

# AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE

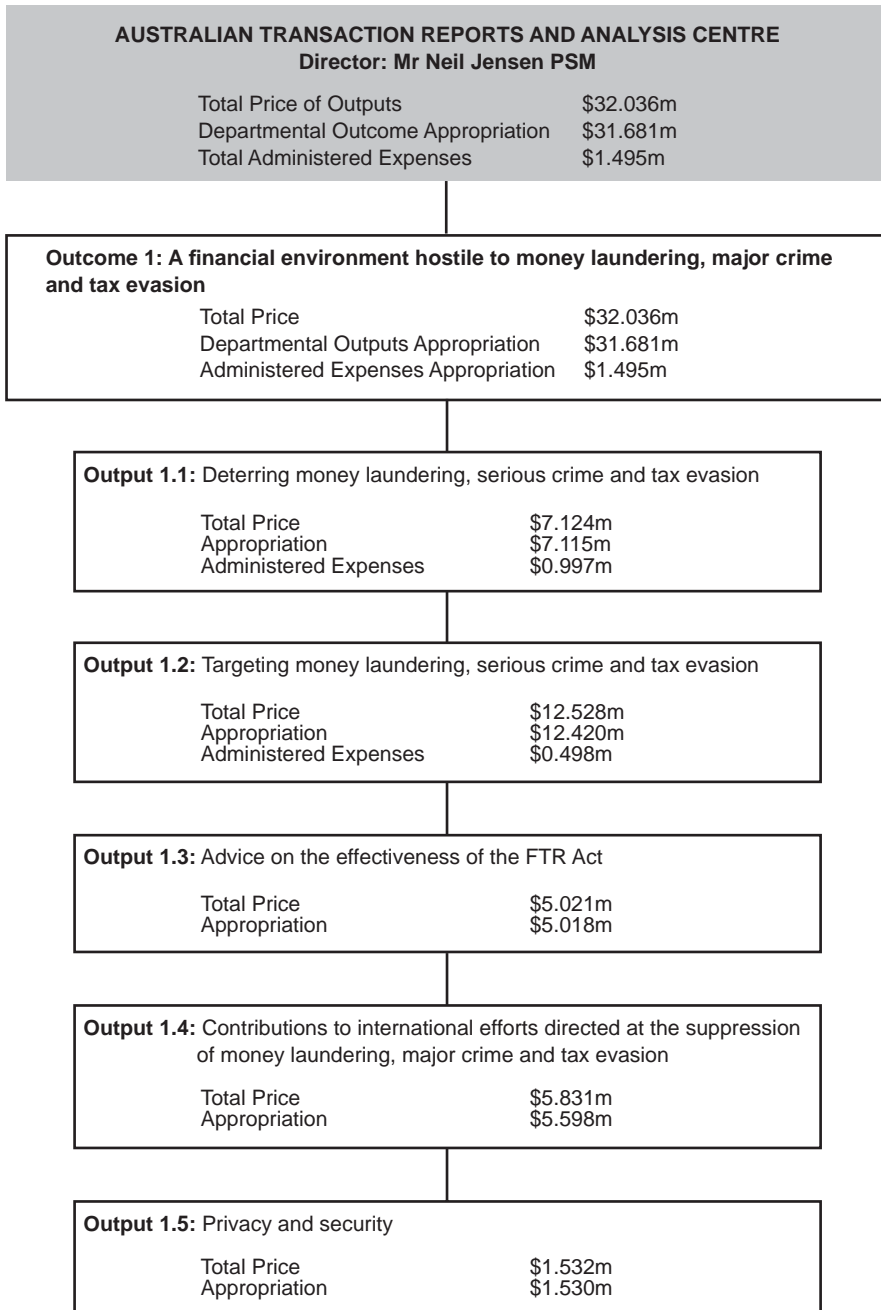
## Section 1: Overview

The mission of the Australian Transaction Reports and Analysis Centre (AUSTRAC) is to make a valued contribution towards a financial environment hostile to money laundering, terrorism financing, major crime and tax evasion.

