

# AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The Australian Transaction Reports and Analysis Centre (AUSTRAC) is Australia's financial intelligence unit and anti-money laundering and counter-terrorism financing (AML/CTF) regulator. Our purpose is to protect Australia from financial crime and terrorism financing, and contribute to the growth and resilience of Australia's economy, by discovering, understanding and disrupting criminal activity through our intelligence and regulatory programs. We will achieve our purpose through:

- collecting and transforming financial information into actionable intelligence to assist in the deterring, disruption, investigation, prosecution and prevention of serious financial crime and terrorism financing
- partnering with industry to undertake effective regulatory activities that strengthen the knowledge and capability of government, industry and the community to mitigate the risk of criminal abuse
- using our range of enforcement powers as appropriate
- collaborating with government and industry partners, academia and thinktanks, international financial intelligence units and AML/CTF regulators, and multinational forums to improve our understanding of the complex AML/CTF environment
- harnessing innovation and technology to support our partners to combat crime and improve regulatory efficiency and effectiveness.

Among our key priorities for 2017-18, we will continue to build on our relationships with industry through the Fintel Alliance – a world-first private-public partnership. We will continue to mature the Fintel Alliance Operations Hub to share actionable intelligence between industry and government across a broad spectrum of threats, including terrorism financing, child sex exploitation, tax avoidance, drug trafficking and cybercrime. The international reach of the Fintel Alliance will grow as members from the Southeast Asia region and our allies and close international partners join the alliance. The financial intelligence tradecraft of AUSTRAC and its partners will be bolstered by university-level accreditation for the Financial Intelligence Analyst Course. Through the Fintel Alliance Innovation Hub, AUSTRAC will collaborate with financial and regulatory technology companies (FinTechs and RegTechs), innovators and start-ups to examine regulatory implications from new technologies, create new solutions to counter serious financial crime and terrorism financing, and co-design controls for new industry products, services, systems and processes.

Over 2017-18 and beyond, AUSTRAC will invest in its regulatory and enforcement model by implementing a Smarter Regulation Program. The program will focus on a 'partnership in prevention' approach to serious financial crime and terrorism financing. It will transform the culture of the financial sector by creating a contemporary regulatory model and supporting capability that will maximise engagement with the financial sector, improve guidance and education to industry, and facilitate better sharing of knowledge on risks. AUSTRAC will also maintain its efforts in responding to serious breaches, ranging from single entities to widespread risks or threats within industry and significant reporting issues.

In 2017-18, AUSTRAC's international strategy will be a key focus. Our work with international partners in the Southeast Asia region remains critical. AUSTRAC, with its partners, will deliver on the outcomes of the 2016 Counter-Terrorism Financing Summit ahead of the 2017 summit in Malaysia. We will continue to support regional capacity-building to respond to and prevent serious financial crime and terrorism by providing technical assistance and training. AUSTRAC will continue its strong international involvement by chairing the Information Exchange Working Group of the Egmont Group of Financial Intelligence Units (now 155 countries strong), co-chairing the Risk, Trends and Methods Group of the Financial Action Task Force, co-chairing the Mutual Evaluation Working Group of the Asia/Pacific Group on Money Laundering, and participating in the Middle East and North Africa Financial Action Task Force and other multinational and bilateral forums. AUSTRAC's CEO will also continue in the role of head of Australia's delegation to the Asia/Pacific Group on Money Laundering and head of financial intelligence units for the Egmont Group of Financial Intelligence Units.

In 2016-17, AUSTRAC will continue to work closely with the Attorney-General's Department to implement the reforms arising from the statutory review of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*. This will deliver an AML/CTF regime that recognises the threats and risks we face and meets the needs of modern Australian businesses operating in the face of disruptive new technologies and rapidly changing consumer needs and business models.

Maturing AUSTRAC's workforce and technical capability will be a priority in 2017-18. Our Enterprise Strategic Workforce Plan will foster talent and support our workforce to achieve a high-performing environment. This will be underpinned by enhancements to our analytical architecture and data management capabilities to produce higher value, more accurate and near real-time financial intelligence. AUSTRAC will create a data processing platform, or 'data lake', enabling AUSTRAC to rapidly connect and analyse large volumes of data, speed up the analysis of intelligence and improve domestic and international collaboration across government.

## 1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to AUSTRAC for its operations and to deliver programs and services on behalf of the government.

Table 1.1 is prepared on a resourcing (that is, appropriations and cash available) basis, while the outcome expenses table in section 2 and the financial statements in section 3 are prepared on an accrual basis.

