAYMENTS TO COLIN BOVA CHEMIST
FROM THE AIS WEIGHTLIFTING BUDGET

Date	Order No.	\$ Paid
30.09.82	365 012	140.00
09.12.82	365 015	40.00
07.03.83	365 026	897.30
05.07.83	365 053	1012.25
11.01.84	181 013	3241.77
12.07.84	420 038	1830.50
Total		<u>\$7161.82</u>

9.82 The Committee notes that the value of orders in Table 9.3 placed with Colin Bova Chemist alone could have accounted for the total requirement for anabolic steroid purchases for the whole AIS weightlifting squad, with some \$7161 having been expended in 22 months.

9.83 Another supplier of food supplements was Gallasch and Coffey Pty. Ltd. of Hindmarsh, South Australia, a firm which dealt principally in the manufacture of health foods. The Committee notes that one of the then principals of the firm was not unfamiliar with the use of anabolic steroids for performance enhancement. As early as 1972 Mr Wayne Gallasch had published a booklet about anabolic steroids entitled Muscle Building Hormones for Body Builders and Athletes, published by World Publishers Extraordinaire. The Committee obtained accounting records which indicate that the AIS commenced placing regular orders with the firm from April 1982 for bulk supplies of the types of protein

supplements which Mr Jones had previously been buying on an ad hoc basis. There was some degree of overlap in these purchases, which may suggest either over-ordering of certain items or that different materials were being ordered. This is demonstrated graphically in Figure 9.3.

9.84 When asked who would have been responsible for selecting Gallasch and Coffey as a supplier to the Institute, Mr Talbot replied:

I would say that that would probably have been a coach identification. When coaches are in the field they identify their sources of product.⁹²

9.85 The order form indicates that Mr Jones initiated the first order placed with Gallasch and Coffey in April 1982. This received the approval of Dr Maguire, who had commenced at the AIS earlier that year. Delivery was made to the AIS store-room later in April 1982. However, Mr Scarano described the delivery system at that time as 'equipment was delivered in front of the AIS indoor sports arena, and the coaches just grabbed ... boxes and they just disappeared'.⁹³

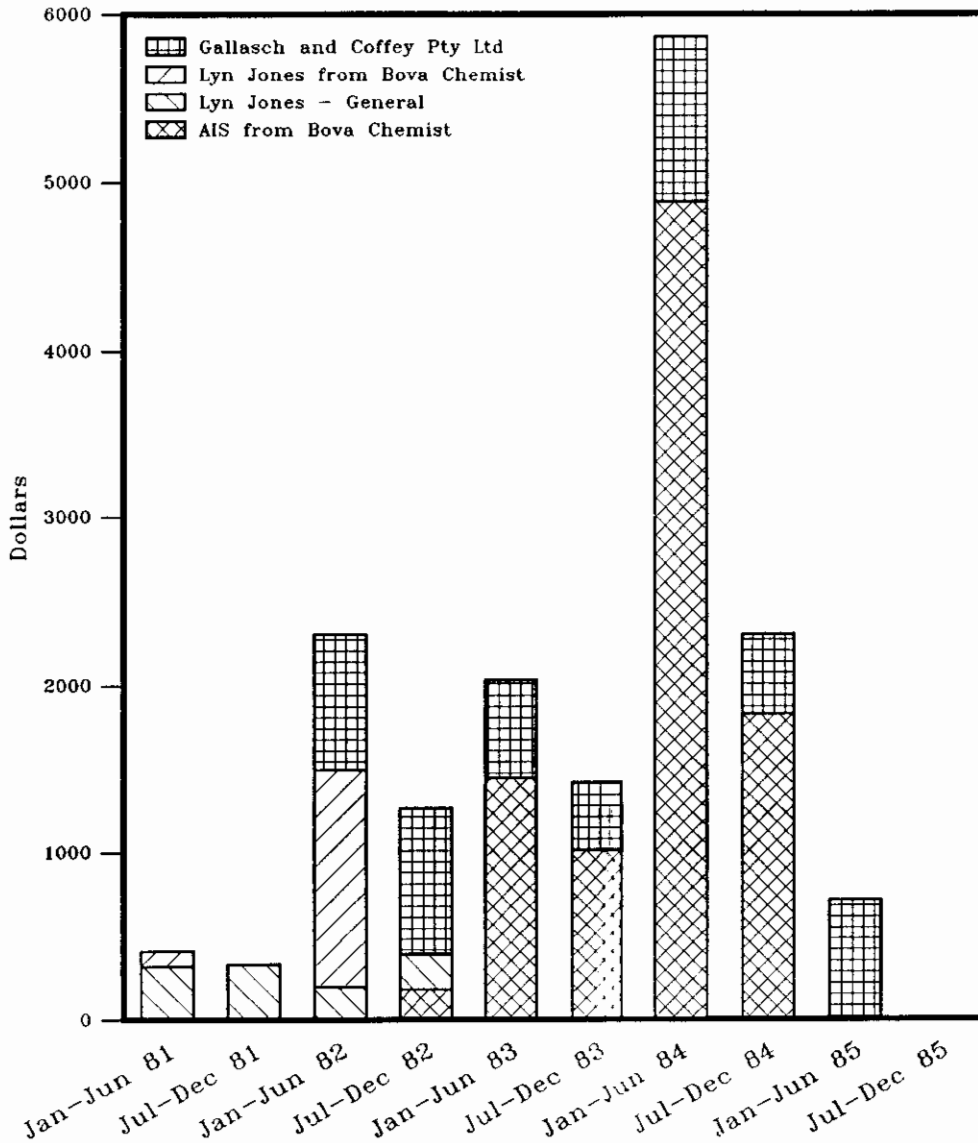
9.86 Mr Jones wrote that:

