

# AUSTRALIAN FEDERAL POLICE

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION FOR 2008–09

The Australian Federal Police (AFP) was established by the *Australian Federal Police Act 1979* (the AFP Act) and is the Australian Government's primary law enforcement agency. It is Australia's international law enforcement and policing representative and the chief source of advice to the government on policing issues. The AFP also provides community policing services to the Australian Capital Territory through a purchasing agreement with the ACT Government.

The range of the AFP's functions reflects the increasing breadth, depth and complexity of the Australian Government's law enforcement interests. Key outcome areas will continue to encompass protecting national security, particularly in countering the threat of terrorism to the safety and security of Australians; preventing and investigating major criminal activity affecting the Australian community and Australia's social and economic well-being; countering the threat from high-tech crime; and providing assistance to strengthen law and order in the Pacific region.

More specifically, 2008–09 will see the commencement of measures to enhance the AFP's core investigative capacity, including the first year of a five-year program to add 500 sworn officers to the AFP at a cost of \$191.9m. These officers will be directed to build the AFP's capacity to tackle organised and transnational crime, particularly in the areas of high-tech crime, drug trafficking, major fraud, money laundering and combating terrorism. This measure will be supported with a dedicated recruitment and retention program worth \$20m over four years, which includes explicit strategies to recruit more Indigenous officers to the AFP.

Combating terrorism remains one key outcome for the AFP. In 2008–09, the AFP will implement the recommendations of the Street Review regarding the optimal relationship between the AFP, the Australian Security Intelligence Organisation and the Office of the Commonwealth Director of Public Prosecutions in cooperating to prevent and prosecute terrorist threats to the Australian community. The AFP will also continue to realise the full capability of counter-terrorism and law enforcement at airports and in the aviation environment.

Building relationships of respect and trust with Australia's Islamic communities is important to counter radicalising influences, and the establishment of AFP Islamic Liaison Teams in each capital city during 2008–09 will facilitate communication and relationship-building activities with these communities.

An ongoing priority is taking the fight against crime offshore, through cooperation with overseas law enforcement agencies and assistance programs, to build law and order capacity in regional countries. New measures in the 2008–09 Budget include the second stage of the Timor-Leste Police Development Program, which will allow the deployment of up to 80 specialist personnel to help develop the Policia Nacional de Timor-Leste into a more effective police service supporting the stability and security of Timor-Leste. Up to eight additional AFP members will be deployed to Afghanistan to contribute to the international effort to develop the law and order and counter-narcotics capacities of the Afghan police. Around 80 members of the Iraqi Police Service will be trained in Australia in each of the next three years in specialist management, leadership and forensic and technical disciplines. Australia's close involvement in the development of policing capacities in the Pacific region will be further enhanced; the AFP will work closely with AusAID to extend the Pacific Police Development Program and provide programs in Papua New Guinea, Samoa and Nauru.

One of the key challenges to law enforcement is the ability of criminals to exploit new technology, particularly in cyberspace. The AFP has consolidated its technology-related prevention and investigation functions into a new high-tech crime operations portfolio, which will have responsibility for implementing the AFP components of the Australian Government's Cyber-safety Plan.

## **1.2 AGENCY RESOURCE STATEMENT**

Table 1.1 shows total resources from all origins. The table summarises how resources will be applied by outcome and by departmental classification.

**Table 1.1: Resource statement—Budget estimates for 2008–09  
(as at Budget May 2008)**

	Estimate of prior year amounts available in 2008–09 (\$'000)	+ Proposed at Budget 2008–09 (\$'000)	=	Total estimate 2008–09 (\$'000)	Estimated appropriation available 2007– 08 (\$'000)
<b>ORDINARY ANNUAL SERVICES</b>					
<b>Departmental outputs</b>					
Departmental outputs	223,474 <sup>4</sup>	1,009,351 <sup>1</sup>		1,232,825	992,919
S 31 relevant agency receipts	–	219,141 <sup>3</sup>		219,141	229,413
<b>Total ordinary annual services</b> A	<b>223,474</b>	<b>1,228,492</b>		<b>1,451,966<sup>5</sup></b>	<b>1,222,332</b>
<b>OTHER SERVICES</b>					
<b>Administered expenses</b>					
New administered expenses					
<i>Outcome 1</i>	–	9,688		9,688	–
<b>Total administered expenses</b>	<b>–</b>	<b>9,688</b>		<b>9,688</b>	<b>–</b>
<b>Departmental non-operating</b>					
Equity injections	151,630	131,281 <sup>2</sup>		282,911	90,620
<b>Total departmental non-operating</b>	<b>151,630</b>	<b>131,281</b>		<b>282,911</b>	<b>90,620</b>
<b>Total other services</b> B	<b>151,630</b>	<b>140,969</b>		<b>292,599</b>	<b>90,620</b>
<b>Total appropriations excluding special accounts</b>	<b>375,104</b>	<b>1,369,461</b>		<b>1,744,565</b>	<b>1,312,952</b>
<b>SPECIAL ACCOUNTS</b>					
Opening balance	11,744 <sup>6</sup>	–		11,745	12,469
Appropriation receipts—other agencies <sup>7</sup>	–	5,918		5,918	6,426
Non-appropriation receipts to special accounts	–	14,661		14,661	14,761
<b>Total special accounts</b> C	<b>11,744</b>	<b>20,579</b>		<b>32,324</b>	<b>33,656</b>
<b>Total resourcing (A+B+C)</b>	<b>386,848</b>	<b>1,390,040</b>		<b>1,776,889</b>	<b>1,346,608</b>
<b>Total net resourcing for the Australian Federal Police</b>	<b>386,848</b>	<b>1,390,040</b>		<b>1,776,889</b>	<b>1,346,608</b>

All figures are GST exclusive.

