

## Media Release

**Date:** 20 May 2010

**Re:** Cradle Coast Water Fraud Investigation

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The sentencing of former Cradle Mountain Water employee Tanya McCulloch will bring to a close a less than desirable chapter for the new water and sewerage corporation.

Mrs McCulloch pleaded guilty to 346 counts of computer related fraud (carried out between 2006 and 2009 ) and will be sentenced on 16 June 2010.

“Tanya McCulloch was employed in the position of Administration and Accounting Coordinator within the accounts payable department of Cradle Coast Water (CCW) for nearly 13 years and held a similar role when Cradle Coast Water became Cradle Mountain Water in July 2009,” Acting CEO Andrew Kneebone said.

“The majority of the fraud was committed when Mrs McCulloch was an employee of Cradle Coast Water and it was identified in the process of winding up CCW for the transition to Cradle Mountain Water,” Mr Kneebone said.

“Once the fraud was discovered, we alerted the appropriate authorities and undertook a detailed forensic audit to determine the full extent of the matter. The advantage that a larger organisation has is that it is easier to put in place effective controls that rely on separation of duties particularly in relation accounts payable and banking.”

“The discovery of this crime came as a shock to all employees and it is regrettable but has now been discovered and I am confident it is being dealt with in an appropriate manner,” he said.

“The sentencing of Mrs McCulloch in June will bring a welcome end to this matter. We at Cradle Mountain Water are looking towards the future and working hard to deliver our promise of high quality water and sewerage services to our customers,” he said.

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