AUSTRAC was established by the *Financial Transaction Reports Act 1988* (FTR Act) which authorises the collection, analysis and dissemination of certain financial information as a deterrence to money laundering, terrorism financing, major crime and tax evasion.

AUSTRAC works with its law enforcement, revenue, national security and social justice agency partners to provide useful financial intelligence in relation to matters involving money laundering, terrorism financing, major crime and tax evasion.

**Table 1.1: Agency outcomes and output groups**



## Section 2: Resources for 2006-07

### **2.1 APPROPRIATIONS AND OTHER RESOURCES**

Table 2.1 shows the total resources from all origins for 2006-07 including appropriations. The table summarises how resources will be applied by outcome, administered and departmental classification.

The total administered appropriation for AUSTRAC in the 2006-07 Budget is \$1.495m. The total departmental appropriation for AUSTRAC is \$32.036m. The total departmental capital (equity injections) is \$1.763m.

**Table 2.1: Appropriations and other resources 2006-07**

Outcome/ Non-operating	Departmental			Administered				Total \$'000	
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Receipts (a) \$'000	Appropriation Bill No. 1 \$'000	Appropriation SPP \$'000	Other \$'000		Special Appropriation \$'000
Outcome 1 - A financial environment hostile to money laundering, major crime and tax evasion	31,681	-	-	355	1,495	-	-	-	-
Equity injections	-	1,763	-	-	-	-	-	-	33,531
<b>TOTAL</b>	<b>31,681</b>	<b>1,763</b>	<b>-</b>	<b>355</b>	<b>1,495</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,294</b>

(a) Departmental and administered receipts from other sources (i.e. other than appropriation amounts) that are available to be used.

## 2.2 2006-07 BUDGET MEASURES

Budget measures relating to AUSTRAC as explained in Budget Paper No. 2 are summarised in Table 2.2. The table also identifies the relevant outcomes, administered items and outputs associated with each measure.

**Table 2.2: Agency measures**

Measure	Outcome	Output Groups Affected	Appropriations Budget 2006-07 (\$'000)			Appropriations Forward Estimate 2007-08 (\$'000)			Appropriations Forward Estimate 2008-09 (\$'000)			Appropriations Forward Estimate 2009-10 (\$'000)		
			Admin Items	Dept Outputs	Total	Admin Items	Dept Outputs	Total	Admin Items	Dept Outputs	Total	Admin Items	Dept Outputs	Total
<b>Expense Measures</b>														
National Security - Implementing the <i>Anti-Terrorism Act (No.2) 2005</i>	1	1, 2	1,495	2,497	3,992	-	-	-	-	-	-	-	-	-
National Security - anti-money laundering and counter-terrorism financing - providing interim funding	1	1 - 5	-	7,511	7,511	-	-	-	-	-	-	-	-	-
<b>Total Expense Measures</b>			<b>1,495</b>	<b>10,008</b>	<b>11,503</b>									
<b>Capital Measures</b>														
National Security - Implementing the <i>Anti-Terrorism Act (No.2) 2005</i>	1	1, 2	-	344	344	-	-	-	-	-	-	-	-	-
National Security - anti-money laundering and counter-terrorism financing - providing interim funding	1	1 - 5	-	1,419	1,419	-	-	-	-	-	-	-	-	-
<b>Total Capital Measures</b>			<b>-</b>	<b>1,763</b>	<b>1,763</b>									
<b>Total All Measures</b>			<b>1,495</b>	<b>11,771</b>	<b>13,266</b>									

## 2.3 OTHER RESOURCES AVAILABLE TO BE USED

Table 2.3 provides details of resources obtained by AUSTRAC for provision of goods or services. These resources are approved for use by AUSTRAC and are included in Table 2.1.