Notes:

1. Appropriation Bill (No. 1) 2008–09.
2. Appropriation Bill (No. 2) 2008–09.
3. Section 31 relevant agency receipts—estimate.
4. Estimated adjusted balance carried forward from previous year for annual appropriations.
5. The total available departmental operating appropriation (outputs) will not equal the total of all outputs in the outcome resource statements as they budget for estimated appropriation attributable to outcomes and not the total available. For reconciliation see Table 3.1.1.
6. Estimated opening balance for special accounts. For further detail on special accounts see Table 3.1.3.
7. Appropriation receipts relate to the Comcare special account.

### 1.3 BUDGET MEASURES

Budget measures relating to the AFP are detailed in Budget Paper No. 2. Table 1.2 provides a summary of government measures and identifies the relevant output groups associated with each measure.

**Table 1.2: Agency 2008–09 Budget measures**

	Output group	2008–09 (\$'000)	2009–10 (\$'000)	2010–11 (\$'000)	2011–12 (\$'000)
<b>EXPENSE MEASURES</b>					
<b>Overseas development assistance— assistance to Iraqi Police Service</b>	1.2				
Departmental outputs		5,783	3,952	3,989	–
<b>Overseas development assistance— Timor-Leste Police Development Program</b>	1.4				
Administered expenses		2,370	8,626	–	–
Departmental outputs		14,168	25,981	–	–
<b>Total</b>		<b>16,538</b>	<b>34,607</b>	–	–
<b>Overseas development assistance— enhanced Australian Federal Police deployment to Afghanistan</b>	1.4				
Departmental outputs		14,400	23,600	–	–
<b>Overseas development assistance— Pacific Police Development Program</b>	1.4				

Administered expenses		7,200	7,972	11,489	12,637
Departmental outputs		6,132	11,027	9,615	8,897
<b>Total</b>		<b>13,332</b>	<b>18,999</b>	<b>21,104</b>	<b>21,534</b>
<b>Sworn Australian Federal Police officers—increase<sup>1</sup></b>	1.1, 1.2, 1.3, 1.5				
Departmental outputs		<b>5,342</b>	<b>10,271</b>	<b>16,931</b>	<b>53,356</b>
<b>Responsible Economic Management—National Security—regional rapid deployment teams</b>	1.6				
Departmental outputs		<b>(2,221)</b>	–	–	–
<b>Responsible Economic Management—Australian Federal Police airport liaison officer network</b>	1.6				
Departmental outputs		<b>(1,473)</b>	–	–	–
<b>Responsible Economic Management—Australian Federal Police surge capacity</b>	1.5				
Departmental outputs		<b>(2,528)</b>	–	–	–
<b>Responsible Economic Management—Protecting Australian Families Online</b>					
Departmental outputs	1.7	<b>(9,361)</b>	<b>(13,568)</b>	<b>(13,678)</b>	<b>(13,678)</b>
<b>Cyber-safety Plan</b>	1.7				
Administered expenses		118	121	123	133
Departmental outputs		8,534	12,627	13,107	12,840
<b>Total</b>		<b>8,652</b>	<b>12,748</b>	<b>13,230</b>	<b>12,973</b>
<b>Responsible Economic Management—International Deployment Group workforce re-phasing</b>	1.4				
Departmental outputs		<b>(10,000)</b>	–	–	–
<b>National Security—counter-terrorism rapid deployment capability<sup>2</sup></b>	1.3				
Departmental outputs		–	–	–	–
<b>National Security—Air Security Officer program<sup>3</sup></b>	1.6				
Departmental outputs		–	–	–	–
<b>Total expense measures</b>	Administered	<b>9,688</b>	<b>16,719</b>	<b>11,612</b>	<b>12,770</b>

	Departmental	28,776	73,890	29,964	61,415
	<b>Total</b>	<b>38,464</b>	<b>90,609</b>	<b>41,576</b>	<b>74,185</b>
<b>CAPITAL MEASURES</b>					
<b>Overseas development assistance— Timor-Leste Police Development Program</b>	1.4			–	–
Departmental capital		1,500	1,000	–	–
<b>Overseas development assistance— Australian Federal Police contribution to Afghanistan<sup>4</sup></b>	1.4				
Departmental capital		–	–	–	–
<b>Overseas development assistance— enhanced Australian Federal Police deployment to Afghanistan</b>	1.4				
Departmental capital		9,000	–	–	–
<b>Sworn Australian Federal Police officers—increase<sup>5</sup></b>	1.1, 1.2, 1.3, 1.5				
Departmental capital		1,547	1,269	1,354	7,483
<b>Responsible Economic Management—Protecting Australian Families Online</b>	1.7	(708)	(585)	(106)	–
<b>Cyber-safety Plan</b>	1.7				
Departmental capital		708	590	108	–
<b>Total capital measures</b>	Departmental	<b>12,047</b>	<b>2,274</b>	<b>1,356</b>	<b>7,483</b>

Prepared on a Government Financial Statistics (fiscal) basis.

Notes:

1. Funding for this measure also includes \$87.280m in 2012–13 and \$83.167m in 2013–14.

2. This measure is the renewal of a lapsing measure, previously funded in 2004–05. Therefore, the ongoing funding of \$8.406m is already included in the AFP's base funding.

3. This measure is the one-year-only renewal of a lapsing measure, previously funded in 2004–05. Therefore, the 2008–09 funding of \$8.366m is already included in the AFP's base funding.

4. This measure will be funded from within existing resources.

5. Capital funding for this measure also includes \$7.113m in 2012–13.

## Section 2: Outcomes and planned performance

### 2.1 OUTCOMES AND PERFORMANCE INFORMATION

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the government on the Australian community. Agencies are required to identify the output groups that demonstrate their contribution to government outcomes over the coming year.

The AFP's outcomes are described below by outputs, including the indicators and targets used to assess and monitor performance.

#### 2.1.1 Outcome 1: The investigation and prevention of crime against the Commonwealth and protection of Commonwealth interests in Australia and overseas

##### Outcome 1 strategy

Outcome 1 reflects the AFP's national and internationally focused policing services provided to the Commonwealth. The outcome encompasses the investigation and prevention of crime against the Commonwealth and protection of Commonwealth interests in Australia and overseas.

