



BERMUDA
POLICE
SERVICE

2005 / 2006 ANNUAL REPORT



05/06

VISION STATEMENT

The Bermuda Police Service, focusing on its core functions, is operating at full strength and is supported by an effective and efficient Human Resources Department and civilianisation process. Facilities are specifically built or adapted to meet the unique demands of modern policing. Proven technological and support equipment, as well as the required financial resources, are utilised.

The Bermuda Police Service's highly trained and respected Bermudian Commissioner is heading an effective, apolitical management team that is practising shared leadership of a disciplined Service. The consistent application of policies reflects its values, mission and vision. Effective training and development programmes continuously enhance job performance and meet individual and organisational needs.

The communication process is open, honest and respectful. It flows effectively, both internally and externally. The Bermuda Police Service is working in partnership with the community and other agencies to provide the necessary education and information that enhances these relationships. There is a safe, practical and healthy work environment for all. An effective welfare policy and enforced code of conduct promote openness, trust and unity.

Bermuda Police Service members have access to legal representation and funding when a complaint has been lodged. Through unified representation, all members are covered by an equitable medical policy and are provided with similar benefits.

INTRODUCTION

Sections 62 (1) (c) and (d) of the Bermuda Constitution set out the responsibilities of the Governor of Bermuda for the internal security of Bermuda and the Bermuda Police Service.

The operational control of the Bermuda Police Service (BPS) is vested in the Commissioner of Police by virtue of the Police Act 1974. The BPS exercises its authority under several pieces of legislation – but the primary ones are the Criminal Code, the Police Act 1974 and the Misuse of Drugs Act 1972, as well as various other Acts relating to Traffic offences and Proceeds of Crime.

In 1977, the Governor, under Section 62 (2) of the Constitution, delegated certain administrative responsibilities of the BPS to the Minister responsible for Labour, Home Affairs and Public Safety.

Those delegated responsibilities are:

- Establishment matters
- Recruitment
- Training
- Equipment
- General Organisation
- Finance
- Community Relations



The Hon. Randolph Horton, JP, MP
*Minister of Labour, Home Affairs
and Public Safety*

2005

Derrick Burgess, MP
*Minister of Labour, Home Affairs
and Public Safety*

2006





His Excellency the Governor

Sir John Vereker, KCB

Government House

Your Excellency,

It is my honour and pleasure to submit this report on Policing in
Bermuda for the year ending 31st December, 2005.

Jonathan Smith



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2006

FOREWORD BY THE COMMISSIONER OF POLICE

George L. Jackson, CPM, Dip Crim



George L. Jackson, CPM, Dip Crim
Commissioner of Police 2006

to inter-group rivalries. Both professionally and personally, I am also saddened by the continued bad driving habits displayed by some in our community that lead to needless injuries and deaths on our roads, which ruin the lives of many of our families.

We face challenges that, through the advances in technology, enable those intent on breaking the law to be more skillful in concealing crimes; especially financial crime associated with the expanding offshore insurance industry. However, advances in DNA and forensic science provide new and better opportunities for the Police. To that end, the Service continues to develop further expertise and resources to appropriately meet the ever-changing complexity of policing.

There will be other challenges over the next few years with the implementation of new legislation, particularly the Police and Criminal Evidence Act (PACE). Challenges to recruit and retain police officers to maintain our established numbers continue, as we compete with the private sector and other government departments to recruit Bermudians. Similar issues emerge when recruiting officers from overseas; however, we are working to overcome our current recruitment challenges both locally and overseas. Work is also being done to address our ageing physical plant.

In order to meet the public's and government's expectations for an efficient and effective Police Service, continued modernisation, to which I am committed, is vital, while maintaining a strong public service philosophy.

In addition, the Bermuda Police Service continues to pursue accreditation with the Commission on Accreditation for Law Enforcement Agencies (CALEA) so that we can improve our overall service delivery.

I look forward to feedback from the community as we work to keep Bermuda safe, secure and peaceful for all in the coming years.

This Bermuda Police Service annual report is a combined report for the years 2005 and 2006. The significance of this period is that it marked a transition from one Commissioner to another; a Change of Command Ceremony took place at Police Headquarters in Prospect, Devonshire on 12th December, 2005, where Commissioner Jonathan Smith retired after 27 years of dedicated service with the Police, five of those as Commissioner.

As the then Deputy Commissioner, I was appointed Commissioner Designate before officially accepting the role of Commissioner of Police at the aforementioned 2005 Change of Command Ceremony.

During 2005 and 2006, the Service continued to deal with incidents involving violent crime, illegal drugs, drug dealing and crimes associated with drug use. These issues are of growing concern, as is the violence linked



Jonathan D. Smith, CPM, BSc Dip Crim
Commissioner of Police 2005

20/05

MARINE UNIT



OPERATIONAL STRENGTH, EQUIPMENT AND MAINTENANCE

The Marine Unit conducted its operations throughout the year with the strength of one Inspector, one Sergeant and 12 Constables.

The Marine Unit fleet consists of seven boats ranging in size from 22 feet to 46 feet. Maintenance and repairs to the engines and machinery were outsourced to various local firms.

INCIDENTS, FOREIGN YACHTS AND LIQUOR LICENSE PERMITS

A total of 1,046 marine-related incidents were reported. 990 foreign flagged yachts visited Bermuda. A total of 28 liquor licenses were issued.

SEARCH AND RESCUE (SAR)

During the year 2005, the Marine Unit conducted 179 SAR events out of a total of 457 reported incidents.



REPORTED OFFENCES

In 2005, a total of 176 marine-only related offences were reported, consisting mostly of 'marine speeding' and various safety equipment offences.

MARINE POLLUTION

Marine pollution continued to be a problem around the Island. 15 fuel spills were reported. Oil spills continue to be reported after heavy rains wash oil from the roads directly into the harbours; on a number of occasions these spills have been mistakenly attributed to marine vessels.

UNDERWATER OPERATIONS

Underwater operations continued to be undertaken by the Marine Unit. These operations consisted mainly of recovering stolen or found property, vehicles and human remains. The Marine Unit conducted a limited number of dive operations over the past 12 months; the Bermuda Police Service Underwater Search & Recovery Team (USRT) has been used where possible to cut down on the involvement of Marine Unit officers in diving operations.

WATER SAFETY AND CRIME PREVENTION

Marine Unit officers continued to provide water safety lectures to a wide variety of local organisations, including schools, church groups and local companies.

BERMUDA RESERVE POLICE AND OTHER GOVERNMENT AGENCIES

The Marine Unit was assisted by five Reserve Police officers throughout the year. These officers provided valuable assistance during the various public holidays and on special occasions when heavy boating

traffic was expected. The Reserve officers contributed five hundred hours to the Marine Unit over the course of the year.

The Marine Unit also worked closely with other local agencies: the Bermuda Fire Service, Bermuda Customs, RCC Bermuda Radio and the Department of Fisheries. The Marine Unit also provided assistance to several foreign agencies from time to time.

COMMITTEES

In addition to regular duties, the officer in charge of the Marine Unit was actively involved in several committees: the Marine Contingent Committee and Command Team, the Water Safety Council and the Christmas Boat Parade.

LOCAL AND OVERSEAS TRAINING

The Marine Unit continued to conduct in-house training and was always on the lookout for training opportunities whenever they presented themselves.

THE FUTURE OF THE MARINE UNIT

There are over 10,000 locally registered boats; as a result, the Marine Unit continued to be very active on the local waters. A trend that continued was the steady importation of second-hand boats coming in on the various container ships, with the summer months seeing the largest number of imported boats. The local waters continued to see more and more boating congestion, and several bays and harbours are now closed to the placement of any new moorings.

The officers of the Marine Unit have also been tasked with community policing duties in the Spanish Point area and over the past year, have made several drug-related arrests.





POLICE SUPPORT UNIT

MANDATE OF UNIT

The responsibilities of the Unit are:

- To target and combat anti-social behaviour in public places. This encompasses a wide range of behaviours from street-level drug dealing to major public order incidents. The PSU is intelligence-led and is responsible for the deployment of tactics to deter anti-social behaviour where large crowds gather, such as at concerts, nightclubs, football games and bars.
- To support all Units and departments in the planning and safe execution of search warrants and in the use of Method of Entry (MOE) techniques to enter premises, securing and/or containing premises that are subject to a search, and any person within the premises.
- To maintain a level one public order standard through regular training.
- To provide high-visibility policing throughout the island.

ACHIEVEMENTS

The Unit concentrated on targeting street-level drug dealing and, as a result, made over 200 arrests for simple possession, a 100% increase over 2005. Fifteen people were also arrested for possession with intent to supply. The Unit specifically targeted a known prolific heroin dealer. As a result, he was arrested three times for Poss. W/I to Supply as well as for possession of a stun

gun. He pled guilty at court and was sentenced to two years imprisonment.

The Unit continued to be intelligence-led and, as a result of specific information received, the Unit enforced Section 315(f) of the Criminal Code, which relates to stopping and searching persons for weapons several times in 2006. This resulted in large numbers of arrests and ensured that the targeted events took place peacefully with no crowd trouble.

KEY STATISTICS FOR THE YEAR

The PSU made a total of 784 arrests during 2005, slightly up on 2004. A sample breakdown is as follows:

Warrants	350
Drug-related arrests including 10 for possession with intent to supply	184
Public Order arrests including affray, Breach of Peace, offensive words, offensive weapons, etc.	117
Crime-related arrests including robbery, theft, burglary, etc	22
Impaired driving	49

The Unit supported the traffic enforcement initiative throughout the year and issued a total of 2,910 tickets. 1,736 were moving violation tickets (MVTs) and 1,174 were parking tickets.