**Table 2.3: Other resources available to be used<sup>1</sup>**

	Estimated Resources 2005-06 \$'000	Budget Estimate 2006-07 \$'000
<b>Departmental resources</b>		
Resources received free of charge	22	23
Other Receipts <sup>1</sup>	404	332
<b>Total departmental other resources available to be used</b>	<b>426</b>	<b>355</b>

1. This table replaces the former table 'Receipts from Other sources'. It represents own source receipts available for spending on departmental purposes.

## 2.6 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* (FMA Act). These Determinations may be disallowed by the Parliament. Table 2.6 shows the expected additions (credits) and reductions (debits) for each account used by AUSTRAC.

**Table 2.6: Estimates of special account flows and balances**

	Opening Balance <b>2006-07</b>	Credits <b>2006-07</b>	Debits <b>2006-07</b>	Adjustments <b>2006-07</b>	Closing Balance <b>2006-07</b>
	<i>2005-06</i>	<i>2005-06</i>	<i>2005-06</i>	<i>2005-06</i>	<i>2005-06</i>
Notes	\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust Monies - FMA Act 1997 s20 (D)	-	75	75	-	-
	-	50	50	-	-
Services for other Government and Non-Agency Bodies Account - FMA Act 1997 s20 (D)	-	-	-	-	-
	-	-	-	-	-
<b>Total Special Accounts 2006-07 Budget Estimate</b>	-	<b>75</b>	<b>75</b>	-	-
<i>Total Special Accounts 2005-06 Estimated Actual</i>	-	<i>50</i>	<i>50</i>	-	-

(D) = Departmental

## 2.7 ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

In 2006-07, AUSTRAC will receive a total of \$1.763m in departmental equity injections for the measures listed in Table 2.2.

## Section 3: Outcomes

### 3.1 SUMMARY OF OUTCOMES AND CONTRIBUTION TO OUTCOMES

AUSTRAC works to achieve the outcome specified by government. The following section provides a departmental overview, and then the outcome is discussed. The figure on the following page shows the relationship between the outcome and outputs.

There have been no changes to the outcome and outputs structure for AUSTRAC.

AUSTRAC allocates all expenditure across its five output groups. Direct costs including salary and operational specific expenditure such as travel are attributed to the relevant output group in the first instance. Overheads which

cannot be allocated directly to an output group, including corporate and IT efforts to support the five output groups and other IT expenditure and property operating expenses, are allocated to the five outputs using standard cost accounting methods.

The relationship between activities of AUSTRAC and the outcome is summarised in Table 1.1.

## **3.2 OUTCOMES - DEPARTMENTAL AND ADMINISTERED**

AUSTRAC has only one outcome.

## **3.3 OUTCOMES AND PERFORMANCE**

### **Outcome resourcing**

Table 3.1 shows how the 2006-07 Budget appropriations translate to total resourcing, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs.

**Table 3.1: Total resources for Outcome 1**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000
<b>ADMINISTERED APPROPRIATIONS</b>		
Output 1.1 - Deterring money laundering	-	997
Output 1.2 - Targeting money laundering	-	498
<b>Total Administered Appropriations</b>	<b>-</b>	<b>1,495</b>
<b>DEPARTMENTAL APPROPRIATIONS</b>		
Output 1.1 - Deterring money laundering	5,821	7,115
Output 1.2 - Targeting money laundering	8,501	12,420
Output 1.3 - Advice on effectiveness of FTR Act	1,083	5,018
Output 1.4 - Contributions to international efforts	3,813	5,598
Output 1.5 - Privacy and security	1,652	1,530
<b>Total revenue from Government (appropriations) contributing to price of departmental outputs</b>	<b>20,870</b>	<b>31,681</b>
<b>OTHER RESOURCES AVAILABLE TO BE USED</b>		
Output 1.1 - Deterring money laundering	18	9
Output 1.2 - Targeting money laundering	99	108
Output 1.3 - Advice on effectiveness of FTR Act	7	3
Output 1.4 - Contributions to international efforts	297	233
Output 1.5 - Privacy and security	5	2
<b>Total revenue from other sources</b>	<b>426</b>	<b>355</b>
<b>Total estimated resourcing for Outcome 1 Total price of outputs and administered appropriations)</b>	<b>21,296</b>	<b>33,531</b>
<b>Average staffing level (number)</b>	<b>130</b>	<b>183</b>