##### Outcome 1 resource statement

Table 2.1 provides additional detail of Budget appropriations and the total resourcing available for Outcome 1.

**Table 2.1: Total resources available for Outcome 1**

	2008–09 total estimate of available resources (\$'000)	2007–08 estimated actual (\$'000)
<b>Outcome 1</b>		
<b>Output 1.1: Criminal investigations—border and international network</b>		
Departmental outputs	133,594	133,563
Revenues from other sources (s 31)	5,682	8,358

	<b>2008–09 total estimate of available resources (\$'000)</b>	<b>2007–08 estimated actual (\$'000)</b>
<b>Outcome 1</b>		
Special accounts		
Other Trust Moneys		
Opening balance	1,576	1,603
Appropriation receipts	2,632	2,689
<b>Subtotal for Output 1.1</b>	<b>143,484</b>	<b>146,213</b>
<b>Output 1.2: Criminal investigations—economic and special operations</b>		
Departmental outputs	128,428	135,651
Revenues from other sources (s 31)	9,180	12,588
Special accounts		
Other Trust Moneys		
Opening balance	1,576	1,603
Appropriation receipts	2,633	2,688
AFP Asia/Pacific Group on Money Laundering		
Opening balance	514	701
Appropriation receipts	2,096	1,519
<b>Subtotal for Output 1.2</b>	<b>144,427</b>	<b>154,750</b>
<b>Output 1.3: Criminal investigations—terrorism</b>		
Departmental outputs	47,220	54,875
Revenues from other sources (s 31)	4,199	5,400
Special accounts		
Other Trust Moneys		
Opening balance	1,576	1,603
Appropriation receipts	2,632	2,688
Services for Other Governments and Non-Agency Bodies		
Opening balance	202	444
Appropriation receipts	55	755
<b>Subtotal for Output 1.3</b>	<b>55,884</b>	<b>65,765</b>
<b>Output 1.4: International deployment services</b>		
Administered items		
Timor-Leste Police Development Program	2,370	–
Pacific Police Development Program	7,200	–
Departmental outputs	291,773	272,768

	<b>2008–09 total estimate of available resources (\$'000)</b>	<b>2007–08 estimated actual (\$'000)</b>
<b>Outcome 1</b>		
Revenues from other sources (s 31)	12,000	19,170
Special accounts		
Other Trust Moneys		
Opening balance	1,575	1,603
Appropriation receipts	2,633	2,688
<b>Subtotal for Output 1.4</b>	<b>317,551</b>	<b>296,229</b>
<b>Output 1.5: Protection services</b>		
Departmental outputs	155,227	157,915
Revenues from other sources (s 31)	51,832	52,393
Special accounts		
AFP Protective Services Special Account		
Opening balance	–	102
Appropriation receipts	–	95
Other Trust Moneys		
Opening balance	1,575	1,603
Appropriation receipts	2,633	2,688
<b>Subtotal for Output 1.5</b>	<b>211,267</b>	<b>214,796</b>
<b>Output 1.6: Aviation services</b>		
Departmental outputs	236,340	238,147
Revenues from other sources (s 31)	4,446	7,514
Special accounts		
Other Trust Moneys		
Opening balance	1,575	1,603
Appropriation receipts	2,633	2,688
<b>Subtotal for Output 1.6</b>	<b>244,994</b>	<b>249,952</b>
<b>Output 1.7: High-technology crime</b>		
Administered items		
Cyber-safety Plan	118	–
Departmental outputs	16,769	–
Revenues from other sources (s 31)	1,976	–
Special accounts		
Other Trust Moneys		

	<b>2008–09 total estimate of available resources (\$'000)</b>	<b>2007–08 estimated actual (\$'000)</b>
<b>Outcome 1</b>		
Opening balance	1,575	1,604
Appropriation receipts	2,633	2,689
<b>Subtotal for Output 1.7</b>	<b>23,071</b>	<b>4,293</b>
<b>Total resources for Outcome 1</b>	<b>1,140,678</b>	<b>1,131,998</b>
<b>Average staffing level (number)<sup>1</sup></b>	<b>5,552</b>	<b>5,591</b>

Departmental appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the Budget year as government priorities change.

Note:

1. The average staffing level figures exclude State Police seconded to the AFP for aviation security and international deployments where they do not become AFP employees. For the 2007–08 estimated actual, this totals 216 (aviation = 135 and international deployments = 81).

## Contributions to Outcome 1

### Output 1.1

#### Output 1.1: Criminal investigations—border and international network

The border and international network portfolio has principal responsibility for managing border crimes and the activities of the AFP's international network.

Border crimes include drug trafficking, people smuggling, transnational sex offences and other crimes ancillary to border and international operations.

Strategies include:

- countering and otherwise investigating illicit drugs trafficking and the identification of assets involved in, or derived from, those activities
- contributing to the implementation of the Australian Government's National Drug Strategy
- contributing to a whole-of-government approach to unauthorised arrivals, and
- contributing to a whole-of-government approach to combating trafficking in persons (which includes dealing with transnational sex offences).

An international network of AFP liaison officers facilitates the investigation and prevention of crimes against the Commonwealth and the protection of Commonwealth interests in Australia and overseas.

Strategies include:

- contributing to international cooperative and collaborative efforts to counteract and prevent criminal activities of major concern to the government
- contributing to the collection and sharing of intelligence on criminal activities focusing on transnational crime, in support of international law enforcement efforts
- contributing to the whole-of-government approach to combating transnational crime, and
- coordinating and advising on training and technical measures to enhance the capacity of overseas law enforcement agencies to deal with new forms of criminal activity, particularly in the context of transnational crime.