FORENSIC SUPPORT UNIT

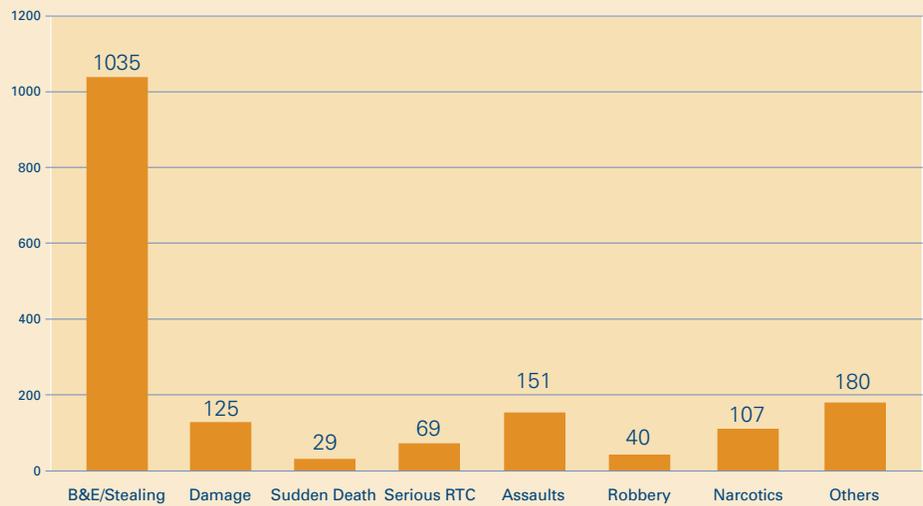


In 2005, the members of the Forensic Support Unit were required to assist in a total of 1,737 cases. Of these, 1,142 were fingerprint examinations, which in some cases also included photography. The remaining 595 requests were for photographs alone. In 78 of these cases, a member of the FSU was called to duty between 8 pm – 8 am.

The number of jobs requiring our assistance was fairly steady throughout the year, but in contrast to previous years, it actually dropped in the last quarter. Job requests started rising in the second quarter, eventually peaking in May before dropping off for the summer period. It is worth noting, however, that September has seen consistently high figures for the past three years.



JOBS ATTENDED BY CATAGORY 2005





FRAUD UNIT

The Unit again experienced an increase in reported frauds over the year 2004. The final figures for 2005 are as follows:

Advanced Fee Fraud (Nigeria) – *money actually stolen	4	\$3,000,000.00
CJIC (BDA) Act Request (Fraud)	1	
Counterfeit Currency Offence	160	\$13,552.00
Credit by Fraud	2	\$51,200.90
False Pretences	5	\$76,850.00
False Pretences (Attempt)	1	\$160,548.15
Forgery	3	\$57,880.42
Fraud by Company Officials	1	\$300,000.00
Fraudulent Inducement to Invest	3	\$800,000.00
Overseas Enquiry (Fraud)	1	
Stealing (By Servant)	6	\$1,918,357.94
Stealing (Other)	3	\$115,000.00
Stealing (Over \$250)	11	\$2,201,500.00
Other (Fraud)	1	
BMA Enquiry	68	
TOTAL	270	\$8,694,889.41

In 2004, the reported fraud totalled \$10,363,984. However, the figure reported in 2004 also included an intelligence component that, if removed, makes the actual 2004 figure \$8,570,403. This therefore represents an increase in reported fraud, from 2004, of \$124,486 (1.4%).

CASES OF NOTE IN 2005

Nigerian Frauds

2005 saw a marked increase in the level of frauds relating to schemes known as 'Nigerian Advance Fee Frauds'. The actual dollar value of monies lost to Nigerian fraudsters exceeded \$3 million for the year. These are perpetuated by the use of faxes/ letters and emails, purporting to entitle the recipient to winnings from lotteries, inducements to invest, and schemes to share the accounts of 'deceased' persons that had not been claimed by beneficiaries.

The Fraud Unit provided stern advice to one person who lost the bulk of this sum, but as they did not heed the advice, they lost further monies to the fraudsters.

Counterfeit Currency

There were 160 separate incidents of counterfeit currency reported to the Police Fraud Unit in 2005, representing \$13,552. The vast majority of these notes were discovered after they had been deposited with local banks, making the identification of persons who passed the notes near impossible. A media awareness campaign by the Bermuda Police Service seemed to disrupt this activity in late 2005, where the passing of counterfeit currency fell away to negligible levels.

Overseas Request for Assistance

The FBI in Atlanta are investigating a man who was purportedly based in Bermuda and sold bogus medical insurance to medical professionals in the United States. The subject had sold over \$1 billion of 'coverage'. This case was initially investigated by the Fraud Unit, and was then handed over to the American authorities. The Commercial Crime Department, together with the DPP, seized almost \$9 million from local bank accounts and repatriated it to the US Marshalls' recovery fund. Negotiations are underway through the Attorney General's Chambers to have some of this money returned to Bermuda. Fraud Officers have travelled to Atlanta regarding this case and are expected to give evidence at the trial in 2006.

Stealing

- A local female was charged with the theft of \$30,000 from her father's bank account by using a false document (forgery) to remove the monies from his account. At the time of this report, the subject was awaiting trial.
- The owner of a local restaurant reported that \$69,360 was stolen by a clerk. The subject was arrested and interviewed, but fled the jurisdiction while on Police bail. This matter is still under investigation.
- A resident of the United States reported that he had been defrauded of \$600,000 by the purchase of the lease of two condominium units. The vendor subsequently died, and the remaining directors of the company have not honoured the agreement the deceased made with the complainant, citing no knowledge of the alleged deal. This matter is still under investigation.

Fraudulent Inducement to Invest

A local businessman was defrauded of \$800,000 (despite being warned by a member of the Fraud Unit in 2002 about this company) by a company offering investment opportunities. The company subsequently went bankrupt. This company is under investigation by the US Federal Bureau of Investigation for a larger fraud of \$1.2 billion. The Bermuda Police Service Fraud Unit is assisting them in compiling their case.

False Pretences

A local investor was defrauded of \$18,350, which was part of a larger scam that netted the perpetrator \$1 million from local persons. The fraudster is an American citizen who drummed up business and then fled with the monies. The case was referred through the US FBI Legal Attaché in the Bahamas for assistance in prosecuting the subject.

Stealing (By Employee)

- A local businessman reported that two employees had stolen \$108,000 from his company. This matter is still under investigation.
- A large local company reported that employees had stolen approximately \$1.3 million over a period of time. This matter is still under investigation.
- A local charity reported that an employee had misappropriated charity funds, through use of its credit card, to the value of \$40,000. This matter is still under investigation.

Insider Trading

In late 2005, the Bermuda Monetary Authority reported a case to the Fraud Unit of suspected insider trading involving a company listed on the Bermuda Stock Exchange. This matter is still under investigation.

SUMMARY

- There were no significant capital acquisitions made by the Fraud Unit in 2005.
- The Unit continues to provide assistance to the Bermuda Monetary Authority in conducting due diligence checks on persons seeking to incorporate companies in Bermuda. While the number of checks represented on the preceding table seems low, there are, in fact, often multiple entries under one case number, which reduces the statistical accuracy.
- A member of the Unit attended a Fraud Investigators Course in Ontario, Canada.
- Two members of the Unit attended a Securities Enforcement & Market Oversight conference hosted by the United States Securities & Exchange Commission (SEC) in Washington DC. This was in response to legislation passed that made insider trading a criminal offence in Bermuda.
- The business plan submitted in 2004 to increase the establishment of the Fraud Unit was turned down by Cabinet. It was re-submitted in 2005, and a decision was pending at the time of this report.
- The year was characterised by a number of complex cases that were reported to the office, requiring long-term investigative resources committed to them. This is coupled with the fact that the Unit was down by one Detective Constable for the whole year (representing 33% of the available Detective Constables for the Unit). The shortage brings a backlog with it, as the remaining investigators have been allocated a heavier workload. This is evidenced in the number of cases that are still under investigation.



FINANCIAL INVESTIGATION UNIT

The current approved establishment for the FIU is one Detective Inspector, three Detective Sergeants, five Detective Constables, and three civilian positions of Financial Crime Analyst, Forensic Accountant and Administrative Assistant. By the end of 2005, and as a result of resignations from the Bermuda Police Service by contract officers from the UK, the FIU had two vacancies for Detective Constable. The civilian positions of Forensic Accountant and Administrative Assistant have remained vacant since their creation in 2004, although prospective candidate interviews are planned for these vacancies in early 2006.

The training courses and conferences attended by members of the Unit during 2005 are outlined as follows:

OVERSEAS

- Financial Investigation Course hosted by the Assets Recovery Agency, London, UK.
- Confiscation Course hosted by the Assets Recovery Agency, London, UK.
- Money Laundering Course hosted by the Assets Recovery Agency, London, UK.
- Enhanced Financial Investigation Skills Course hosted by the Assets Recovery Agency, London, UK.
- Techniques of Financial Investigation Course hosted at REDTRAC, Jamaica.
- Senior Police Administration Course hosted by Canadian Police College, Ottawa, Canada.
- Egmont Group Plenary Meeting and Heads of FIU Conference in Washington DC, USA.
- Caribbean Financial Action Task Force (CFATF) Plenary Meetings.

LOCAL

- Personal and Management Development course held at Bermuda Police Service Headquarters.
- Audio Tape Recorded Interview training course held at Bermuda Police Service Headquarters.
- Forensic Videography Course for Law Enforcement held at Bermuda Police Service Headquarters.
- Microsoft Word training course hosted by Bermuda Government.
- Criminal Code Act Amendments course held at Bermuda Police Service Headquarters.

The number of suspicious activity reports (SARs) or disclosures received by the FIU from local financial institutions, pursuant to the Proceeds of Crime legislation, increased from 162 in the year 2004 to 200 in the year 2005. The total value of suspect monies that forms the basis of these 200 suspicious activity reports made during 2005 amounted to \$577,598,315. A breakdown of these



disclosure figures shows the number of suspicious activity reports made during 2005 as follows:

Banks	183
Collective investment schemes	3
Credit Union	2
Investment providers	5
Long-term insurers	2
Trust companies	2
Non-regulated institutions	3

The 200 disclosures received were generally of high quality and required extensive enquiries. However, with limited resources to fully investigate these matters, and several lengthy and protracted money-laundering investigations that were carried forward from the previous year, only three new money-laundering investigations were commenced during 2005 as a result of disclosures received.

Ongoing money-laundering investigations that continued during 2005 resulted in a total of 10 arrests of persons suspected of having committed money-laundering offences. In one investigation during 2005, two FIU officers travelled overseas to interview witnesses and conduct enquiries in the UK. Two separate cash seizures were made during 2005 to a total amount of \$57,851; these monies were subsequently deposited as detained assets in the Confiscated Assets Fund pending possible forfeiture. Two forfeiture orders were made in 2005, pursuant to Section 37 of the Misuse of

Drugs Act 1972, to a total amount of \$5,556. Two confiscation orders were made during 2005, pursuant to Section 9 of the Proceeds of Crime Act 1997, to a total amount of \$357,078. In addition, three forfeitures were made during 2005, pursuant to Section 51 of the Proceeds of Crime Act 1997, of monies previously seized as a detained asset in 2004, to a total amount of \$47,561.