## Measures affecting Outcome 1

### ***Anti-Terrorism Act (No.2) 2005* implementation**

AUSTRAC will receive additional appropriation for 2006-07 only. As a result of this decision, AUSTRAC's appropriation has been increased by \$2.841m in departmental and \$1.495m in administered, a total of \$4.336m in 2006-07.

### **Anti-money laundering/counter-terrorism financing (AML/CTF) regulations implementation**

The Government has agreed to increase appropriation to fund the AML/CTF Regulations implementation. As a result of this decision, AUSTRAC's 2006-07 departmental appropriation has been increased by \$8.930m.

## **Contributions to achievement of Outcome 1**

AUSTRAC achieves its outcome of creating an environment hostile to money laundering, major crime and tax evasion by working as Australia's anti-money laundering/counter-terrorist financing regulator (AML/CTF) and as Australia's financial intelligence unit (FIU).

In its role as AML/CTF regulator, AUSTRAC ensures that cash dealers meet the reporting requirements under the FTR Act and provide quality information on the movement of cash and other forms of payments in and out of Australia. By ensuring the enforcement of Australia's AML/CTF framework, AUSTRAC creates an environment that is hostile to the laundering of proceeds of crime, the financing of terrorism and the evasion of taxation requirements.

In its role as Australia's financial intelligence unit, AUSTRAC uses the information provided by cash dealers as the data that AUSTRAC analyses and disseminates to law enforcement, national security, social justice and revenue agencies as financial intelligence. In providing this intelligence, AUSTRAC assists these agencies in the detection of organised crime networks, terrorist threats, tax evasion schemes and social welfare fraud and contributes to the integrity of Australia's financial and government revenue systems.

AUSTRAC also assists in achieving the Australian Government's efforts to create an international environment hostile to money laundering, major crime and tax evasion by working with international bodies to establish and implement AML/CTF standards, exchanging financial intelligence to assist international investigations, and providing technical assistance and training to counterpart organisations to further strengthen countries' ability to counter terrorism financing and money laundering.

## **Administered activities**

Administered appropriations for AUSTRAC in the 2006-07 Budget is \$1.495m.

## **Departmental outputs**

Outcome 1 — Contribution of outputs

AUSTRAC has one outcome: a financial environment hostile to money laundering, major crime and tax evasion.

There are five outputs for AUSTRAC's outcome:

Output 1.1: Deterring money laundering, serious crime and tax evasion

Output 1.2: Targeting money laundering, serious crime and tax evasion

Output 1.3: Advice on the effectiveness of the FTR Act

Output 1.4: Contributions to international efforts directed at the suppression of money laundering, major crime and tax evasion, and

Output 1.5: Privacy and security.

### **Performance information for Outcome 1**

Performance information for departmental items, individual outputs and output groups relating to AUSTRAC are summarised in Table 3.2.