The Protein 90 we had been buying in some quantity was made by [Gallasch and Coffey] and I remember sending for their price list with a view to buying in bulk for a better price and maybe arranging a sponsorship deal. Later Maxted Marketing - the then AIS marketing company - arranged a deal which gave us a percentage of free supplements with each order.⁹⁴

FIGURE 9.3

VITAMIN AND FOOD SUPPLEMENT PURCHASES, 1981 - 1985

Direct purchases by Mr Lyn Jones and AIS purchases from Colin Bova Chemist and Gallasch and Coffey Pty Ltd.



9.87 Gallasch and Coffey Pty. Ltd. wrote to advise the Committee that its product, under the brand name of Nutra Life, was, and still is, a respected brand of vitamins and food supplements. The company had 'never been in the business of selling steroids or other banned substances under the guise of vitamins or food supplements'.⁹⁵

9.88 Subsequent orders for protein and other food supplements from Gallasch and Coffey indicated the change of ordering procedure initiated by the AIS as already described by Mr Talbot above.⁹⁶ Orders were generally initiated by the medical staff, charged to the Sports Medicine budget, and deliveries were made direct to the Sports Science and Sports Medicine Centre. The Committee noted that a free issue was often sent with orders, as explained by Mr Jones.

9.89 However, the Price Waterhouse report showed that purchases of medical supplies continued to be made against the weightlifting budget, and also noted system breakdowns where such medical supply purchases were not authorised by a doctor.⁹⁷ Given Price Waterhouse's observation of 'a conflict between the opinions held by a number of coaches and Sports Science and Sports medicine personnel as to the usefulness of vitamins and food supplements in enhancing an athlete's performance',⁹⁸ reticence on the part of a coach to seek medical officer authorisation for such purchases could be expected.

9.90 Price Waterhouse noted that 'there is no clear management policy dealing with purchases of vitamins and food supplements for consumption by athletes'.⁹⁹ It recommended that, because of the scope for coaches to misuse funds in collusion with an outside party, there should be an immediate ban on coaches buying vitamins and food supplements directly. They should be ordered and dispensed through the Sports Science and Sports Medicine Centre.¹⁰⁰

9.91 The Committee has been informed of the promulgation of such a policy by the Institute on 30 March 1989, a copy of which was received by the Committee on 5 April 1989.¹⁰¹

DELEGATION OF AUTHORITY

Introduction

9.92 The inaugural Chief Executive of the AIS, Mr Don Talbot, was responsible for the establishment and oversight of an appropriate system of management controls. The 1989 Price Waterhouse report suggested that 'in its early years ... the system [of accounting control over expenditure] was as good as could be expected in the circumstances'.¹⁰² However, it then noted a number of instances where control weaknesses could have enabled misuse of AIS funds.