During 2005, the FIU received 11 notices from within the Bermuda Police Service relating to drug-trafficking arrests, and a further two notices relating to relevant offence arrests. As a result, financial investigations were commenced with a view to making applications for confiscation orders under the Proceeds of Crime Act. In furtherance of all financial investigations conducted during 2005, some 348 separate court orders were obtained as investigative tools, an increase from 211 separate court orders obtained during investigations conducted in 2004.

Other cases dealt with by the FIU during 2005 can be highlighted as follows: overseas enquiries (13), overseas enquiries received from Egmont Group members (26), financial information requests (28) and vetting requests (67).

Throughout 2005, the FIU continued to maintain its partnerships with the local financial community and local agencies, such as the Bermuda Monetary Authority, the Ministry of Finance, the National Anti-Money Laundering Committee of Bermuda (NAMLC), the Association of

Bermuda Compliance Officers (ABCO) and HM Customs. In addition, the FIU further developed its partnerships with overseas bodies and agencies, such as the Caribbean Financial Action Task Force (CFATF), the Egmont Group (an international body of national FIUs), the Financial Crimes Enforcement Network in the USA (FinCEN), the Federal Bureau of Investigation (FBI), the US Securities and Exchange Commission (SEC), the US Drug Enforcement Administration (DEA), HM Customs and Revenue in the UK and various other Police and investigative agencies and counterpart FIUs worldwide.

In terms of engaging the Policing Strategy for the Community during 2005, the FIU continued its partnership with the National Anti-Money Laundering Committee of Bermuda (NAMLC) in a public awareness and training campaign with local financial institutions, giving 10 presentations and lectures to the staff of those institutions during the year, and dealing with subjects, such as Suspicious Activity Reporting, Know-Your-Customer policies, Due Diligence and the Role of the FIU. A further two presentations were given to local students attending the International Compliance Diploma training workshops hosted in Bermuda by the International Compliance Association.

There were no major capital expenditures made by the FIU during 2005. The Unit continued to share office accommodation with the Fraud Unit on Front Street in the City of Hamilton.



JUVENILE & DOMESTIC CRIME UNIT

COURSES (LOCAL AND OVERSEAS)

All members of the JDCU attended the locally held Multi-Addiction Conference that was sponsored by the Ministry of Health. This was the first conference held by this Ministry and several workshops were germane to our office. They included, but were not limited to:

- Substance Abuse & the Family.
- Internet & Cyber Sex with a focus on Child Pornography.
- Addictions and Best Practices.
- Panel Discussion on "Bermuda, Issues in Addiction." Participating in the panel was Detective Sergeant Steven Lightbourne.

The following personnel attended local and overseas courses:

- Detective Sergeant Mark Clarke
 1. International Conference on Sex Crimes Investigations.
 2. Unsafe Havens 1: Prosecuting Online Crimes Against Children.
- Detective Constable Dionne Burrows
 1. Investigating Offences Against Children, Canada.
- Detective Constable Franklyn Foggo
 1. Course locally sponsored by the Women's Resource Centre.



Actions in Support of the Policing and Crime Management Strategy

The Unit has continued to improve on its partnerships with other governmental agencies. We have fully recognised that a multi-agency approach to solving the ever-evolving dynamics of delinquency and child abuse is required.

The Unit's relationship with Court Services and Child & Family Services has continued to evolve, which has resulted in open lines of communication. Discussions have taken place with a view to formalising the sharing of resources.

The Unit continued its relationship with Probation Services, and the night-life programme entered its third year.

The management team of the JDCU continued to maintain close liaisons with the Sexual Assault Response Team (SART).

Active roles involving Crime Prevention, Intervention and Education have resulted in members giving lectures on the following topics:

- The role of the Police Service in the protection of vulnerable persons (specifically children).
- The mandatory reporting of Child Abuse, Domestic Violence.
- Child Abuse.
- The Cause and Effects of Teen Violence.

NEW INITIATIVES

In 2004, the Throne Speech and subsequent Green Paper identified a need to address the issue of Internet Abuse and Children. As a result, the Minister of Telecommunications & E-Commerce, the Hon. Michael J. Scott, JP MP, authorised a multi-Ministry initiative. The Child Online Protection Group consisted of members from the Ministry of Telecommunications & E-Commerce, the Ministry of Community Affairs and Sport, the Ministry of Labour Home Affairs and Public Safety, and the Ministry of Health and Family Services. Committee members reviewed best practices in the USA, Canada, Hong Kong, the United Kingdom and Europe. Between 30th September and 11th October, 2005, two committee members travelled overseas to attend the International Crimes Conference and reviewed the current best practices of the Toronto Police Sex Crimes Unit. In November 2005, a Cabinet paper with legislative recommendations was forwarded to the Hon. Michael J. Scott, JP MP. It is hopeful that 2006 Legislation will further protect the children of Bermuda and the world.



My Police Story Book

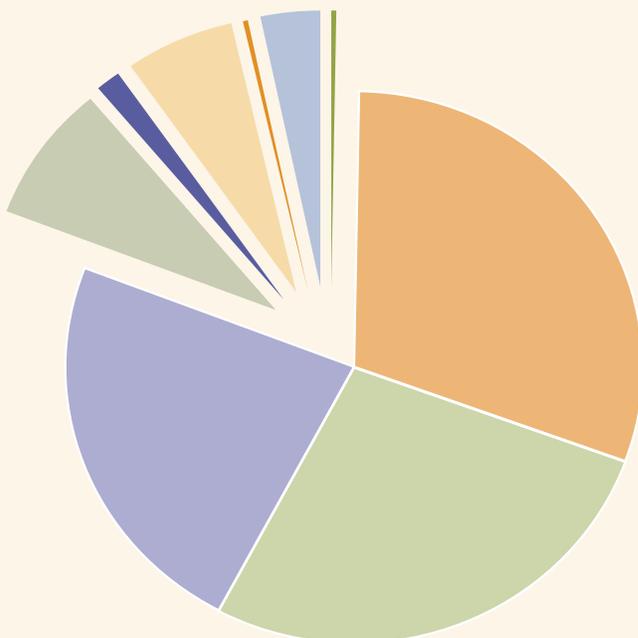
In October 2004, the Minister of Health directed that a multi-Ministry initiative should take place to specifically focus on the dynamics of Youth Offending. This group has taken a holistic approach to addressing the issues of at-risk youth that will require a multi-discipline approach. It is anticipated that a focused paper will be forwarded to Government in the latter part of 2006.

Targeting Offenders via the Creation of New Legislation

The Unit continued to target offenders against children. Legislative change is predicted to take place in 2006 that specifically addresses the international issue of child pornography.

NB: This chart represents investigations conducted by members of the JDCU. They do not include attachments to the Serious Crime Unit or partnerships with the Criminal Investigations Unit.

Annoying Telephone Calls	102
Missing Persons (Juvenile)	91
Missing Persons (Adult)	77
Sex Assaults	27
Child Act Investigations	20
Child Neglect	11
Unlawful Carnal Knowledge	5
Robbery	1
Child Abductions	1



During 2005, the officers of the Bermuda Reserve Police performed a total of 20,478.50 hours of duty and were involved in a number of activities.

Thirteen officers were sworn in and passed the basic training course, and were the first group to be admitted using the same entry standards as the Bermuda Police Service, in compliance with CALEA standards.

Training and retraining our officers was optimised, based on the Commandant's incentive to raise the operational skills of all officers. In addition to the basic training course, officers underwent recertification training for both ASP and quick cuffs. The majority of the officers completed their training within the month of April.

All Bermuda Reserve Police officers undertook a two-day training programme on the Criminal Code Amendment Act. This training was given by the Bermuda Police Service training school instructors and, for the first time, the facilities of the Bermuda College were used to enable 75 officers to receive training at one time. It proved to be a very successful and efficient method of training a large group.

The year saw the usual round of parades with the Bermuda Reserve Police being actively involved in providing a guard for both the Queen's Birthday Parade and the Remembrance Day Parade. Drill instruction was given by Bermuda Reserve Police officers under the direction of Deputy Commandant Jerry Robinson.



BERMUDA RESERVE POLICE

The year marked the retirement of Commissioner Jonathan D. Smith, and the Bermuda Reserve Police presented him with a Bermuda cedar display case containing the insignia of each rank that he held during his distinguished career in the Bermuda Police Service. During his time as Commissioner of Police, he was extremely supportive of the Bermuda Reserve Police in general and Commandant Lewis in particular. Officers of the Bermuda Reserve Police were also involved with the official retirement dinner for Commissioner Smith.

In December, the incoming Commissioner, Mr. George Jackson, and the new Deputy Commissioner, Mrs. Roseanda Young, were warmly welcomed by the Bermuda Reserve Police at the Change of Command Ceremony held at Police Headquarters in Prospect, Devonshire.

His Excellency the Governor and the Speaker of the House of Assembly, as well as many local companies and organisations, wrote letters of thanks for the services provided by the Bermuda Reserve Police.

In May, a group of nine Bermuda Reserve Police officers, led by the Deputy Commandant, Mr. Jerry Robinson, and accompanied by the former Commissioner, Mr. Eugene Vickers, and Mr. Andre Curtis, travelled to Freeport, Bahamas, to assist in the clean-up following the effects of two hurricanes, Frances and Jeanne, which had caused widespread damage to the Island. This operation was funded by donations

from local companies and the officers involved.

Repair work was undertaken on the homes of Police officers and senior citizens as well as on the Reserve Police Headquarters building. A great deal of hard work and many long days were put into this project, which was very much appreciated by the people of Freeport and the Royal Bahamas Police. All members of the Bermuda Reserve Police are very proud of the efforts put in by those who travelled to Freeport.

As a result of this effort, the Royal Bahamas Police invited a contingent of Bermuda Reserve Police to return to the Bahamas for a training programme.

20 officers travelled under the leadership of the Deputy Commandant, Mr. Jerry Robinson, and received training or instruction on General Policing, Urban Renewal Projects, Public Order Training, Road Checks, Domestic Violence, Domestic Crime, Community Policing, Observation Techniques and Scenes of Crime.