<b>Key performance indicators</b>	<b>2008–09 target</b>
Level of client/stakeholder* satisfaction	85% satisfied or very satisfied

Drug harm index**	+/- 5% of the expected value*** based on the previous five years
Percentage of cases reaching court resulting in a conviction	90%
Percentage of time spent on high–very high impact cases	85%

\* Clients/stakeholders include Commonwealth, state and territory agencies, and the representatives, embassies or agencies of foreign governments to which the AFP provides a service.

\*\* Dollar value of harm that would have ensued had the drugs seized reached the community.

\*\*\* The expected value will be calculated according to time series data to June 2008.

## Output 1.2

### Output 1.2: Criminal investigations—economic and special operations

The economic and special operations portfolio carries responsibility for managing a wide range of crime types contained within the spectrum of Commonwealth statutes. The portfolio is divided into two major streams: economic operations and special operations.

The economic operations stream delivers a Commonwealth law enforcement response to the incidence of serious and complex criminal activity, money laundering, criminal tax offences, identity crime, currency crime and other financial criminality.

The special operations stream delivers a law enforcement response to the incidence of a range of Commonwealth offences including war crime, corruption and bribery of foreign officials, intellectual property, environmental crime, family law and emerging issues. The special operations stream also provides a National Missing Persons Coordination Centre and a national surveillance capability.

Strategies include:

- focusing on the financial basis of crime by pursuing the proceeds of crime and money laundering
- attacking identity crime as the key facilitator to a broad range of crime types, and
- engaging in national and international law enforcement partnerships to combat transnational and organised economic crime activity.

The AFP will continue to contribute to fraud prevention initiatives, as well as identifying, targeting and disrupting criminals and criminal groups that perpetrate crimes involving fraud which target Australian citizens, businesses and financial institutions.

Key performance indicators	2008–09 target
Level of client/stakeholder* satisfaction	5% increase in satisfied or very satisfied from previous year's survey
Estimated financial return	5% above the expected value** based on the previous five years
Percentage of cases reaching court resulting in a conviction	85%
Percentage of time spent on high–very high impact cases	65%

Percentage of cases (that can have proceeds of crime action) that have restraining order applications made to the Commonwealth Director of Public Prosecutions	20%
Percentage of new AFP investigations for which proceeds of crime action is considered	100%

\* Clients/stakeholders include Commonwealth, state and territory agencies, and the representatives, embassies or agencies of foreign governments to which the AFP provides a service.

\*\* The expected value will be calculated according to time series data to June 2008.

### Output 1.3

#### Output 1.3: Criminal investigations—terrorism

The counter-terrorism portfolio has primary responsibility for managing activity relating to countering terrorist threats to, and preventing and investigating terrorist activity against, Australia and Australian interests, domestically and internationally.

Strategies include:

- coordinating investigations across states/territories that impact on national security through inter-jurisdictional joint counter-terrorism teams
- conducting national and offshore exercise regimes to validate and assess Australia's domestic and international counter-terrorism capacity and capabilities
- undertaking operational and capacity building activities, working closely with the AFP's broader international network, and
- maintaining rapid response capability to manage crises, and the consequences of crises, that impact on the economic, social and political stability of Australia's local and global interests.

Key performance indicators	2008–09 target
Level of client/stakeholder* satisfaction	80% satisfied or very satisfied
Distribution of case hours by purpose	85% domestic 10% international 5% other (including finance)
Number of counter-terrorism investigation and intelligence cases on hand	Within 10% of the expected value** based on the previous five years
Number of terrorist incidents	0
Percentage of time spent on high–very high impact cases	95%

\* Clients/stakeholders include Commonwealth, state and territory agencies, and the representatives, embassies or agencies of foreign governments to which the AFP provides a service.

\*\* The expected value will be calculated according to time series data to June 2008.

## Output 1.4

### Output 1.4: International deployment services

As a leader in the law and justice sector, the AFP's International Deployment Group contributes to regional and international stability and security on behalf of the Australian Government by implementing offshore capacity development programs and law enforcement initiatives. The group also supports a specifically targeted domestic initiative through its contributions to the Northern Territory Emergency Response to promote law and order in Indigenous communities. Strategies include:

- providing a permanent workforce that supports the International Deployment Group to deliver current and future international deployment demands, including for:
  - multilateral law enforcement capacity building missions
  - bilateral law enforcement capacity building programs under the auspices of the AFP's Law Enforcement Cooperation Program
  - international monitoring missions, and
  - international peace operations missions as civilian police with the United Nations, and
- providing a rapid crisis-response capability to support international stability and security and to support AFP Outcome 1 tactical responsibilities.

Key performance indicators	2008–09 target
Level of client/stakeholder* satisfaction: <ul style="list-style-type: none"> <li>• Australian clients/stakeholders</li> <li>• international clients</li> </ul>	90% satisfied or very satisfied 75% satisfied or very satisfied
Implementation of the International Deployment Group Future Strategy	Delivery of the International Deployment Group Future Strategy New Policy Initiative within budget parameters
Maintenance of a missions component	Capability to sustain one large, two medium and nine small missions
Sustainment of an operational response group of approximately 200 members with a substantial readily deployable, high-capability component	Up to 40 members within 24 hours Up to a further 40 members within 72 hours Remainder within seven days
Percentage of time spent on high–very high impact cases	90%

\* Clients/stakeholders include Commonwealth, state and territory agencies, and the representatives, embassies or agencies of foreign governments to which the AFP provides a service.

## Output 1.5

### Output 1.5: Protection services

Protection services contribute to Outcome 1 through the prevention of crime and protection of Commonwealth interests within Australia and overseas.

The objective of protection services is to ensure that individuals and interests identified to be at risk by the Commonwealth are kept safe and that their dignity is preserved. This is achieved in

partnership with other state, territory and Commonwealth agencies and departments.

Strategies include:

- provision of close personal protection (CPP)
- administration of the national witness protection program
- planning and coordination with strategic partners for special events that are of national interest, and
- provision of uniform protection services at premises considered by government to be at risk.