**Table 3.2: Performance information for Outcome 1**

<b>Effectiveness — Overall Achievement of the Outcome</b>	
<i>Effectiveness Indicators</i>	<i>Measure</i>
Deterrence program including collection of FTR information and promotion and enforcement of compliance	The extent to which the deterrence program can be demonstrated to foster an environment hostile to money laundering, serious crime and tax evasion
Targeting program	The extent to which the targeting program can be demonstrated to retard and identify financial activity which facilitates money laundering, serious crime and tax evasion
Advice program	The extent to which the advice program can be demonstrated to maintain and increase the value of the overall program in fostering an environment hostile to money laundering, major crime and tax evasion
International program	The extent to which the international program can be demonstrated to maintain and increase the value of the overall program in fostering an environment hostile to money laundering, major crime and tax evasion
Privacy and security	The extent to which the FTR information is seen to be maintained securely and with due regard to the privacy interests of stakeholders
<b>Performance Information for Departmental Outputs</b>	
<i>Output Description</i>	<i>Performance Measure</i>
Output 1.1: Deterring money laundering, serious crime and tax evasion	<i>Price:</i> \$7.124m
Sub-output 1.1.1: Collection of FTR information	<i>Quality:</i> Integrity of the reports
	<i>Quantity:</i> The volume of the reports/support functions
Sub-output 1.1.2: Promotion of the FTR Act compliance	<i>Quality:</i> Feedback from cash dealers and the public
	<i>Quantity:</i> The number of support functions provided
Sub-output 1.1.3: Individual cash dealer compliance improvement	<i>Quality:</i> Effectiveness of the compliance improvement program
	<i>Quantity:</i> Number of evaluations and compliance issues identified
Output 1.2: Targeting money laundering, serious crime and tax evasion	<i>Price:</i> \$12.528m
Sub-output 1.2.1: Dissemination of FTR information	<i>Quality:</i> Level of system availability
	<i>Quantity:</i> Number of access logons and disseminations
Sub-output 1.2.2: Value added FTR information through analysis	<i>Quality:</i> Feedback from partner agencies
	<i>Quantity:</i> The number of matters value added and the number of matters taken up by partner agencies

**Table 3.2: Performance information for Outcome 1 (continued)**

<b>Performance Information for Departmental Outputs</b>	
<i>Output Description</i>	<i>Performance Measure</i>
Sub-output 1.2.3: Promotion of effective use of FTR information	<p><i>Quality:</i> Feedback from partner agencies</p> <p><i>Quantity:</i> Increase in the number of accessions to the system and the number of support functions provided</p>
Output 1.3: Advice on effectiveness of the FTR Act	<p><i>Price:</i> \$5.021m</p> <p><i>Quality:</i> Significance of issues and response to issues advised upon</p> <p><i>Quantity:</i> Number of issues identified and advised</p>
Output 1.4: Contribution to international efforts directed at the suppression of money laundering, major crime and tax evasion	<p><i>Price:</i> \$5.831m</p> <p><i>Quality:</i> Significance of issues and response to issues</p> <p><i>Quantity:</i> Number and extent of issues identified</p>
Output 1.5: Privacy and security	<p><i>Price:</i> \$1.532m</p> <p><i>Quality:</i> Significance of risks identified; effectiveness of security safeguards; level of compliance with government guidelines; and extent to which AUSTRAC adopts a security culture</p> <p><i>Quantity:</i> Number of significant issues and incidents identified and addressed</p>

## Evaluations for Outcome 1

AUSTRAC seeks regular feedback from its cash dealers and domestic and international partner agencies on the effectiveness of FTR information and its systems for collection and dissemination of FTR information. AUSTRAC seeks this information through a variety of feedback mechanisms.

## Section 4: Other reporting requirements

### 4.1 PURCHASER-PROVIDER ARRANGEMENTS

AUSTRAC does not participate in any purchaser-provider arrangements.

## 4.2 COST RECOVERY ARRANGEMENTS

AUSTRAC does not have any cost recovery arrangements.