In July, a group of 10 Bermuda Reserve Police officers travelled to Oakland County Michigan to attend the 10th Annual Conference of the International Reserve Police Officers Association (IRPOA) and training meeting. Officers received training in the use of firearms and self-defence methods, as well as practical demonstrations and participation in Room and House Clearance. Having been sworn

in as deputies, all officers were afforded the opportunity to patrol with the Oakland County Sheriff's Office; some even patrolled in the Office's helicopter.

Also during the year, a Bermuda Reserve Police Benevolent Fund was started, and it is hoped that funds will be raised in the coming year to support this initiative.

Only one embodiment took place during the year and that was to assist in the Bermuda Electric Light Company (BELCO) fire. The first Bermuda Police officers to report for duty arrived in 30 minutes following the outbreak of the fire. By 9 am, most Bermuda Reserve Police members had been called in or had been contacted, and were prepared for duty several hours prior to the official embodiment. This was just another fine example of the Bermuda Reserve Police officers' public spiritedness.



DEPARTMENTAL STATISTICS



ROAD TRAFFIC COLLISION STATISTICS FOR 2005

During 2005, the number of collisions reported to Police decreased by 4.9% to 2,934, compared to 2004's total of 3,078. This also reflects an increase over 2003's figure of 2,845. There were 999 injury collisions reported, which was lower than 2004's figure of 1,084 and 2003's figure of 1,057. As a result, 1,151 persons were injured: 800 locals were slightly injured and 151 seriously injured; and 170 tourists were slightly injured and 30 seriously injured.

A total of 4,948 locals and 243 tourists were involved in collisions in 2005, compared to 2004's totals of 5,225 and 311 respectively.

There were 569 single vehicle collisions, the highest proportion of which were 227 four-wheeled vehicles. Police attended the scenes of 128 collisions where drink or drugs were suspected as being the cause, constituting 4.4% of the total number of collisions reported. 120 arrests were made on the suspicion of impaired driving.

There were 13 road fatalities during 2005, compared to 7 in 2004. The 13 road fatalities are included in the 999 injury collisions.

STATISTICAL ANALYSIS	2005	2004	Difference
Fatals	13	7	+6
Serious Injury	168	214	-46
Slight Injury	970	1,028	-58
Main Causes of Collisions			
Bad Road Surface	180	189	-9
Following too Close	253	254	-1
Inattention	807	940	-133
Inexperience	292	305	-13
Overtaking Improperly	192	217	-25
Reversing	198	161	-37
Miscellaneous Statistics			
Fail to Stop	243	258	-15
First Aid Rendered by Police	185	230	-45
Pedal Cycles	35	29	+6
Pedestrians Involved	41	54	-13
Children Involved	42	50	-8
Animals Involved	13	11	+2
Single Vehicle Collisions			
Four-Wheeled Vehicles	227	217	+10
Motorcycles/Scooters	118	129	-11
Auxiliary Cycles	74	73	+1
Livery Cycles	144	165	-21
Pedal Cycles	6	9	-3

Percentage Analysis of Vehicles Involved

Private Cars	2,645	50.9%
Motorcycles/Scooters	882	15.8%
Auxiliary Cycles	489	9.4%
Livery Cycles	267	5.1%
All Trucks	685	13.2%
Taxis	153	2.9%
Public Service Vehicles (PSV)	99	2.0%
Pedal Cycles	35	0.7%

Ages of Persons Involved

Up to 15 years	42	0.8%
16 to 20 years	542	10.6%
21 to 30 years	997	19.6%
31 to 40 years	1,100	21.6%
41 to 50 years	1,046	20.6%
51 to 65 years	984	19.3%
66 years and over	381	7.5%

The total number of vehicles/animals involved in collisions this year was 5,195 vehicles and 13 animals, compared to 5,597 vehicles and 11 animals in 2004.

2005 ALCO-ANALYSER STATISTICS

GENERAL		AGES		DAY OF WEEK		TIME OF ARRESTS	
Arrests	427	Under 18	10	Monday	39	5 pm to 10 pm	71
Failures	245	18 to 21	53	Tuesday	34	10 pm to 1 am	101
Refusals	109	22 to 30	124	Wednesday	41	1 am to 3 am	111
Passes	59	31 to 40	102	Thursday	47	3 am to 5 am	88
Other	14	41 to 50	76	Friday	63	Other	56
		Over 50	62	Saturday	113		
				Sunday	90		

GENDER	ARRESTS	FAILURES	REFUSALS	PASSES	OTHERS
Male	400	231	99	58	12
Female	27	14	10	1	2

VEHICLES	MEAN AVERAGE FAILURE RATE	ROAD TRAFFIC ACCIDENTS	HIGHEST READING	LOWEST PASS READING	YOUNGEST READING	OLDEST PERSON	JAN - DEC 2004
Cars	186	184 mgs of alcohol per 100 ml of blood	139	0 mg	16 years. Failed – 106 mgs	76 years. Refused test	Arrests 340
Cycles	218		366 mgs				Failures 194
Trucks	6						Refusals 102
Vans	13						Passes 44
Taxis	3						Other 0
P/cycle	0						
Boats	1						

TOTAL AMOUNT OF DRUGS SEIZED	2005	2004		2005	2004
Total Arrests	516	526	Major Seizures (included in seizures)		
Male	475	483	Without Arrests	28	53
Female	41	43	With Arrests	21	12
Seizures			Drugs Seized		
Bermuda International Airport	68	64	Cannabis	198.86 kilos*	473.91 kilos
Cruise Ships	52	31	Cocaine	6.04 kilos	4.92 kilos
Couriers	45	73	Diamorphine	2.50 kilos	2.40 kilos
Bermuda Mail Processing Centre	-	10	Cocaine Freebase	3.72 kilos	1.389 kilos
Cargo Shed	15	12	Cannabis Resin	3.87 kilos	5.35 kilos
Hamilton Docks	3	4	Cannabis Plants	398 plants	118 plants
General Post Office & Sub-Post Offices	9	3	Methamphetamines	-	20,373 pills
Mail Boxes	-	1			
Street	389	412			
Street (no arrest)	243	202			
TOTAL ARRESTS	824	812	* kilos = kilogrammes		

BERMUDA POLICE SELECTED CRIME REPORT	1999	2000	2001	2002	2003	2004	2005
CRIME							
Murder / Manslaughter	0	1	2	3	2	2	3
Attempted Murder	1	0	1	2	0	7	1
Assault Grievous Bodily Harm	39	24	48	56	81	63	52
Wounding	75	43	48	67	52	57	61
Sexual Assault	37	43	48	67	52	40	49
Sexual Exploitation of a Young Person	9	11	1	10	1	8	5
Serious Assault on Police	38	34	20	3	9	6	3
Firearm Offences	4	5	2	12	8	13	10
Robbery	57	45	45	45	62	75	107
Attempted Robbery / Assault W/I to Rob	5	5	12	6	6	14	18
TOTAL CRIMES OF VIOLENCE	265	211	227	271	273	285	309
Stealing from Person	42	42	44	43	32	53	48
Handbag / Attempted Handbag Snatch	38	14	24	17	18	22	12
Stealing from Hotel	21	22	30	39	19	20	23
Stealing from Guest House	1	6	8	17	6	20	11
Stealing from Unattended Vehicle	258	157	173	197	159	156	168
TOTAL CRIMES OF STEALING	360	241	279	313	234	271	262
Burglary	143	126	96	185	192	186	155
Attempted Burglary	16	15	7	17	14	19	17
House	318	210	327	378	327	307	443
School	23	36	32	26	31	29	31
Store	84	46	55	102	80	66	75
Office	19	20	32	51	51	30	46
Other Burglary Offences	127	135	124	196	195	113	195
Attempted Burglary	70	63	77	93	114	100	84
TOTAL BREAKING OFFENCES	800	651	750	1050	1004	850	1046
Removed Cars	35	39	46	55	52	39	44
Removed Motorcycles/Scooters	459	361	459	849	625	473	521
Removed Auxiliary Cycles	280	229	264	393	363	264	262
Removed Livery Cycles	161	78	57	120	100	86	75
Removed Pedal Cycles	86	49	32	52	32	24	20
Removed Other Vehicles	19	10	11	11	19	10	13
TOTAL REMOVALS	1040	766	869	1480	1191	896	955

PERFORMANCE INDICATORS

Violent Crime – 4th Quarter 2005 – per 1000 Population:

4th Qtr:	3rd Qtr:	2nd Qtr:	1st Qtr:	4th Qtr:	3rd Qtr:
2005	2005	2005	2005	2004	2004
4.5	4.5	5.6	5.2	5.0	4.1

Comparison with full years –

2005	2004	2003	2002	2001	2000
4.9	4.6	4.5	4.3	4.9	4.1

Residential Burglary – 4th Quarter 2005 – per 1000 Dwelling Units:

4th Qtr:	3rd Qtr:	2nd Qtr:	1st Qtr:	4th Qtr:	3rd Qtr:
2005	2005	2005	2005	2004	2004
16.3	21.6	24.3	14.2	17.6	16.4

Comparison with full years –

2005	2004	2003	2002	2001	2000
19.2	15.8	16.7	18.0	18.2	14.6

Vehicle Crimes – 4th Quarter 2005 – per 1000 Cycles:

4th Qtr:	3rd Qtr:	2nd Qtr:	1st Qtr:	4th Qtr:	3rd Qtr:
2005	2005	2005	2005	2004	2004
36.4	40.0	32.7	32.2	28.5	45.0

Comparison with full years –

2005	2004	2003	2002	2001	2000
35.3	33.9	43.6	57.3	47.2	38.3

FINANCE

2005

Salaries	35,175,310
Wages	863,373
Other Personnel	3,929,514
Total Employee Expenses	39,968,197
Other Operating Costs	8,221,314
Total Operating Budget	48,189,511
Capital Acquisitions	2,933,966
Capital Development	2,301,913

TOTAL EXPENDITURE 53,425,390

20/06



His Excellency the Governor

Sir John Vereker, KCB

Government House

Your Excellency,

It is my honour and pleasure to submit this report on Policing in
Bermuda for the year ending 31st December, 2006.

George L. Jackson, CPM, Dip Crim
Commissioner of Police



MARINE UNIT



OPERATIONAL STRENGTH, EQUIPMENT AND MAINTENANCE

The Marine Unit conducted its operations throughout the year with the strength of one Inspector, one Sergeant and 12 Constables.