**Table 1.1: Entity resource statement—Budget estimates for 2017–18 as at Budget May 2017**

	2016–17 Estimated actual \$'000	2017–18 Estimate \$'000
<b>DEPARTMENTAL</b>		
<b>Annual appropriations—ordinary annual services(a)</b>		
Prior year appropriations available	8,767	8,767
Departmental appropriation(b)	57,567	59,490
s 74 retained revenue receipts(c)	4,221	2,537
Departmental capital budget(d)	3,094	3,061
<b>Annual appropriations—other services—non-operating(e)</b>		
Prior year appropriations available	4,750	4,750
Equity injection	10,200	2,000
<b>Total net resourcing for entity</b>	<b>88,599</b>	<b>80,605</b>
	<b>2016–17</b>	<b>2017–18</b>
<b>Average staffing level (number)</b>	323	308

Prepared on a resourcing (that is, appropriations and cash available) basis.

Note: All figures are GST exclusive and may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2017–18.

(b) Excludes the departmental capital budget.

(c) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. See Table 3.5 for further details. For accounting purposes, this amount is designated as 'contributions by owners'.

(e) Appropriation Bill (No. 2) 2017–18.

## 1.3 BUDGET MEASURES

Measures announced in the 2016–17 Mid-Year Economic and Fiscal Outlook (MYEFO) and other measures not previously reported in a portfolio statement are summarised in Part 2 of Table 1.2.

**Table 1.2: Entity 2017–18 Budget measures**

### Part 1: Measures announced since the 2016–17 MYEFO

AUSTRAC has no new post-MYEFO measures.

**Part 2: MYEFO measures and other measures not previously reported in a portfolio statement**

	Program	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
<b>Expense measures</b>						
Public Sector Transformation and the Efficiency Dividend(a)	1.1					
Departmental expenses		–	(920)	(1,546)	(1,777)	(568)
<b>Total expense measures</b>		<b>–</b>	<b>(920)</b>	<b>(1,546)</b>	<b>(1,777)</b>	<b>(568)</b>

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative represent a decrease in funds, and figures displayed as a positive represent an increase in funds.

(a) This is a cross-portfolio measure that was published in the 2016–17 Budget. The lead entity is the Department of Finance.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs that contribute to government outcomes over the budget and forward years.

AUSTRAC's outcome is described below together with its related program.

**Note**

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in annual reports – to provide an entity's complete performance story.

The most recent corporate plan for AUSTRAC can be found at <http://www.austrac.gov.au/publications/corporate-publications-and-reports/austrac-corporate-plans>.

The most recent annual performance statement can be found at <http://www.austrac.gov.au/publications/corporate-publications-and-reports/austrac-annual-reports>.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: The protection of the financial system from criminal abuse through actionable financial intelligence and collaboration with domestic and international partners**

### Linked programs

AUSTRAC works collaboratively with a wide range of federal, state and territory agencies in the law enforcement, regulatory and financial intelligence sectors. Each activity we undertake is linked to our outcome to protect the financial system from criminal abuse through actionable financial intelligence, and our activities support the intended outcomes of many of our domestic and international partners.

### Budgeted expenses for Outcome 1

Table 2.1 shows how much AUSTRAC intends to spend (on an accrual basis) on achieving Outcome 1, broken down by program and by departmental funding sources.

**Table 2.1: Budgeted expenses for Outcome 1**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>Program 1.1: AUSTRAC</b>					
Departmental expenses					
Departmental appropriation	57,567	59,490	59,550	56,877	57,265
s 74 retained revenue receipts(a)	4,221	2,537	1,003	–	–
Expenses not requiring appropriation in the budget year(b)	7,247	6,177	4,624	4,793	5,063
<b>Total expenses for Outcome 1</b>	<b>69,035</b>	<b>68,204</b>	<b>65,177</b>	<b>61,670</b>	<b>62,328</b>

	2016–17	2017–18
<b>Average staffing level (number)</b>	323	308

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(b) Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses and audit fees.

**Performance criteria for Outcome 1**

Table 2.2 details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered.