Key performance indicators	2008–09 target
Level of client/stakeholder* satisfaction	90% satisfied or very satisfied
CPP avoidable incidents per 1,000 movements	<5
Percentage of time spent on high–very high impact CPP cases	90%

\* Clients/stakeholders include Commonwealth, state and territory agencies, and the representatives, embassies or agencies of foreign governments to which the AFP provides a service.

## Output 1.6

### Output 1.6: Aviation services

Aviation services contribute to the maintenance of a safe and secure environment for Australian domestic and international aviation passenger transport. This requires the AFP to develop and maintain strong relationships with state and territory police services, Commonwealth agencies and the wider aviation community to ensure highly coordinated action against terrorist and other criminal threats to aviation safety and security.

Strategies include:

- continued implementation and development of the Unified Policing Model at designated airports to enhance aviation security
- a proactive and intelligence-led deterrence and first-response capacity for security incidents at designated airports
- detection, disruption and deterrence of serious and organised crime in the aviation sector
- deployment of Air Security Officers on selected domestic and international sectors to contribute to the prevention of in-flight attack on Australian registered aircraft
- a deployable counter-terrorist deterrence and response capability at regional airports to contribute to the aviation security deterrence and response capability of regional aviation participants, and
- active participation in inter-agency and aviation industry security forums.

Key performance indicators	2008–09 target
Establishment of the full capability of aviation law enforcement nationally through the continued implementation and development of the Unified Policing Model. Components include: <ul style="list-style-type: none"> <li>• Airport Police Commanders</li> <li>• Airport Uniform Police</li> <li>• Counter-Terrorist First Response Teams</li> <li>• Joint Aviation Investigation Teams</li> <li>• Joint Aviation Intelligence Groups</li> </ul>	All components of the Unified Policing Model are established by 30 December 2008

<ul style="list-style-type: none"> <li>• Police Aviation Liaison Officers</li> <li>• Regional Rapid Response Deployment Teams</li> <li>• Air Security Officer Program</li> <li>• Canine Teams</li> <li>• Bomb Appraisal Officers</li> </ul>	
Investigation of serious and organised crime within the aviation sector (percentage of cases reaching court resulting in a conviction)	90%
Number of new cases: crime and non-crime	Within 5% of prior year activity
Level of client/stakeholder* satisfaction in the contribution of the AFP to aviation law enforcement and security	90% satisfied or very satisfied
Level of community confidence in the contribution of the AFP to aviation law enforcement and security	At least 70%
Response to aviation law enforcement and/or security incidents in accordance with priority response times	Priority 1—Target: 75% within 5 minutes, 90% within 10 minutes Priority 2—Target: 75% within 15 minutes, 95% within 20 minutes Priority 3—Target: 75% within 90 minutes, 95% within 120 minutes Priority 4—Target: 90% within 24 hours

\* Clients/stakeholders include Commonwealth, state and territory agencies, and the representatives, embassies or agencies of foreign governments to which the AFP provides a service.

## Output 1.7

### Output 1.7: Criminal investigations—high-technology crime

High-technology crime operations provides the AFP with an enhanced capability to address technology-enabled crime and enables centrally coordinated high-technology operations support. A strong element is harm reduction through education and outreach to the community.

High-technology crime operations prevents, detects, investigates and prosecutes technology-enabled crime across all areas of AFP policing. Particular emphasis is placed on online child exploitation and financial fraud because of their use of advanced technologies.

Strategies include:

- fighting technology-enabled crime through the implementation of technology-led policing
- using technology to provide innovative support to the investigation of technology-enabled crimes
- supporting the prevention of online crime through education and community engagement activities, and
- collaborating with industry specialists, and through regional and industry outreach, to combat electronic national information infrastructure threats.

Key performance indicators	2008–09 target
Level of client/stakeholder satisfaction*	80% satisfied or very satisfied

Percentage of time spent on high–very high impact cases	80%
Percentage of criminal referrals accepted by external agencies	80%
Reduction of potential financial loss to Australian community delivered through effective partnerships	>\$100 million
Community education and engagement	Run five community/government forums and 10 online safety initiatives

\* Clients/stakeholders include Commonwealth, state and territory agencies, industry and the business community.

## **2.1.2 Outcome 2: Policing activity creates a safe and secure environment in the ACT**

### **Outcome 2 strategy**

Outcome 2 reflects the AFP’s community policing services in the ACT. ACT community policing services are provided in accordance with a policing arrangement between the Commonwealth and ACT governments. The arrangement is for a period of five years and was last approved on 14 June 2006. The arrangement provides for an annually negotiated purchase agreement between the AFP and the ACT Government which defines annual community policing objectives. ACT community policing services are provided for under section 8 of the AFP Act.

### **Outcome 2 resource statement**

Table 2.2 provides additional detail of Budget appropriations and the total resourcing available for Outcome 2.

**Table 2.2: Total resources available for Outcome 2**

<b>Outcome 2</b>	<b>2008–09 total estimate of available resources (\$'000)</b>	<b>2007–08 estimated actual (\$'000)</b>
<b>Output 2.1: Policing activity creates a safe and secure environment in the ACT</b>		
Revenues from other sources (s 31)	129,826	123,990
<b>Total resources for Outcome 2</b>	<b>129,826</b>	<b>123,990</b>
<b>Average staffing level (number)</b>	<b>866</b>	<b>848</b>

## **Contributions to Outcome 2**

No Commonwealth appropriation revenue contributes to Outcome 2. The provision of community policing services to the ACT is subject to an annually negotiated purchase agreement between the AFP and the ACT Government. Service delivery, price and performance achievements against measures and associated targets negotiated and set annually by the agreement are subject to independent audit.

## **Section 3: Explanatory tables and budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the Budget year 2008–09. It explains how budget plans are incorporated into the financial statements and provides further details of movements in administered funds, special accounts and Australian Government Indigenous expenditure.

### **3.1 EXPLANATORY TABLES**

#### **3.1.1 Reconciliation of total available appropriation and outcomes**

The agency resource statement (Table 1.1) details the total available appropriation from all sources. For departmental operating appropriation

(outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities (generally depreciation and employee entitlements), the total amount of departmental operating appropriation available to an agency is unlikely to be fully used in the Budget year.