The Marine Unit fleet of vessels has increased to eight vessels with the addition of a new purpose-built 52-foot Austal-designed patrol boat, Guardian, which was commissioned into service by the Bermuda Police Service in September 2006. The Marine Unit has boats that range in size from 22 feet to 52 feet.

INCIDENTS, FOREIGN YACHTS AND LIQUOR LICENSE PERMITS

The Marine Unit was involved in a total of 632 incidents, of which 138 involved boats that were either sinking, or were adrift or aground. A total of 1,175 foreign flagged yachts visited Bermuda during the year. A total of 29 Liquor License permits were granted for the year.

SEARCH AND RESCUE (SAR)

During 2006, the Marine Unit conducted 134 Search and Rescue events out of a total of 433 reported incidents.

REPORTED OFFENCES

A total of 166 marine-related offences were reported, consisting mostly of 'marine speeding' and various safety equipment offences. A total of 32 incidents of 'taking without consent' were reported, with numerous searches carried out under the Misuse of Drugs Act, resulting in 13 arrests.

MARINE POLLUTION

Marine Pollution continued to be a problem with 23 incidents of fuel oil spills reported during the year.

UNDERWATER OPERATIONS

A total of four dive operations were conducted throughout the year. A total of six vehicles were recovered from the water.

The majority of Underwater Operations consisted of cycle recoveries; however, this year two four-wheeled vehicles were also recovered. Searches for stolen and lost property were conducted on a regular basis.

WATER SAFETY AND CRIME PREVENTION

The Marine Unit continued to provide water safety lectures to a diverse audience ranging from pre-school children to adults.

Marine observations were conducted in an attempt to curtail the thefts that took place in the various bays and marinas around the Island.

ENFORCEMENT

The Marine Offences Procedure Act 2006 was passed this year, which enables Marine Unit officers to issue moving violation tickets (MVTs) for marine offences. This legislation is long overdue and has been very beneficial in reducing the time spent preparing files for court.

BERMUDA RESERVE POLICE AND OTHER GOVERNMENT AGENCIES

The Bermuda Reserve Police continued to lend valuable support to the Marine Unit throughout the year and lent assistance at peak periods, easing the demand made on equipment and personnel.

The Marine Unit also worked closely with other local agencies: the Department of Fisheries, the Bermuda Fire Service, HM Customs and RCC Bermuda Radio.

The Marine Section also provided assistance to several foreign agencies from time to time.

COMMITTEES

In addition to regular duties, the officer in charge of the Marine Unit was actively involved in several committees including: the Marine Contingent Committee and Command Team, the Water Safety Council, the Port Security Committee and the Inter-Service Exercise Planning Committee.

LOCAL AND OVERSEAS TRAINING

With the arrival of the Guardian, there has been a need for local and overseas training. Shortly after the arrival of the vessel, an engineer from Austal Ships provided a week-long familiarisation course in Bermuda, which was followed by a week of training with the UKSAT Maritime Training Unit located in Antigua. Three officers from the Royal Navy provided hands-on instruction in the use of the vessel under varying conditions. In addition, several officers were sent on different courses conducted by the UKSAT Marine Training Unit. Training for Marine Unit officers remains a high priority.

THE FUTURE OF THE MARINE UNIT

The Marine Unit continued to be very active on the local waters; there are over 11,000 locally registered boats. A trend that continued was the steady importation of second-hand boats coming in on the various container ships, with the summer months seeing the largest number of imported boats. The local waters continued to see more and more boating congestion, and several bays and harbours are now closed to the placement of any new moorings.



POLICE SUPPORT UNIT

MANDATE OF UNIT

The responsibilities of the Unit are:

- To target and combat anti-social behaviour in public places. This encompasses a wide range of behaviours from street-level drug dealing to major public order incidents. The PSU is intelligence-led and is responsible for the deployment of tactics to deter anti-social behaviour where large crowds gather, such as at concerts, nightclubs, football games and bars.
- To support all Units and departments in the planning and safe execution of search warrants and in the use of Method of Entry (MOE) techniques to enter premises, securing and/or containing premises that are subject to a search, and any person within the premises.
- To maintain a level one public order standard through regular training.
- To provide high-visibility policing throughout the island.

ACHIEVEMENTS

The Unit concentrated on targeting street-level drug dealing and, as a result, made over 200 arrests for simple possession, a 100% increase over 2005. Fifteen people were also arrested for possession with intent to supply. The Unit specifically targeted a known prolific heroin dealer.

As a result, he was arrested three times for possession with intent to supply as well as for possession of a stun gun. He pleaded guilty at court and was sentenced to two years imprisonment.

The Unit continued to be intelligence-led and, as a result of specific information received, the Unit enforced Section 315(f) of the Criminal Code, which relates to stopping and searching persons for weapons, several times in 2006. This resulted in a large number of arrests and ensured that the targeted events took place peacefully with no crowd trouble.

KEY STATISTICS FOR THE YEAR

The PSU made a total of 943 arrests during 2006, the highest amount of arrests ever made by the Unit, and an increase of 20% over 2005. A sample breakdown is as follows:

Warrants – (up 23%)	431
Drug-related arrests – (up 28%) including 15 for possession with intent to supply and 201 for simple possession	235
Public Order arrests including affray, Breach of Peace, offensive words, offensive weapons, etc.	151
Crime-related arrests including robbery, theft, burglary, etc.	20
Impaired driving	32

The Unit supported the traffic enforcement initiative throughout the year and issued a total of 1,398 tickets. Of these, 1,100 were moving violation tickets (MVTs) and 298 were parking tickets.

The above figures are a testament to the good work, dedication, professionalism and enthusiasm of the officers that make up the Police Support Unit.



FORENSIC SUPPORT UNIT

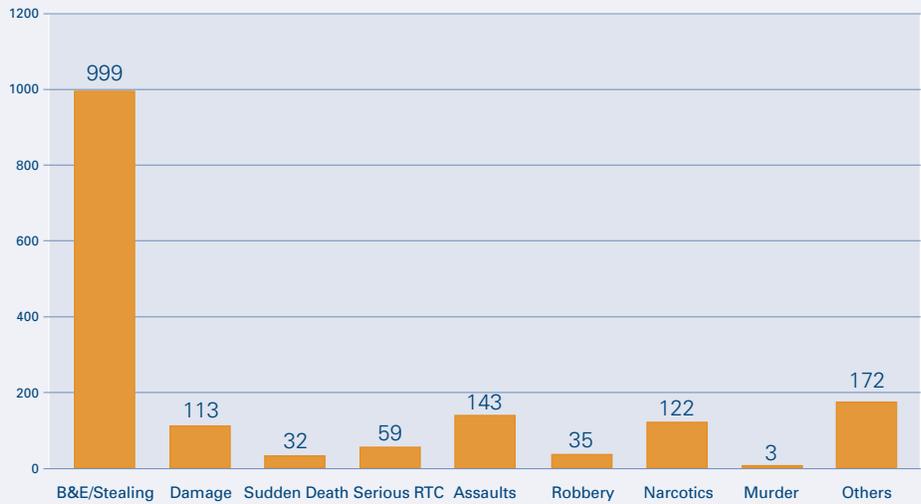


In 2006, the members of the Forensic Support Unit were required to assist in a total of 1,681 cases. Of these, 1,162 were fingerprint examinations, which in some cases also included photography. The remaining 519 requests were for photographs alone. In 47 of these cases, a member of the FSU was called to duty between midnight – 8 am.

The number of jobs requiring our assistance was fairly steady throughout the year. As in previous years, requests started rising in the second quarter and peaked in the summer months. The end of the year saw a drop in job requests and a slight reduction in the number of jobs producing fingerprint evidence.



JOBS ATTENDED BY CATEGORY 2006





FRAUD UNIT

The Fraud Unit experienced a significant increase in reported fraudulent activity in 2006 over 2005. The dollar value represents a 286% increase over the previous year. Much of this is attributable to one case. Even with this one case factored out of the equation, year over year, the dollar value increase was still 56% over 2005. The final figures for 2006 are as follows:

Advanced Fee Fraud (Nigeria)	2	\$3,000.00*
CJIC (BDA) Act Request (Fraud)	1	
Counterfeit Currency Offence	193	\$22,085.00
False Pretences	6	\$2,070,100.00
False Pretences (Attempt)	3	\$20,000,000.00
Fraud by Company Officials	1	\$550,000.00
Fraudulent Inducement to Invest	4	\$7,374,000.00
Stealing (Attempt)	2	\$78,000.00
Stealing (By Servant)	3	\$2,617,980.00
Stealing (Other)	3	\$388,724.00
Theft	2	\$103,800.00
Obtaining Property by Deception	5	\$305,500.00
Other (Fraud)	15	\$15,050.00
BMA Enquiry	226	
TOTAL	466	\$33,528,239.00

* The Unit no longer records each and every attempt – only actual reported losses.

In 2005, the reported fraud totalled \$8,694,889.41. The dollar value increase in 2006 was nonetheless very real, notwithstanding one case. This one case is in the category of 'Attempted False Pretences', where a serial fraudster attempted to obtain \$20,000,000.00 from an international reinsurance company. He was arrested and convicted of the offence following a lengthy trial.

On 1st April, 2006, an amendment to the Criminal Code saw the consolidation and creation of a number of offences. These new categories reflect the adoption of the United Kingdom 'Theft Act' definitions. Some of the offences dispensed with were replaced as follows:

- Stealing and related offences is now Theft
- False Pretences and related offences is now Obtaining Property/Services/Money Transfer by Deception

Other offences, such as Credit by Fraud, have been deleted from the Criminal Code. As a result, the categories of offences for 2006 reflect both sets of offences.



CASES OF NOTE IN 2006

Advanced Fee (Nigerian) Frauds

The Fraud Unit continued to field many enquiries from the public relating to advanced fee frauds. The reported dollar losses incurred by local residents were reduced (largely due to a large loss in 2005). Several media releases and a media campaign spearheaded by the Government Department of Consumer Affairs may have assisted in this reduction.

Counterfeit Currency

There were 193 separate incidents of counterfeit currency reported to the Fraud Unit in 2006, representing \$22,085.00. The vast majority of these notes were discovered after they had been deposited with local banks, making the identification of persons who passed the notes near impossible. The Fraud Unit continued to follow up actionable cases. Two persons were placed before the courts for possession of counterfeit notes in 2006. One of these persons was convicted in the Supreme Court and sentenced to nine months imprisonment. The second party is still awaiting trial at the time of this report.