9.93 Mr Talbot was asked if he ever felt the need to check the adequacy of the acquittal process following an overseas trip. He responded:

No, because we already had a system in place that was doing that. That was with the accountant's department and also with the Chief Administrator. I would expect that by the time they got to me that those things had been looked at.¹⁰³

And:

I would not have done anything about it unless it was mentioned to me that there was a problem in this area [of acquittal].¹⁰⁴

9.94 For example, he recalled Mr Scarano admonishing him for giving oral approval to a claim for payment, 'and so we ceased to do that. We put in a written form of approval'.¹⁰⁵ Mr Scarano had

delegated power to approve payments 'for items of a petty cash nature ... Anything else at the time was always approved by either the Administrator or the Executive Director'.¹⁰⁶

System Failures

9.95 Price Waterhouse's audit testing revealed a number of instances where medical supplies were purchased without a doctor's authorisation. Four of these instances, between 1982 and 1984, were approved by Mr Bowman, the then Administrator of the AIS.¹⁰⁷

9.96 Given Mr Bowman's key role in the chain of command at the AIS in its early years, with his endorsement to any expenditure being taken as sufficiently authoritative for approval by both Messrs Talbot and Scarano, the Committee questioned Mr Bowman closely. When asked to comment about this Price Waterhouse finding, Mr Bowman said:

the only three people who could authorise anything in those days were the three said people. [Messrs Talbot, Bowman and Scarano] A doctor could not nor could a coach. If anything was required, the order form would come in and, depending on delegation, it would be signed. I think in that particular audit report they referred to medical supplies. I think they used the word a 'deficiency'. I do not think they said that it was unauthorised. If they said that, they are absolutely wrong. In November 1981 Kevan Gosper, as Chairman of the Board, proclaimed - it was not a resolution - that anyone caught assisting the administration of drugs would get the sack. So we were pretty conscious, particularly after that particular minute. From then I brought in a policy that any vitamins, et cetera, that were consumed by an athlete had to be endorsed by a doctor. In every case that I know of, when an order form came in, for example for vitamin B, it had to be endorsed by the doctor before I would approve it. I challenge the auditor or anybody else to find a form over there other than that following that

procedure. The invoices that the auditor picked up were for surgical gloves and things, I understand. How can that be a deficiency? A purchase of surgical gloves and things is not consumed by the athlete.¹⁰⁸

9.97 The Committee obtained the relevant order forms for the medical supply purchases referred to by Price Waterhouse. Three of the four orders related to orders for protein supplements, vitamin vials, syringes and a range of vitamins by Mr Lyn Jones. Mr Bowman approved these purchases, with no apparent reference to a doctor, in apparent contradiction of the policy he had brought in only a matter of a few months previously. In evidence, Mr Bowman could not remember why he had approved these purchases.¹⁰⁹

9.98 The Australian Audit Office's (AAO) April 1989 report incorporated a copy of an internal minute from Mr Bowman dated 9 June 1983 to all coaches, sports medicine, sports science and administration officers which directed that all medical supplies were to be purchased by sports medicine personnel as from 1 July 1983. This policy was 'apparently introduced by Mr Bowman on an informal basis in January 1982. ... This change in policy was reflected in an increase in the sports medicine expenditure on medical consumables and supplies from \$4,237 in 1982-83 to \$31,674 in 1983-84'.¹¹⁰

9.99 The AAO followed up the transactions authorised by Mr Bowman which had been referred to in the Price Waterhouse report. AAO noted a number of other transactions, prior to the introduction of the formal policy, not countersigned by medical personnel. It added:

AAO acknowledges that during this period the administrative staff at the Institute was severely constrained and systems were still being developed. Although the control breakdown should not have occurred, given the situation at that time, AAO believes there may have been extenuating circumstances.¹¹¹

The AAO also noted that, on another occasion when Mr Bowman authorised a medical supply purchase without medical authorisation, there was an annotation on the relevant AIS form 'Doctor and Telford unavailable PB'.¹¹²

9.100 Mr Jones could not recall the nature of his discussions with Mr Bowman about the purchase of syringes from Amcal Belconnen and vitamin vials from Colin Bova Chemist, but he wrote that:

Knowing Mr Bowman he would have cleared these purchases with our medical officers. This was his normal practice as I recall.¹¹³

It is nonetheless a cause for concern to the Committee that Mr Jones was able to purchase such items as syringes and injectable vitamins without the prior imprimatur of AIS medical staff.