The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2009–10 Budget year, including amounts related to meeting future obligations to maintain the agency’s asset base and to meet employee entitlement liabilities.

Table 3.1.1 reconciles the total available appropriation and amounts attributable to all outcomes.

**Table 3.1.1: Reconciliation of total available appropriation and outcomes**

	(\$'000)
<b>Total available departmental operating appropriation (outputs)</b>	1,451,966
Less estimated payments in 2008–09	(1,227,350)
<b>Estimated departmental outputs carried forward and available for 2009–10</b>	<b>224,616</b>

### 3.1.2 Movement of administered funds between years

The AFP has not moved any administered funds between years.

### 3.1.3 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister’s determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation.

Table 3.1.3 shows the expected additions (receipts) and reductions (payments) for each account used by the AFP.

**Table 3.1.3: Estimates of special account cash flows and balances**

		Opening balance 2008–09 2007–08	Receipts 2008–09 2007–08	Payments 2008–09 2007–08	Closing balance 2008–09 2007–08
	Outcome	(\$'000)	(\$'000)	(\$'000)	(\$'000)
AFP Protective Services— s 20 FMA Act (D) <sup>1</sup>	1 1	– 102	– 95	– 197	– –
Other Trust Moneys— s 20 FMA Act (D) <sup>2</sup>	1 1	11,028 11,222	18,428 18,815	16,580 19,012	12,876 11,028
Services for Other Governments and Non-Agency Bodies— s 20 FMA Act (D) <sup>3</sup>	1 1	202 444	55 755	200 997	57 202
AFP Asia/Pacific Group on Money Laundering—s 20 FMA Act (D)	1 1	514 701	2,096 1,515	1,924 1,706	686 514
<b>Total special accounts 2008–09 Budget estimate</b>		<b>11,744</b>	<b>20,579</b>	<b>18,704</b>	<b>13,619</b>
<b>Total special accounts 2007–08 estimated actual</b>		<b>12,469</b>	<b>21,187</b>	<b>21,912</b>	<b>11,744</b>

(A) = Administered.

(D) = Departmental.

FMA Act = *Financial Management and Accountability Act 1997*.

Notes:

1. The AFP Protective Services Special Account was closed in 2007–08 following the incorporation of the Protective Services functions within the broader AFP.
2. The Other Trust Moneys Account comprises the following accounts:
  - AFP Official Exhibits and Seized Monies and Manual Cheque Issue Exempt SPM Account
  - AFP Official MPR and Warrant and Manual Cheque Issue SPM Account
  - AFP Official Salary Packaging Exempt SPM Account, and
  - AFP Official Comcare SPM Trust Account.
3. The Services for Other Governments and Non-Agency Bodies Account comprises the following accounts:
  - AFP Official National Police Memorial Exempt SPM Trust Account, and
  - AFP Trust Account—Australia Disaster Victim Identification Committee.

### 3.1.4 Australian Government Indigenous expenditure

The AFP's contribution to Australian Government Indigenous expenditure is outlined in Table 3.1.4 below. The majority of this expenditure relates to the AFP's involvement in the Northern Territory emergency response, including the initial Australian Government response to address violence and child abuse in Indigenous communities. It also includes activities to promote Indigenous employment in the AFP and community policing strategies in the Australian Capital Territory with regard to Indigenous crime prevention.

**Table 3.1.4: Australian Government Indigenous expenditure (AGIE)**

Outcome	Appropriations			Total appropriation (\$'000)	Output group
	Bill No. 1 (\$'000)	Bill No. 2 (\$'000)	Special appropriation (\$'000)		
<b>Outcome 1</b>					
Departmental 2008–09	19,381	–	–	19,381	all
<i>Departmental 2007–08</i>	<i>11,721</i>	–	–	<i>11,721</i>	<i>all</i>
<b>Outcome 2</b>					
Departmental 2008–09	104	–	–	104	2.1
<i>Departmental 2007–08</i>	<i>103</i>	–	–	<i>103</i>	<i>2.1</i>
<b>Total AGIE 2008–09</b>	<b>19,485</b>	–	–	<b>19,485</b>	
<b>Total AGIE 2007–08</b>	<b>11,824</b>	–	–	<b>11,824</b>	

## 3.2 BUDGETED FINANCIAL STATEMENTS

### 3.2.1 Differences between agency resourcing and financial statements

There are no differences between the agency resourcing and financial statements.

### 3.2.2 Analysis of budgeted financial statements

#### Departmental

##### *Income statement*

##### REVENUE

Total revenue is estimated to be \$1,228.492m, a net increase of \$24.536m from the previously published estimate of \$1,203.956m in the *Portfolio Additional Estimates Statements 2007–08*. The net increase is a result of:

- an appropriation revenue increase of \$58.248m resulting from new measure funding and wage cost index adjustment of \$0.870m
- an appropriation revenue decrease of \$26.512m resulting from savings measures, and

- an appropriation revenue decrease of \$7.200m, for 'East Timor – Accommodation Return'.

For 2008–09 the government has approved a number of new measures totalling \$57.378m, including depreciation of \$3.019m. A complete list of new measures is presented in Table 1.2.

The AFP's total appropriation for 2008–09 is \$1,009.351m. Of this appropriation, 29% relates to funding for lapsing and terminating measures. A further 19% is funding based on 'no win, no loss' arrangements for international deployments and the airport uniformed policing component of phases 1 and 2 of the aviation security initiative.

As a result, \$525.571m of the total available appropriation of \$1,009.351m in 2008–09 is available as flexible base funding.

#### EXPENSES

Total expenses in 2008–09 are estimated to be \$1,228.492m, an increase of \$24.536m from the previously published estimate of \$1,203.956m. This reflects expenditure adjustments relevant to the changes discussed above.