## Section 5: Budgeted financial statements

### ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

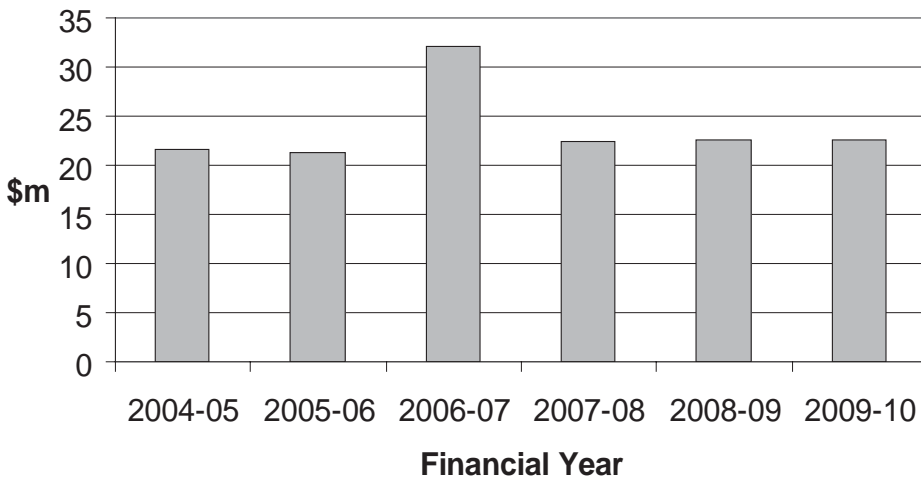
AUSTRAC is budgeting to break-even for 2006-07.

Total departmental revenue is estimated to be \$32.036m, an increase of \$10.740m from the 2005-06 estimated actual. The increase is primarily as a result of:

- an increase in AUSTRAC's appropriations as a result of Budget measures shown at Table 2.2.

Total departmental expenses are estimated to be \$32.036m, an increase of \$10.740m from the 2005-06 estimated actual. The increase is due to Budget measures shown at Table 2.2 above. The following chart shows the total departmental expenses from ordinary activities from 2004-05.

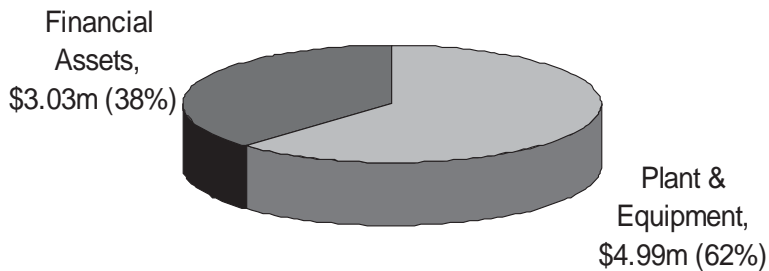
**Total Departmental Expenses**



### Statement of Financial Position

The Agency's budgeted total assets of \$8.021m represents an increase of \$1.783m from the 2005-06 estimated actual. The following chart shows details of budgeted assets for 2006-07.

### Budgeted Assets for 2006-07



The Agency's primary liability continues to be accrued employee entitlements, as a result of accruing leave entitlements, of \$1.900m. The liability is expected to increase by \$0.050m from the 2005-06 financial year.

## BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted departmental income statement for the period ended 30 June**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	20,870	31,681	21,757	21,860	22,086
Other	426	355	360	327	327
<b>Total revenue</b>	<b>21,296</b>	<b>32,036</b>	<b>22,117</b>	<b>22,187</b>	<b>22,413</b>
<b>EXPENSE</b>					
Employees	8,571	13,765	8,990	9,006	9,129
Suppliers	11,257	16,510	11,696	11,750	11,853
Depreciation and amortisation	1,468	1,761	1,764	1,764	1,622
<b>Total expenses</b>	<b>21,296</b>	<b>32,036</b>	<b>22,450</b>	<b>22,520</b>	<b>22,604</b>
<b>Net surplus or (deficit) attributable to the Australian Government</b>	<b>-</b>	<b>-</b>	<b>(333)</b>	<b>(333)</b>	<b>(191)</b>