Stealing

The year was dominated by thefts from businesses by their own employees. Businesses continued to suffer significant losses because they did not implement or enforce controls that would have minimised their risk. The following controls greatly assist businesses and employers in reducing their risk of fraud:

- Bank and other reconciliations
- Dual signatories
- Authorisation limits
- Segregation of duties
- Physical security/access controls
- Employee appraisal and monitoring
- Management reviews

Some of the cases dealt with by the Unit in the last year included the following:

- A local financial institution reported that one of their managers had been misappropriating funds from client accounts. A comprehensive Police investigation is under way. The financial institution reported that monies misappropriated by the suspect amounted to \$2.5 million.
- A local financial institution reported that a member of their security team had been misappropriating funds from their Automated Teller Machines, and that over \$1 million had been stolen over the past six years. Following a lengthy Police evidence-gathering 'sting' operation, a suspect was arrested and charged before the courts with several counts of theft from his employers.
- A local realty company reported that one of their accountants had stolen \$105,000 from the business. A Police investigation is underway, with a file to be prepared for review by the Office of the Director of Public Prosecutions.

False Pretences

- A local financial institution reported that it had been defrauded of \$1,900,000 in

two separate incidents. In one of the incidents, a fraudster operating in the United Kingdom posed as a legitimate customer of the bank, and was able to convince an employee of the institution to wire \$920,000 to an overseas account.

Local Fraud Unit officers acted to apprehend the fraudster, and at the request of the Bermuda Police Service, British Police officers were able to arrest and charge the suspect. All but a small amount of the stolen money was recovered and returned to the complainant.

- In the second case, a suspect used the same method to obtain \$980,000. The Federal Bureau of Investigation in Washington DC is pursuing active leads in this case, with the assistance of local Fraud Unit officers. In both cases, the perpetrators operated from overseas.

Attempted False Pretences

An international reinsurance conglomerate based in Bermuda was targeted by a serial fraudster in September 2006. The subject posed as a director of the company and attempted to obtain a cheque in the sum of \$20 million.

Fraud Unit officers set up a sting operation to catch him in the act of attempting to obtain the cheque. He was arrested during the course of the Police operation and remanded by a Magistrate into custody, pending trial.

The man was convicted following a lengthy trial in December 2006. He is appealing the conviction.

Fraudulent Inducement to Invest

- A complainant residing overseas reported that a local resident and CEO of a company listed on the Bermuda Stock Exchange had fraudulently induced several investors to invest over \$7 million by falsely representing the financial position of his company. This matter is being litigated overseas and is also being investigated by Fraud Unit officers.
- In another incident, a man reported that he had been defrauded of \$244,000 by the CEO of a Bermuda-based investment firm. Enquiries are continuing in this matter.

Gaming (Gambling)

The Fraud Unit appeared to take on a somewhat different remit over the summer of 2006 with the discovery of illegal gaming (slot) machines on a ship in St. George's and at a Hamilton nightspot. The Captain and a manager of the ship have been charged with importing gaming machines into Bermuda. The other case is still under investigation at the time of this report.

These types of investigations are tedious and complex due to the technical requirements of proving elements of gaming investigations. The Unit spent considerable amounts of precious man hours on these two matters.

The law-enforcement concern over the proliferation of these devices is that they are not legal, and nor are they regulated. Businesses that have operated gambling activities in unregulated environments in other jurisdictions have used their business as vehicles to launder criminal proceeds and conduct other criminal activities. This is why gambling is so heavily regulated in every jurisdiction where it is legal.

SUMMARY

- There were no significant capital acquisitions made by the Fraud Unit in 2006.
- The Unit continued to provide assistance to the Bermuda Monetary Authority in conducting due diligence checks on persons seeking to incorporate companies in Bermuda. The Fraud Unit conducted 226 checks for the Authority on persons seeking to conduct business in Bermuda during the course of the year – all while holding significant case loads for investigation.
- Members of the Unit received training at the following locations in the form of courses or conferences during 2006:
 - The Securities and Exchange Commission (SEC), Washington DC, USA.
 - Ontario Police College, Ontario, Canada.
 - Toronto Police Service (Fraud Squad).
 - London Metropolitan Police, London, United Kingdom.
 - Another business plan was submitted to increase the complement of the Unit over and above its current establishment shortage. This plan outlined a reasoned argument for this, given the increased responsibilities of the Unit as a result of new legislation, coupled with significant increases in the volume of cases referred for investigation over the last 5-6 years.
- As with last year, 2006 was characterised by a number of complex cases that were reported to the office, requiring long-term investigative resources committed to them. This is coupled with the fact that the Unit was down from its established strength by one Detective Constable for the whole year (representing 33% of the available Detective Constables for the Unit). The shortage brings a backlog with it as the remaining investigators are allocated a heavier workload. This is evidenced by the number of cases that are still under investigation.

FINANCIAL INVESTIGATION UNIT



The Financial Investigation Unit of the Bermuda Police Service has a dual role to play. It is the designated central reporting authority in Bermuda for the receipt, collation and analysis of suspicious activity reports filed by financial institutions and, as such, the Unit has an administrative role. The FIU is also a Police Unit whose role it is to investigate, inter alia, money laundering, confiscation and forfeiture matters, cash seizures and other related financial crime matters. The current approved establishment for the FIU is 12 personnel; namely, nine Police officers and three civilian positions. Those positions are identified as one Detective Inspector, three Detective Sergeants, five Detective Constables and three civilian positions of Financial Crime Analyst, Forensic Accountant and Administrative Assistant. At this time, there is only one vacancy within the Unit – the position of FIU Forensic Accountant. A recruitment and selection process undertaken in late 2006 proved unsuccessful in identifying a successful candidate to fill this vacant position.

The training courses and conferences attended by members of the Unit during 2006 are outlined as follows:

OVERSEAS

- Financial Investigation Course hosted by the Assets Recovery Agency, London, UK.
- Confiscation Course hosted by the Assets Recovery Agency, London, UK.
- Enhanced Financial Investigation Skills Course hosted by the Assets Recovery Agency, London, UK.
- Techniques of Financial Investigation Course hosted at REDTRAC, Jamaica.
- Major Crime Management Course hosted by Canadian Police College, Ottawa, Canada.
- Securities Enforcement & Market Oversight Training Course, Securities & Exchange Commission, Washington DC, USA.
- Egmont Group Plenary Meeting and Heads of FIU Conference in Washington DC, USA.
- Caribbean Financial Action Task Force (CFATF) Plenary Meetings.
- Symposium of Economic Crime, Cambridge University, UK.
- Annual Conference of the Association of Certified Anti-Money Laundering Specialists, USA.
- Caribbean Regional Compliance Association Annual Conference, Barbados, WI.

LOCAL

- Terrorist Financing Training Seminar hosted by the Association of Bermuda Compliance Officers.
- Financial Products offered in Bermuda Training Seminar hosted by the Bermuda Monetary Authority.
- International Leadership Management Course hosted at Bermuda Police Service Headquarters.
- Audio Tape Recorded Interview Training Course held at Bermuda Police Service Headquarters.

The number of suspicious activity reports (SARs) or disclosures received by the FIU from local financial institutions, pursuant to the Proceeds of Crime legislation, increased from 200 in the year 2005 to 313 in the year 2006. This represents a 56% increase from 2005 to 2006. The total value of suspect monies that forms the basis of these 313 suspicious activity reports made during 2006 amounted to \$1,628,643,010. A breakdown of these disclosure figures shows the number of suspicious activity reports made during 2006 as follows:

Banks	286
Bermuda Stock Exchange	1
Investment providers	14
Long term insurers	6
Non-regulated institutions	6

The 313 disclosures received were generally of high quality and required extensive enquiries. However, with limited resources to fully investigate these matters, and several lengthy and protracted money-

laundering investigations that were carried forward from the previous year, only one new money-laundering investigation was commenced during 2006 as a result of disclosures received.

The FIU has been very active in financial investigations throughout 2006. Several major money-laundering investigations are currently underway. During the year 2006, FIU officers conducted enquiries overseas in the Caribbean, the United States and the United Kingdom relating to three separate money-laundering investigations. In addition, one FIU officer was required to give witness testimony at a money-laundering trial in a US court. Three separate cash seizures were made during 2006 to a total amount of \$46,852; these monies were subsequently deposited as detained assets in the Confiscated Assets Fund pending possible forfeiture. Five forfeiture orders were made in 2006, pursuant to Section 37 of the Misuse of Drugs Act 1972, to a total amount of \$36,860. Three confiscation orders were made during 2006, pursuant to Section 9 of the Proceeds of Crime Act 1997, to a total amount of \$1,278,114. In addition, there were three forfeitures made during 2006, pursuant to Section 51 of the Proceeds of Crime Act 1997, of monies previously seized as a detained asset in 2005, to a total amount of \$49,990.

During 2006, the FIU received nine notices from within the Bermuda Police Service relating to drug-trafficking arrests and a further five notices relating to relevant offence arrests. As a result, financial investigations were commenced with a

view to making applications for confiscation orders under the Proceeds of Crime Act. In furtherance of all financial investigations conducted during 2006, some 71 separate court orders were obtained as investigative tools.

Other cases dealt with by the FIU during 2006 can be highlighted as follows: overseas enquiries (11), overseas enquiries received from Egmont Group members (35), financial information requests (17) and vetting requests (47).

Throughout 2006, the FIU continued to maintain its partnerships with the local financial community and local agencies, such as the Bermuda Monetary Authority, the Ministry of Finance, the National Anti-Money Laundering Committee of Bermuda (NAMLC), the Association of Bermuda Compliance Officers (ABCO) and HM Customs. In addition, the FIU further developed its partnerships with overseas bodies and agencies, such as the Caribbean Financial Action Task Force (CFATF), the Egmont Group (an international body of national FIUs), the Financial Crimes Enforcement Network in the USA (FinCEN), the Federal Bureau of Investigation (FBI), the US Securities and Exchange Commission (SEC), the US Drug Enforcement Administration (DEA), HM Customs and Revenue in the UK and various other Police and investigative agencies and counterpart FIUs worldwide. In addition, during 2006 the FIU entered into a written Memorandum of Understanding agreement regarding the sharing of financial information with one other jurisdiction, an Egmont Group member.