#### *Balance sheet*

The AFP's estimated 2008–09 net asset position of \$571.948m represents a net increase of \$12.047m from the previously published estimate. The increase is attributable to the capital measure funding outlined in Table 1.2.

The AFP's major liability continues to be accrued employee entitlements, which are estimated to be \$163.421m.

#### *Capital budget*

The AFP's estimated 2008–09 capital budget of \$193.281m represents a net increase of \$12.047m from the previously published estimate. The increase is attributable to the capital injection funding presented in Table 1.2.

#### *Statement of cash flows*

The statement of cash flows sets out the net cash received from operating activities, investment in assets (as reflected in the acquisition of non-financial assets), and financing activities in the form of equity injections from government. Projected cash flows take into account the need to maintain staffing capabilities, wage cost increases and the capacity to cover asset replacements.

### **Administered**

#### *Schedule of budgeted revenues and expenses*

The schedule of budgeted revenues and expenses reflects the new administered funding of \$9.688m for 2008–09 provided to the AFP for the Cyber-safety Plan, Timor-Leste Police Development Program and Pacific Police Development Program.

### 3.2.3 Budgeted financial statements tables

#### Departmental

**Table 3.2.1: Budgeted departmental income statement (for the period ended 30 June)**

	Estimated actual 2007–08 (\$'000)	Budget estimate 2008–09 (\$'000)	Forward estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)
<b>INCOME</b>					
<b>Revenue</b>					
Revenue from government	992,919	1,009,351	1,111,900	1,052,976	1,084,848
Goods and services	221,955	212,183	208,018	203,018	203,018
Rents	500	–	–	–	–
<b>Total revenue</b>	<b>1,215,374</b>	<b>1,221,534</b>	<b>1,319,918</b>	<b>1,255,994</b>	<b>1,287,866</b>
<b>Gains</b>					
Other	6,958	6,958	6,958	6,958	6,958
<b>Total gains</b>	<b>6,958</b>	<b>6,958</b>	<b>6,958</b>	<b>6,958</b>	<b>6,958</b>
<b>Total income</b>	<b>1,222,332</b>	<b>1,228,492</b>	<b>1,326,876</b>	<b>1,262,952</b>	<b>1,294,824</b>
<b>EXPENSES</b>					
Employees	672,891	663,888	727,935	721,985	742,889
Suppliers	486,218	460,102	479,216	415,137	418,028
Depreciation and amortisation	56,999	98,278	113,501	119,606	130,933
Write-down and impairment of assets	43	43	43	43	43
Other	6,181	6,181	6,181	6,181	2,931
<b>Total expenses</b>	<b>1,222,332</b>	<b>1,228,492</b>	<b>1,326,876</b>	<b>1,262,952</b>	<b>1,294,824</b>
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

**Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)**

	Estimated actual 2007–08 (\$'000)	Budget estimate 2008–09 (\$'000)	Forward estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	29,994	31,136	32,324	33,559	34,844
Receivables	355,515	403,434	463,676	530,074	607,861
Accrued revenue	9,478	9,489	9,500	9,511	9,511
<b>Total financial assets</b>	<b>394,987</b>	<b>444,059</b>	<b>505,500</b>	<b>573,144</b>	<b>652,216</b>
<b>Non-financial assets</b>					
Land and buildings	113,543	162,144	158,848	128,623	117,166
Infrastructure, plant and equipment	124,987	165,085	158,784	143,542	108,296
Inventories	3,839	3,839	3,839	3,839	3,839
Intangibles	22,687	28,991	32,933	37,482	25,735
Other	8,916	8,916	8,916	8,916	8,916
<b>Total non-financial assets</b>	<b>273,972</b>	<b>368,975</b>	<b>363,320</b>	<b>322,402</b>	<b>263,952</b>
<b>Total assets</b>	<b>668,959</b>	<b>813,034</b>	<b>868,820</b>	<b>895,546</b>	<b>916,168</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	152,921	163,421	173,921	184,421	194,921
Other	8,433	8,433	8,433	8,433	8,433
<b>Total provisions</b>	<b>161,354</b>	<b>171,854</b>	<b>182,354</b>	<b>192,854</b>	<b>203,354</b>
<b>Payables</b>					
Suppliers	58,653	60,999	63,439	65,977	68,616
Dividends	1,084	1,084	1,084	1,084	1,084
Tax liabilities	2,638	2,638	2,638	2,638	2,638
Other	4,563	4,511	4,511	4,511	4,511
<b>Total payables</b>	<b>66,938</b>	<b>69,232</b>	<b>71,672</b>	<b>74,210</b>	<b>76,849</b>
<b>Total liabilities</b>	<b>228,292</b>	<b>241,086</b>	<b>254,026</b>	<b>267,064</b>	<b>280,203</b>
<b>Net assets</b>	<b>440,667</b>	<b>571,948</b>	<b>614,794</b>	<b>628,482</b>	<b>635,965</b>
<b>EQUITY<sup>1</sup></b>					
<b>Parent entity interest</b>					
Contributed equity	403,743	535,024	577,870	591,558	599,041

Reserves	12,208	12,208	12,208	12,208	12,208
Retained surpluses or accumulated deficits	24,716	24,716	24,716	24,716	24,716
<b>Total parent entity interest</b>	<b>440,667</b>	<b>571,948</b>	<b>614,794</b>	<b>628,482</b>	<b>635,965</b>
<b>Total equity</b>	<b>440,667</b>	<b>571,948</b>	<b>614,794</b>	<b>628,482</b>	<b>635,965</b>
<b>Current assets</b>	<b>403,903</b>	<b>452,975</b>	<b>514,416</b>	<b>582,060</b>	<b>661,132</b>
<b>Non-current assets</b>	<b>265,056</b>	<b>360,059</b>	<b>354,404</b>	<b>313,486</b>	<b>255,036</b>
<b>Current liabilities</b>	<b>214,594</b>	<b>226,621</b>	<b>238,784</b>	<b>251,040</b>	<b>263,391</b>
<b>Non-current liabilities</b>	<b>13,698</b>	<b>14,465</b>	<b>15,242</b>	<b>16,024</b>	<b>16,812</b>