Table 5.2: Budgeted departmental balance sheet as at 30 June

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	2,529	2,529	2,660	2,841	2,672
Receivables	128	170	200	170	170
Other	350	328	358	338	338
<b>Total financial assets</b>	<b>3,007</b>	<b>3,027</b>	<b>3,218</b>	<b>3,349</b>	<b>3,180</b>
<b>Non-financial assets</b>					
Infrastructure, plant and equipment	3,231	4,994	4,530	4,016	3,994
<b>Total non-financial assets</b>	<b>3,231</b>	<b>4,994</b>	<b>4,530</b>	<b>4,016</b>	<b>3,994</b>
<b>Total assets</b>	<b>6,238</b>	<b>8,021</b>	<b>7,748</b>	<b>7,365</b>	<b>7,174</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	1,850	1,900	1,950	1,950	1,950
<b>Total provisions</b>	<b>1,850</b>	<b>1,900</b>	<b>1,950</b>	<b>1,950</b>	<b>1,950</b>
<b>Payables</b>					
Suppliers	206	176	185	135	135
Other	200	200	200	200	200
<b>Total payables</b>	<b>406</b>	<b>376</b>	<b>385</b>	<b>335</b>	<b>335</b>
<b>Total liabilities</b>	<b>2,256</b>	<b>2,276</b>	<b>2,335</b>	<b>2,285</b>	<b>2,285</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	2,528	4,291	4,292	4,292	4,292
Reserves	498	498	498	498	498
Retained surpluses or accumulated deficits	956	956	623	290	99
<b>Total parent entity interest</b>	<b>3,982</b>	<b>5,745</b>	<b>5,413</b>	<b>5,080</b>	<b>4,889</b>
<b>Total equity</b>	<b>3,982</b>	<b>5,745</b>	<b>5,413</b>	<b>5,080</b>	<b>4,889</b>
<b>Current assets</b>	<b>3,007</b>	<b>3,027</b>	<b>3,218</b>	<b>3,349</b>	<b>3,180</b>
<b>Non-current assets</b>	<b>3,231</b>	<b>4,994</b>	<b>4,530</b>	<b>4,016</b>	<b>3,994</b>
<b>Current liabilities</b>	<b>1,296</b>	<b>1,276</b>	<b>1,285</b>	<b>1,185</b>	<b>1,135</b>
<b>Non-current liabilities</b>	<b>960</b>	<b>1,000</b>	<b>1,050</b>	<b>1,100</b>	<b>1,150</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

**Table 5.3: Budgeted departmental statement of cash flows for the period ended 30 June**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services					
Appropriations	20,870	31,681	21,757	21,860	22,086
Other	426	355	360	327	327
<b>Total cash received</b>	<b>21,296</b>	<b>32,036</b>	<b>22,117</b>	<b>22,187</b>	<b>22,413</b>
<b>Cash used</b>					
Employees	8,571	13,765	8,990	9,006	9,129
Suppliers	11,257	16,511	11,696	11,750	11,853
<b>Total cash used</b>	<b>19,828</b>	<b>30,274</b>	<b>20,686</b>	<b>20,756</b>	<b>20,982</b>
<b>Net cash from or (used by) operating activities</b>	<b>1,468</b>	<b>1,762</b>	<b>1,431</b>	<b>1,431</b>	<b>1,431</b>
<b>INVESTING ACTIVITIES</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Purchase of property, plant and equipment	1,468	3,525	1,300	1,250	1,600
<b>Total cash used</b>	<b>1,468</b>	<b>3,525</b>	<b>1,300</b>	<b>1,250</b>	<b>1,600</b>
<b>Net cash from or (used by) investing activities</b>	<b>(1,468)</b>	<b>(3,525)</b>	<b>(1,300)</b>	<b>(1,250)</b>	<b>(1,600)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	-	1,763	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>1,763</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total cash used</b>					
	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	<b>-</b>	<b>1,763</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	-	-	131	181	(169)
Effect of exchange rate movements on cash at the beginning of reporting period	2,529	2,529	2,529	2,660	2,841
<b>Cash at the end of the reporting period</b>	<b>2,529</b>	<b>2,529</b>	<b>2,660</b>	<b>2,841</b>	<b>2,672</b>