This brings the total number of such signed agreements made by the FIU with overseas jurisdictions to six, and negotiations are ongoing with several other jurisdictions in this regard.

In terms of engaging the Policing Strategy for the Community during 2006, the FIU continued its partnership with the National Anti-Money Laundering Committee of Bermuda (NAMLC) in a public awareness and training campaign with local financial institutions, giving eight presentations and lectures to the staff of those institutions during the year, and dealing with such subjects as Suspicious Activity Reporting, Know-Your-Customer policies, Due Diligence and the Role of the FIU. A further presentation was given to local students attending the International Compliance Diploma training workshops hosted in Bermuda by the International Compliance Association.

There were no major capital expenditures made by the FIU during 2006. The Unit continued to share office accommodation with the Fraud Unit on Front Street in the City of Hamilton.

JUVENILE & DOMESTIC CRIME UNIT



COURSES (LOCAL AND OVERSEAS)

All members of the JDCU attended the locally held Multi-Addiction Conference sponsored by the Ministry of Health at the New Berkeley Institute. This was the second conference held by this ministry and several workshops were germane to our office. They included, but were not limited to:

- Substance Abuse & the Family
- Gang Prevention and Gangs as the Substitute Family
- Impact of Domestic Violence on the Family

In addition, Detective Constables Sharnita Tankard, Dionne Burrows and Renay Rock received CALM training sponsored by the Department of Court Services and the Department of Corrections. This training focused on Offender Management, the recognition of anger and how to teach offenders to manage it.

The following personnel attended overseas courses:

- **Detective Inspector Steven Lightbourne**
Multi-Disciplinary Conference on Domestic Violence, Houston, Texas.

- **Detective Constable Franklyn Foggo & Detective Constable Dionne Burrows** Prosecuting Sexual Assaults & Violent Crime, San Diego, California, sponsored by the National College of District Attorneys.

The Ministry of Telecommunications and E-Commerce sponsored Detective Sergeant Mark Clarke to travel to Nicolet, Quebec, Canada, to attend the 24th meeting of the Interpol Specialist Group on Crimes against Children (Child Pornography).

Actions in Support of the Policing and Crime Management Strategy

The Unit has continued to improve and develop its long standing partnerships with governmental agencies and non-governmental organisations. We have fully recognised that there is a requirement for a multi-agency approach to solve the ever-evolving dynamics of delinquency and child abuse.

The Unit's relationship with Court Services, Probation Services and Child & Family Services has continued to evolve, which has resulted in open lines of communication. Discussions have taken place with a view to formalising the sharing

of resources. The Unit continues its relationship with Probation Services and the night-life programme has entered its fourth year.

The management team of the JDCU continued to maintain close liaisons with the Sexual Assault Response Team (SART) and Child Protection Team (CPT).

Detective Constable Kimberley Cowper commenced duties as the Domestic Violence Liaison Officer, and the relationship between victims of domestic violence, NGOs and adjudication have shown a steady improvement. This focused proactive initiative will ultimately result in a reduction in the recidivistic nature of offender behaviour.

Detective Inspector Steven Lightbourne is the Service representative for the Government-sponsored think tank that seeks to address the issues surrounding the negative view of Young Black Males and the surrounding issues of empowerment.

Active roles involving Crime Prevention, Intervention and Education have resulted in members giving lectures on the following topics:

- The role of the Police Service in the protection of vulnerable persons (specifically children)
- The Mandatory reporting of Child Abuse
- Domestic Violence & Child Abuse
- The cause and effects of teen violence

NEW INITIATIVES

The 2004 Throne Speech and subsequent Green Paper identified a need to address the issue of Internet Abuse and Children. The Minister of Telecommunications & E-Commerce, the Hon. Michael J. Scott, JP MP, authorised and fully supported this



multi-Ministry initiative. The Child Online Protection Group consisted of members from the Ministry of Telecommunications & E-Commerce, the Ministry of Community Affairs and Sport, the Ministry of Labour Home Affairs and Public Safety, and the Ministry of Health and Family Services, who came together to comprehensively address all of the surrounding issues.

In November 2005, a Cabinet paper with legislative recommendations was forwarded to the Hon. Michael J. Scott, JP MP. In June 2006, the Cabinet Memo was approved and sent to the Attorney General’s Chambers with Drafting Instructions.

This Legislation was tabled in November 2006 and will be an addition to the Criminal Code under the title of Child Protection Bill. It is scheduled to be debated in the House of Assembly in 2007. This proactive initiative will allow Bermuda to join in the global fight to protect the children of Bermuda and the world.

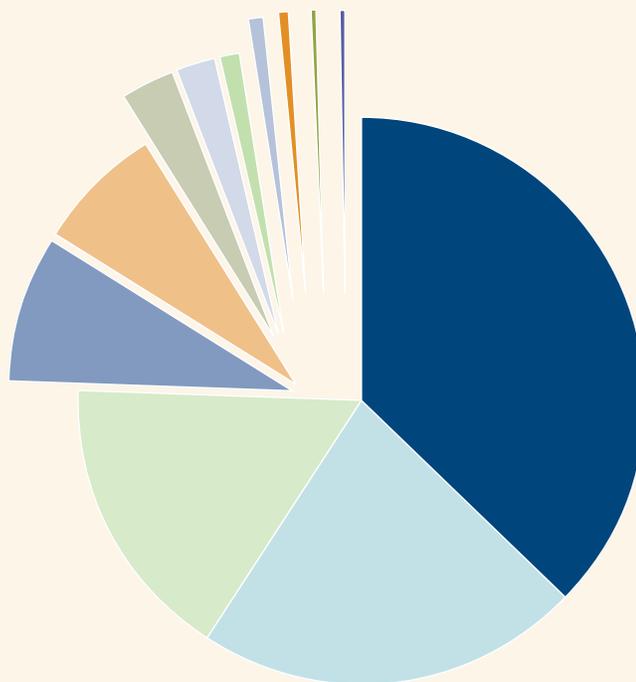
In October 2005, the Minister of Health directed that a multi-Ministry initiative should take place to specifically focus on the dynamics of Youth Offending. A comprehensive report is in the process of being completed and will be forwarded to Government shortly.

Targeting of Offenders via the Creation of New Legislation

The Unit continued to target offenders against children. Legislative change is anticipated to take place in 2007 that specifically addresses the global issue of child pornography and its ancillary offences.

NB: This chart represents investigations conducted by members of the JDCU. They do not include attachments to the Serious Crime Unit or partnerships with the Criminal Investigations Unit. The numbers in brackets represent the incidents investigated.

■ Annoying Telephone Calls	37%	(183)
■ Missing Persons (Juveniles)	22%	(108)
■ Missing Persons (Adult)	16%	(80)
■ Sexual Assaults /UCK	9%	(42)
■ Child Act Investigations	7%	(35)
■ Child Neglect	3%	(15)
■ Child Abuse	2%	(11)
■ Stalking	1%	(5)
■ Threatening Behaviour	1%	(4)
■ Breach of Court Orders	1%	(3)
■ Intruding Privacy Female	0.4%	(2)
■ Assaults on Police	0.4%	(2)
■ Robbery	0.2%	(1)



BERMUDA RESERVE POLICE



During the year, Bermuda Reserve Police officers performed a total of 9,999.50 hours of duty. Officers were embodied for both Halloween and Cup Match.

In August, 15 Bermuda Reserve Police officers attended the 11th Annual International Reserve Police Conference hosted by South Wales Special Constabulary.

Two senior officers also attended the 100th year celebration of the United Kingdom Special Constabulary hosted by the London Metropolitan Police.





DEPARTMENTAL STATISTICS

ROAD TRAFFIC COLLISION STATISTICS FOR 2006

During 2006, the number of collisions reported to Police decreased by 3.3% to 2,839, compared to 2005's total of 2,934. This also reflects a decrease over 2004's figure of 3,078. There were 947 injury collisions reported, which was lower than 2005's figure of 999 and 2004's figure of 1,084. As a result, 1,092 persons were injured: 747 locals were slightly injured and 172 seriously injured; and 153 tourists were slightly injured and 20 seriously injured.

A total of 4,813 locals and 232 tourists were involved in collisions in 2006, compared to 2005's totals of 4,948 and 243 respectively. There were 553 single vehicle collisions, the highest proportion of which were 210 four-wheeled vehicles.

Police attended the scene of 111 collisions where drink or drugs were suspected as being the cause, constituting 3.9% of the total number of collisions reported. 113 arrests were made on the suspicion of impaired driving.

There were 14 road fatalities during 2006, compared to 13 in 2005. The 14 road fatalities are included in the 947 injury collisions.

STATISTICAL ANALYSIS	2006	2005	Difference
Fatals	14	13	+1
Serious Injury (persons)	178	168	+10
Slight Injury (persons)	900	970	-70
Main Causes of Collisions			
Bad Road Surface (wet roads)	162	180	-18
Following Too Close	250	253	-3
Inattention	833	807	+26
Inexperienced	279	292	-13
Overtaking Improperly	161	192	-31
Reversing Carelessly	209	198	+11
Miscellaneous Statistics			
Fail to Stop	253	243	+10
First Aid Rendered by Police	248	185	+63
Pedal Cycles	21	35	-14
Pedestrians Involved	42	41	+1
Children Involved	31	42	-11
Animals Involved	15	13	+2
Single Vehicle Collisions			
Four-Wheeled Vehicles	210	227	-17
Motorcycles/Scooters	128	118	+10
Auxiliary Cycles	72	74	-2
Livery Cycles	135	144	-9
Pedal Cycles	8	6	+2

Percentage Analysis of Vehicles Involved

Private Cars	2,610	51.4%
Motorcycles/Scooters	841	16.6%
Auxiliary Cycles	468	9.2%
Livery Cycles	254	5.0%
All Trucks	590	11.6%
Taxis	183	3.6%
Public Services Vehicles (PSV)	108	2.1%
Pedal Cycles	21	0.5%

Ages of Persons Involved

Up to 15 years	31	0.6%
16 to 20 years	510	10.2%
21 to 30 years	955	19.1%
31 to 40 years	1,092	21.8%
41 to 50 years	1,113	22.2%
51 to 65 years	974	19.5%
66 years and over	332	6.6%

The total number of vehicles/animals involved in collisions this year was 5,075 vehicles and 15 animals, compared to 5,195 vehicles and 13 animals in 2005.

