

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2016-17

Finance Portfolio
18 October 2016

Department/Agency: Department of Finance

Outcome/Program: 3/3.1

Topic: Melbourne Mailing/Damien Mantach – accounting information

Senator: McAllister

Question reference number: F36

Type of question: Hansard Proof, F&PA Committee, Page 91, 18 October 2016

Date set by the committee for the return of answer: Friday, 2 December 2016

Number of pages: 1

Question:

Senator McALLISTER: You have made reference to a large volume of accounting information. Are you talking about invoices? Are you talking about their bookkeeping entries into their books? What kind of information are we talking about?

Mr Fredericks: I do not have the detail of the information. I do recall that it was sufficient for our satisfaction. That is a question that, if you like, I could take on notice.

Senator McALLISTER: I would appreciate it if you would. Before we go there, is there anyone else here, in your team, who can help, who knows, who was involved in the detail of the investigation?

Mr Fredericks: I think I am answering on behalf of the department. As I say, it is just genuinely a case where there was a range of information. None of us have it with us. As I say, very properly I should take that on notice.

Answer:

Holding Redlich (the legal representatives of Melbourne Mailing (MM)) provided the Department of Finance with detailed information that allowed Finance to determine the basis of the calculation of the overpayment. Due to the nature of the fraud, the invoices submitted had no distinguishing information regarding the overpayments subject to the fraud.

The information provided by the relevant parties included:

- a copy of the indictment of Mr Mantach;
- detailed information, spreadsheets and accounting records concerning the overpayment amounts; and
- a copy of the witness statement of Mr Felice Armato (CEO of MM) that was prepared for the prosecution of Mr Mantach. Mr Armato's evidence had been submitted under oath to the court as evidence of the methodology behind how the overpayment amounts were calculated.

The Department of Finance cross checked the information provided by Holding Redlich against its internal records to test the consistency of the information provided against departmental records and was satisfied that the amount requiring repayment totalled \$21,862.44 (GST exclusive).