Note:

1. Equity is the residual interest in assets after deduction of liabilities.

**Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	Estimated actual 2007-08 (\$'000)	Budget estimate 2008-09 (\$'000)	Forward estimate 2009-10 (\$'000)	Forward estimate 2010-11 (\$'000)	Forward estimate 2011-12 (\$'000)
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	225,097	214,839	207,548	203,018	196,901
Appropriations	981,568	958,765	1,052,117	986,567	992,860
Net GST received	28,273	22,573	21,711	19,469	20,288
<b>Total cash received</b>	<b>1,234,938</b>	<b>1,196,177</b>	<b>1,281,376</b>	<b>1,209,054</b>	<b>1,210,049</b>
<b>Cash used</b>					
Employees	662,391	653,388	717,435	711,485	732,389
Suppliers	505,277	473,371	491,529	425,110	405,151
Cash to Official Public Account	6,384	6,276	6,224	6,224	6,224
<b>Total cash used</b>	<b>1,174,052</b>	<b>1,133,035</b>	<b>1,215,188</b>	<b>1,142,819</b>	<b>1,143,764</b>
<b>Net cash from (used by) operating activities</b>	<b>60,886</b>	<b>63,142</b>	<b>66,188</b>	<b>66,235</b>	<b>66,285</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	135,214	193,281	107,846	78,688	72,483
<b>Total cash used</b>	<b>135,214</b>	<b>193,281</b>	<b>107,846</b>	<b>78,688</b>	<b>72,483</b>

<b>Net cash from (used by) investing activities</b>	<b>(135,214)</b>	<b>(193,281)</b>	<b>(107,846)</b>	<b>(78,688)</b>	<b>(72,483)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations—contributed equity	90,620	131,281	42,846	13,688	7,483
<b>Total cash received</b>	<b>90,620</b>	<b>131,281</b>	<b>42,846</b>	<b>13,688</b>	<b>7,483</b>
<b>Net cash from (used by) financing activities</b>	<b>90,620</b>	<b>131,281</b>	<b>42,846</b>	<b>13,688</b>	<b>7,483</b>
<b>Net increase (decrease) in cash held</b>	<b>16,292</b>	<b>1,142</b>	<b>1,188</b>	<b>1,235</b>	<b>1,285</b>
Cash at the beginning of the reporting period	13,702	29,994	31,136	32,324	33,559
<b>Cash at the end of the reporting period</b>	<b>29,994</b>	<b>31,136</b>	<b>32,324</b>	<b>33,559</b>	<b>34,844</b>

**Table 3.2.4: Departmental statement of changes in equity—summary of movement (Budget year 2008–09)**

	<b>Retained earnings (\$'000)</b>	<b>Asset revaluation reserve (\$'000)</b>	<b>Contributed equity/capital (\$'000)</b>	<b>Total equity (\$'000)</b>
<b>Opening balance as at 1 July 2008</b>				
Balance carried forward from previous period	24,716	12,208	403,743	440,667
<b>Income and expenses</b>				
Net operating result	–	–	–	–
<b>Total income and expenses</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Transactions with owners</b>				
Contribution by owners				
<i>Appropriation (equity injection)</i>	–	–	131,281	131,281
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>131,281</b>	<b>131,281</b>
<b>Estimated closing balance as at 30 June 2009</b>	<b>24,716</b>	<b>12,208</b>	<b>535,024</b>	<b>571,948</b>

## Administered

**Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

	Estimated actual 2007–08 (\$'000)	Budget estimate 2008–09 (\$'000)	Forward estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Total income administered on behalf of government	–	–	–	–	–
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Suppliers	–	9,688	16,719	11,612	12,770
Total expenses administered on behalf of government	–	9,688	16,719	11,612	12,770

**Table 3.2.7: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	Estimated actual 2007–08 (\$'000)	Budget estimate 2008–09 (\$'000)	Forward estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	–	9,688	16,719	11,612	12,770
<b>Total cash received</b>	–	<b>9,688</b>	<b>16,719</b>	<b>11,612</b>	<b>12,770</b>
<b>Cash used</b>					
Suppliers	–	9,688	16,719	11,612	12,770
<b>Total cash used</b>	–	<b>9,688</b>	<b>16,719</b>	<b>11,612</b>	<b>12,770</b>
<b>Net cash from (used by) operating activities</b>	–	–	–	–	–
<b>Net increase (decrease) in cash held</b>					
Cash at beginning of reporting period	–	–	–	–	–
<b>Cash at end of reporting period</b>	–	–	–	–	–

## **3.2.4 Notes to the financial statements**

### **Basis of accounting**

The budgeted financial statements have been prepared in accordance with the requirements of the Finance Minister's Orders, Australian Accounting Standards, Australian Equivalents to International Financial Reporting Standards and Accounting Guidance Releases, and having regard to the Statements of Accounting Concepts.

### **Departmental**

#### *Revenue from government*

Amounts appropriated are recognised as revenue, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

#### *Employee expenses*

Employee expenses consist of salaries, leave entitlements, redundancy expenses, superannuation and non-salary benefits.

#### *Supplier expenses*

Supplier expenses consist of administrative costs, consultants' costs, travel expenses and property operating expenses.

#### *Cash*

Cash includes notes and coins held and any deposits held at call with a bank or other financial institution.

#### *Assets*

Assets are made up of cash, receivables, leasehold improvements, and plant and equipment. All assets are held at fair value.

#### *Liabilities*

Liabilities are made up of employee salary and leave entitlement, property lease make-good provisions and amounts owed to creditors.

### **Administered**

#### *Revenues*

All administered revenues relate to the core operating activities performed by the department on behalf of the Australian Government.

*Supplier expenses*

Supplier expenses consist of administrative costs, consultants' costs, travel expenses and property operating expenses.