2006 ALCO-ANALYSER STATISTICS

GENERAL		AGES		DAY OF WEEK		TIME OF ARRESTS	
Arrests	390	Under 18	6	Monday	47	5 pm to 10 pm	81
Failures	205	18 to 21	41	Tuesday	18	10 pm to 1 am	94
Refusals	119	22 to 30	134	Wednesday	23	1 am to 3 am	99
Passes	58	31 to 40	79	Thursday	45	3 am to 5 am	85
Other	8	41 to 50	77	Friday	55	Other	31
		Over 50	53	Saturday	91		
				Sunday	111		

GENDER	ARRESTS	FAILURES	REFUSALS	PASSES	OTHERS
Male	357	185	112	53	7
Female	33	20	7	5	1

VEHICLES	MEAN AVERAGE FAILURE RATE	ROAD TRAFFIC ACCIDENTS	HIGHEST READING	LOWEST PASS READING	YOUNGEST READING	OLDEST PERSON	JAN - DEC 2005
Cars	181	173 mgs of alcohol per 100 ml of blood	130				Arrests 427
Cycles	181		379 mgs				Failures 245
Trucks	4		0 mg				Refusals 109
Vans	20		16 years. Passed - 74 mgs				Passes 59
Taxis	2		74 years. Refused test				Other 14
P/cycle	1						
Boats	1						

TOTAL AMOUNT OF DRUGS SEIZED	2006	2005		2006	2005
Total Arrests	526	516	Major Seizures (included in seizures)		
Male	483	475		Without Arrests	53
Female	43	41	With Arrests	12	21
Seizures			Drugs Seized		
Bermuda International Airport	64	68	Cannabis	473.91 kilos	198.86 kilos*
Cruise Ships	31	52	Cocaine	4.92 kilos	6.04 kilos
Couriers	73	45	Diamorphine	2.40 kilos	2.50 kilos
Bermuda Mail Processing Centre	10	-	Cocaine Freebase	1,389 kilos	3.72 kilos
Cargo Shed	12	15	Cannabis Resin	5.35 kilos	3.87 kilos
Hamilton Docks	4	3	Cannabis Plants	118 plants	398 plants
General Post Office & Sub-Post Offices	3	9	Methamphetamines	20,373 pills	-
Mail Boxes	1	-			
Street	412	389			
Street (no arrest)	202	243			
TOTAL ARRESTS	812	824	* kilos = kilogrammes		

BERMUDA POLICE SELECTED CRIME REPORT	2000	2001	2002	2003	2004	2005	2006
CRIME							
Murder / Manslaughter	1	2	3	2	2	3	3
Attempted Murder	0	1	2	0	7	1	2
Assault Grievous Bodily Harm	24	48	56	81	63	52	75
Wounding	43	48	67	52	57	61	55
Sexual Assault	43	48	67	52	40	49	59
Sexual Exploitation of a Young Person	11	1	10	1	8	5	4
Serious Assault on Police	34	20	3	9	6	3	5
Firearm Offences	5	2	12	8	13	10	6
Robbery	45	45	45	62	75	107	89
Attempted Robbery / Assault W/I to Rob	5	12	6	6	14	18	7
TOTAL CRIMES OF VIOLENCE	211	227	271	273	285	309	305
Theft from Person	42	44	43	32	53	48	58
Handbag / Attempted Handbag Snatch	14	24	17	18	22	12	15
Theft from Hotel	22	30	39	19	20	23	19
Theft from Guest House	6	8	17	6	20	11	13
Theft from Unattended Vehicle	157	173	197	159	156	168	158
TOTAL THEFT	241	279	313	234	271	262	263
Burglary							
Residential	210	327	378	327	307	443	494
School	36	32	26	31	29	31	37
Shop	46	55	102	80	66	75	146
Office	20	32	51	51	30	46	68
Other Burglary Offences	135	124	196	195	113	195	234
Attempted Burglary	78	84	110	128	119	101	126
Old Offence: Burglary (night-time break)*	126	96	185	192	186	155	37
TOTAL BREAKING OFFENCES	651	750	1050	1004	850	1046	1142
Taking Without Owners Consent (TWOC)							
TWOC Cars	39	46	55	52	39	44	37
TWOC Motor Cycles	361	459	849	625	473	521	506
TWOC Auxiliary Cycles	229	264	393	363	264	262	251
TWOC Livery Cycles	78	57	120	100	86	75	110
TWOC Other Vehicles	10	11	11	19	10	13	13
Old Offence: Removed Pedal Cycle (now theft)	49	32	52	32	24	20	10
TOTAL TWOC	766	869	1480	1191	896	955	927
GRAND TOTAL	1869	2125	3114	2702	2302	2572	2637

*Please note the PI for Residential Burglary does not include the offence formally known as Burglary (night-time break), as of 1st April, 2006

PERFORMANCE INDICATORS

Violent Crime – 4th Quarter 2006 – per 1000 Population:

4th Qtr:	3rd Qtr:	2nd Qtr:	1st Qtr:	4th Qtr:	3rd Qtr:
2006	2006	2006	2006	2005	2005
6.0	5.5	4.5	3.5	4.5	4.5

Comparison with full years –

2006:	2005:	2004:	2003:	2002:	2001:
4.9	4.9	4.6	4.5	4.3	4.9

Residential Burglary – 4th Quarter 2006 – per 1000 Dwelling Units:

4th Qtr:	3rd Qtr:	2nd Qtr:	1st Qtr:	4th Qtr:	3rd Qtr:
2006	2006	2006	2006	2005	2005
14.6*	16.7*	23.1*	13.7	16.3	21.6

Comparison with full years –

2006:	2005:	2004:	2003:	2002:	2001:
15.9*	19.2	15.8	16.7	18.0	18.2

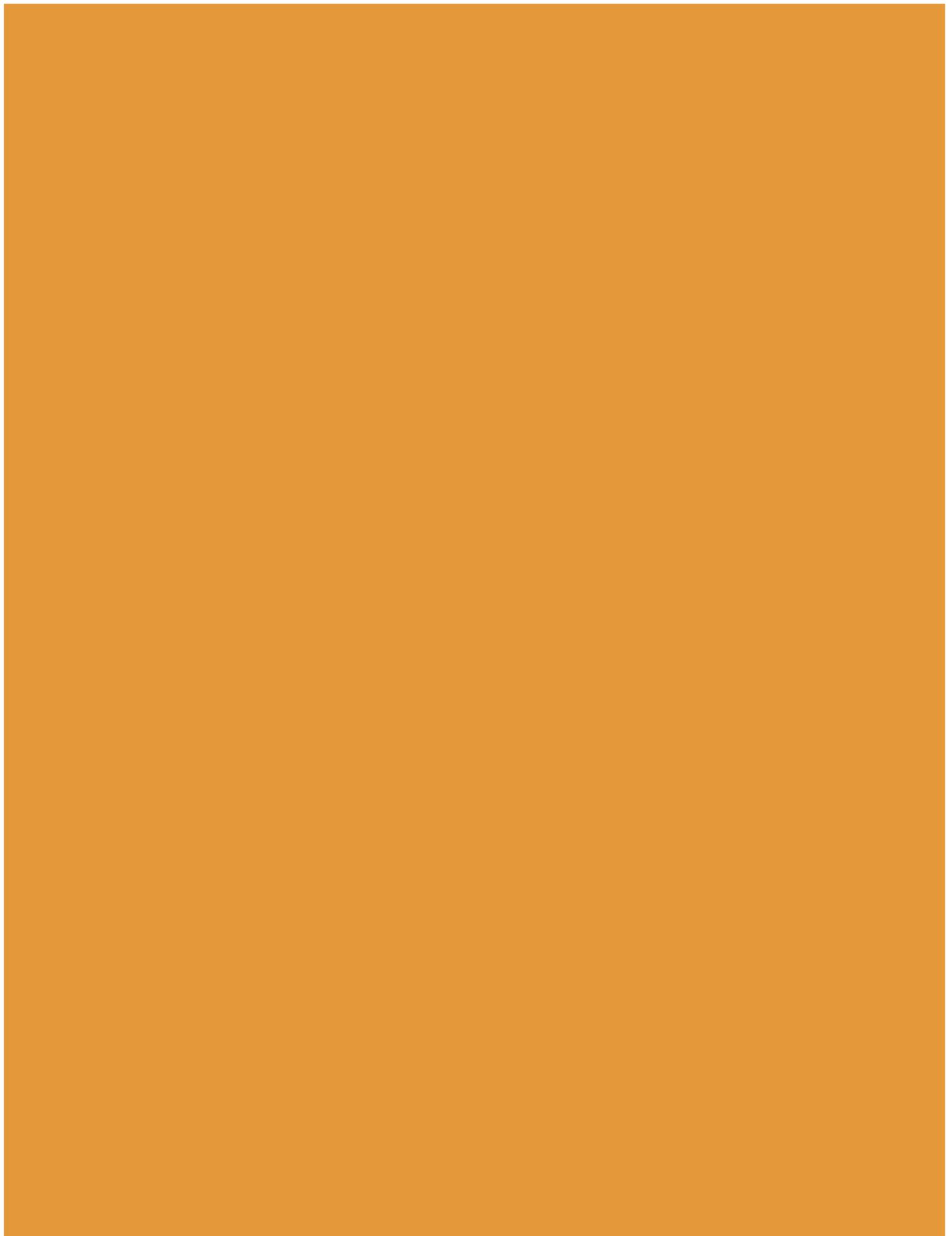
Vehicle Crimes – 4th Quarter 2006 – per 1000 Cycles:

4th Qtr:	3rd Qtr:	2nd Qtr:	1st Qtr:	4th Qtr:	3rd Qtr:
2006	2006	2006	2006	2005	2005
28.4	39.6	37.9	37.1	36.4	40.0

Comparison with full years –

2006:	2005:	2004:	2003:	2002:	2001:
35.7	35.3	33.9	43.6	57.3	47.2

FINANCE	2005/06	2006/07
Salaries	35,175,310	39,051,816
Wages	863,373	993,834
Other Personnel	3,929,514	4,548,349
Total Employee Expenses	39,968,197	44,593,999
Other Operating Costs	8,221,314	10,158,077
Total Operating Budget	48,189,511	54,752,076
Capital Acquisitions	2,933,966	3,722,907
Capital Development	2,301,913	3,914,140
TOTAL EXPENDITURE	53,425,390	62,389,123





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