Level of Supervision

9.101 Mr Bowman denied that he had any role in the examination of coaches' acquittals on return from overseas trips. 'That was handled entirely by our one accountant, Mr John Scarano, or in later years ... when he had an assistant appointed'.¹¹⁴ He saw fit to defend Mr Scarano:

who was under unbelievable pressure. Bear in mind that [he] worked to me. He was the only accountant. He did everything from petty cash ... right up to preparing the statutory final accounts under the ACT Companies Ordinance.¹¹⁵

9.102 The Committee believes that Mr Scarano was a diligent and efficient officer who justified the faith placed in him by his senior officers. The Committee does not believe that the same

can be said of Mr Talbot's reliance on Mr Bowman to ensure the proper control and accountability of public monies.

9.103 The Committee noted Mr Bowman had had no personal involvement in the approval of the payment of the \$90 receipt, supposedly from Colin Bova Chemist but said by Mr Bova not to be from his pharmacy.¹¹⁶ Mr Bowman noted that the receipt was for a small amount which had been approved under 'a proper delegation' and was more concerned over this than over the fact that public monies could have been misappropriated.¹¹⁷

9.104 The Committee was more concerned that Mr Bowman had not sought to closely examine the contents of the Price Waterhouse report prior to his appearance before the Committee, given that much of the substance of the report's adverse findings directly related to his activities as the then head of financial administration at the AIS. The Committee finds that Mr Peter Bowman has displayed a disregard for the proper public accountability for the expenditure of public monies inconsistent with his former position as Company Secretary and Administrator of the AIS.

9.105 Price Waterhouse noted two instances in 1987-88 where Mr Jones had been able to initiate purchases of medical supplies without a doctor's authorisation. These incidents occurred under the administration of the current management team. Chief Executive, Mr Ron Harvey, 'was not aware of that'.¹¹⁸

Recommendation Twelve

The Committee recommends that the AIS investigate the approval of medical supply purchases without medical officer authorisation, contrary to AIS policy, with a view to disciplinary action.

Conclusions

9.106 If the Committee is to accept the admissions of those weightlifters who have described how they were provided with anabolic steroids by Mr Lyn Jones, it also has to accept that these drugs could have been bought with Institute funds. While the analysis presented in this chapter has provided no definite proof that this has occurred, it has nevertheless shown that the system was such that drug purchases could have been made and covered up. There is no doubt, in the Committee's view, that anabolic steroids could have been supplied to athletes using public money. As pointed out in the Price Waterhouse special review of weightlifting expenditure:

control weaknesses would have enabled the Institute's purchasing system to be exploited for the purposes of purchasing unauthorised drugs as the persons initiating the purchase orders could also have been responsible for directly receiving the goods ordered.¹¹⁹

9.107 It is also clear that the cash advances paid to coaches in connection with overseas tours could have been a potential source of public monies for the purchase of illicit drugs by coaches and athletes at the AIS. The Committee notes that AIS management has endeavoured to minimise opportunities for misuse of its funds from this source.