**Table 5.4: Departmental statement of changes in equity — summary of movement Budget 2006-07**

	Accumulated Results \$'000	Asset Revaluation Reserve \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
<b>Opening balance as at 1 July 2006</b>				
Balance carried forward from previous period	956	498	2,528	3,982
<b>Adjusted opening balance</b>	<b>956</b>	<b>498</b>	<b>2,528</b>	<b>3,982</b>
<b>Sub-total income and expense</b>	-	-	-	-
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-
<b>Transactions with owners</b>				
Appropriation (equity injection)	-	-	1,763	1,763
<b>Sub-total transactions with owners</b>	-	-	<b>1,763</b>	<b>1,763</b>
<b>Estimated closing balance as at 30 June 2007</b>	<b>956</b>	<b>498</b>	<b>4,291</b>	<b>5,745</b>

**Table 5.5: Departmental capital budget statement**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	1,763	-	-	-
<b>Total capital appropriations</b>	-	<b>1,763</b>	-	-	-
<b>Represented by:</b>					
Purchase of non-financial assets	-	1,763	-	-	-
<b>Total represented by</b>	-	<b>1,763</b>	-	-	-
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	-	1,763	-	-	-
Funded internally by departmental resources	1,468	1,762	1,300	1,250	1,600
<b>Total</b>	<b>1,468</b>	<b>3,525</b>	<b>1,300</b>	<b>1,250</b>	<b>1,600</b>

**Table 5.6: Departmental property, plant, equipment and intangibles — summary of movement Budget year 2006-07**

	Other Infrastructure Plant and Equipment \$'000	Total \$'000
<b>As at 1 July 2006</b>		
Gross book value	10,316	10,316
Accumulated depreciation	7,085	7,085
<b>Opening net book value</b>	<b>3,231</b>	<b>3,231</b>
Additions:		
by purchase	3,525	3,525
Depreciation/amortisation expense	1,761	1,761
<b>As at 30 June 2007</b>		
Gross book value	13,841	13,841
Accumulated depreciation	8,847	8,847
<b>Estimated closing net book value</b>	<b>4,994</b>	<b>4,994</b>

**Table 5.7: Schedule of budgeted income and expenses administered on behalf of government for the period ended 30 June**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
Other sources of non-taxation revenues	-	1,495	-	-	-
<b>Total non-taxation</b>	<b>-</b>	<b>1,495</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Suppliers	-	1,495	-	-	-
Depreciation and amortisation	-	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	<b>-</b>	<b>1,495</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 5.9: Schedule of budgeted administered cash flows for the period ended 30 June**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	-	1,495	-	-	-
<b>Total cash received</b>	-	<b>1,495</b>	-	-	-
<b>Cash used</b>					
Suppliers	-	1,495	-	-	-
<b>Total cash used</b>	-	<b>1,495</b>	-	-	-
<b>Net cash from or (used by) operating activities</b>	-	-	-	-	-
<b>INVESTING ACTIVITIES</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) investing activities</b>	-	-	-	-	-
<b>FINANCING ACTIVITIES</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Total cash used</b>	-	-	-	-	-
<b>Net cash from or (used by) financing activities</b>	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	-	-	-	-	-
Cash at beginning of reporting period	-	-	-	-	-
<b>Cash at end of reporting period</b>	-	-	-	-	-

## NOTES TO THE FINANCIAL STATEMENTS

### Basis of accounting

AUSTRAC's budgeted statements have been prepared on an accrual basis, in accordance with historical cost convention and consistent with Australian Accounting Standards.

### Revenue from government

Appropriations for departmental outputs are recognised as revenue.

### Employee expenses

Employee expenses consist of salaries, leave entitlements and superannuation.

### **Suppliers**

Supplier expenses consist of consultants and contract costs, travel expenses and administrative costs.

### **Cash**

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

### **Assets and liabilities**

Assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an Accounting Standard.