1. Evidence p. 1569
2. Evidence p. 1577
3. Letter Mr M J Jacobs, First Assistant Auditor-General, Australian Audit Office to Chairman, 17 March 1989
4. Evidence pp. 2098-9
5. Letter, Mr B J Boland, Senior Assistant Auditor-General to Chairman, 20 April 1989
6. Evidence p. 1569
7. Evidence pp. 1571-2
8. Evidence pp. 1572-3
9. Evidence p. 1577
10. Evidence pp. 1585-6
11. Evidence p. 2083
12. Evidence p. 538
13. In Camera Evidence p. 132
14. Evidence pp. 1103-5
15. In Camera Evidence p. 356
16. Evidence p. 1143-4
17. Evidence pp. 1541-2
18. Evidence p. 1541
19. Evidence p. 1541
20. Evidence p. 566
21. Evidence pp. 1155-6
22. Evidence p. 1134
23. Evidence p. 1150
24. Evidence p. 1134
25. Evidence p. 1158
26. Evidence p. 1158
27. Evidence p. 1134
28. Evidence pp. 1135-6
29. Evidence p. 1528
30. Evidence p. 1588
31. Evidence p. 1587
32. Evidence p. 1590
33. Evidence pp. 1534 and 1537
34. Evidence pp. 1538-9
35. Evidence p. 1532
36. Evidence p. 1587
37. Evidence p. 1535
38. Evidence p. 1588
39. Evidence p. 1536
40. Evidence p. 1524
41. Evidence p. 1589
42. Evidence p. 1528
43. Letter Mr Paul Coffa, Treasurer, Australian Weightlifting Federation Inc., to Secretary 27 February 1989
44. Letter from Mr R F Cashman, Executive Vice President, Australian Weightlifting Federation, to Secretary 29 March 1989
45. Letter Mr Coffa to Secretary, 27 February 1989 and letter Mr Cashman to Secretary 29 March 1989
46. Letter Mr Lyn Jones to Secretary, 20 April 1989, p. 15
47. Letter Mr Lyn Jones to Secretary, 20 April 1989, p. 15
48. Evidence p. 1589
49. Evidence p. 1577
50. Evidence p. 1580
51. Evidence pp. 1581 and 1594
52. Evidence p. 1584
53. Evidence p. 1581

54. Evidence p. 2088
55. Evidence pp. 1518-9 and p. 1548
56. Evidence p. 1518
57. Evidence p. 1520
58. Evidence pp. 1611-2
59. Evidence p. 1613
60. Purchase Order No. 365012
61. Purchase Order No. 365007
62. Oral advice by Mr Zia Quereshi of Price Waterhouse, 21 March 1989
63. Evidence p. 1597
64. Evidence p. 1597-8
65. Evidence p. 1467
66. Letter Mr Lyn Jones to Secretary, 20 April 1989, pp. 10-11
67. Evidence p. 2097
68. Evidence p. 2098
69. Letter Mr B J Boland to Secretary, 20 April 1989
70. Evidence pp. 1385-90
71. Evidence pp. 1565-9
72. Evidence pp. 985-7
73. Evidence pp. 2091-2
74. Evidence p. 2091
75. Letter Mr Lyn Jones to Secretary, 20 April 1989, p. 11
76. Evidence pp. 1525-6
77. Evidence p. 1597
78. Evidence p. 1464
79. Letter Mr Lyn Jones to Secretary, 20 April 1989, p. 11
80. Letter Mr Lyn Jones to Secretary, 20 April 1989, p. 12
81. Evidence p. 1520
82. Evidence p. 1465
83. Evidence p. 2096
84. Letter Mr Lyn Jones to Secretary, 20 April 1989, p. 12
85. Evidence p. 1612
86. Evidence p. 1613
87. Evidence p. 1517
88. Letter Mr Lyn Jones to Secretary, 20 April 1989, p. 12
89. Letter Mr Lyn Jones to Secretary, 20 April 1989, pp. 12-13
90. Source: Extracted from April 1989 Australian Audit Office's report on AIS expenditure, Attachment D.
91. Letter Mr B J Boland, Senior Assistant Auditor-General to Chairman, 20 April 1989
92. Evidence p. 1612
93. Evidence p. 1545
94. Letter Mr Lyn Jones to Secretary, 20 April 1989, p. 13
95. Letter Mr T Bartusek, Director, Fitness Warehouse to Secretary, 14 April 1989
96. Evidence p. 1613
97. Evidence p. 1584 and 1594
98. Evidence p. 1538
99. Evidence p. 1583
100. Evidence p. 1584
101. Evidence pp. 2157-8
102. Evidence p. 1577
103. Evidence p. 1613
104. Evidence p. 1595
105. Evidence p. 1611
106. Evidence p. 1517
107. Evidence p. 1584
108. Evidence p. 1937

109. Evidence p. 1944
110. Letter Mr Boland to Secretary, 20 April 1989, p. 5
111. Letter Mr Boland to Secretary, 20 April 1989, p. 7
112. Letter Mr Boland to Secretary, 20 April 1989, Attachment E
113. Letter Mr Lyn Jones to Secretary, 20 April 1989, p. 13
114. Evidence p. 1944
115. Evidence p. 1941
116. Evidence p. 2091
117. Evidence p. 1938
118. Evidence p. 1945
119. Evidence p. 1581