**Table 2.2: Performance criteria for Outcome 1**

<b>Outcome 1: The protection of the financial system from criminal abuse through actionable financial intelligence and collaboration with domestic and international partners</b>		
<b>Program 1.1: AUSTRAC</b>		
The objective of program 1.1 is to discover, understand and disrupt money laundering and terrorism financing risks and threats that affect Australia’s financial system, and to contribute to the growth of Australia’s economy.		
<b>Delivery</b>	<p>AUSTRAC will deliver against its outcome by harnessing collaboration and innovation with private and public sector partners domestically and internationally. Those who benefit from our work include our private, non-government organisation and government partners, reporting entities and stakeholders, the international community and Australians in general.</p> <p>Key areas of focus in 2017–18 will be:</p> <ul style="list-style-type: none"> <li>• building our relationships with industry through the Fintel Alliance—a world-first private–public partnership</li> <li>• implementing our Smarter Regulation Program while continuing to deliver effective and consistent enforcement outcomes</li> <li>• continuing to deliver on our international strategy to enhance our international influence and contribute to international policy objectives</li> <li>• partnering with industry and government agencies to produce sector- and product-based money laundering and terrorism financing risk assessments</li> <li>• working with the Attorney-General’s Department to implement recommendations of the review of the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i>.</li> </ul>	
<b>Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
2016–17	<p><b>Discover</b></p> <p>Effectiveness of a domestic and international information exchange network to detect and monitor existing and emerging money laundering and terrorism financing threats</p> <p><b>Understand</b></p> <p>The ongoing value to domestic and international partner agencies, taskforces and industry of financial intelligence capability, information and intelligence products produced by AUSTRAC</p> <p><b>Disrupt</b></p> <p>The effectiveness of AUSTRAC’s operations in protecting revenue, supporting the prevention and disruption of money laundering and terrorism financing, and influencing policy and law reform</p>	<p>AUSTRAC is on track to demonstrate its performance in discovering, understanding and disrupting, as evidenced through a range of case studies and quantitative and qualitative reporting.</p> <p>Information relating to performance criteria will be published in the annual performance statement in the 2016–17 AUSTRAC annual report.</p>

**Table 2.2: Performance criteria for Outcome 1 (continued)**

Program 1.1: AUSTRAC (continued)		
Performance information		
Year	Performance criteria	Targets
2017–18(a)	<p><i>AUSTRAC generates and shares intelligence and information that is of value to private and public partners.</i></p> <p><i>AUSTRAC contributes to smarter AML/CTF regulatory and policy outcomes.</i></p> <p><i>AUSTRAC contributes to Australia's international policy objectives.</i></p>	Details about how each criterion is measured will be available in AUSTRAC's 2017–21 corporate plan.
2018–19 and beyond	Same as for 2017–18.	
<b>Purpose(b)</b>	We aim to protect Australia from financial crime and terrorism financing, and contribute to the growth and resilience of Australia's economy, by discovering, understanding and disrupting criminal activity through our intelligence and regulatory programs.	

(a) New or modified performance criteria are shown in italics.

(b) Refers to updated purpose that will be reflected in the 2017–21 corporate plan.

## Section 3: Budgeted financial statements

This section presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2017–18 Budget year, including the impact of budget measures and resourcing.

### 3.1 DIFFERENCES BETWEEN ENTITY RESOURCING AND FINANCIAL STATEMENTS

There is no material difference between the entity resourcing and financial statements.

### 3.2 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

#### Departmental income statement

Revenue from government in 2017–18 is \$59.490m, which is an increase of \$1.923m when compared to 2016–17 (\$57.567m). The increase is primarily due to the budget measure *National Security – additional counter-terrorism funding*, which was reported in the 2014–15 Portfolio Additional Estimates Statements.

#### Administered

Other revenue administered on behalf of government is projected to be \$65.507m in 2017–18, as reported in Table 3.7. The revenue is collected by AUSTRAC through the AUSTRAC industry contribution arrangement. The amount is calculated as a percentage of AUSTRAC's operating costs, including amortisation and annual depreciation of assets.

Revenue from fees and fines in 2016–17 has increased by \$45.000m since it was reported in the 2016–17 Portfolio Budget Statements. The increase reflects the civil penalty ordered against Tabcorp in March 2017 by the Federal Court of Australia for non-compliance with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

### 3.3 BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	38,677	37,550	36,159	33,848	34,055
Suppliers	23,271	24,637	24,554	23,189	23,370
Depreciation and amortisation	7,087	6,017	4,464	4,633	4,903
<b>Total expenses</b>	<b>69,035</b>	<b>68,204</b>	<b>65,177</b>	<b>61,670</b>	<b>62,328</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Other	4,221	2,537	1,003	–	–
<b>Total own-source revenue</b>	<b>4,221</b>	<b>2,537</b>	<b>1,003</b>	<b>–</b>	<b>–</b>
<b>Gains</b>					
Other	160	160	160	160	160
<b>Total gains</b>	<b>160</b>	<b>160</b>	<b>160</b>	<b>160</b>	<b>160</b>
<b>Total own-source income</b>	<b>4,381</b>	<b>2,697</b>	<b>1,163</b>	<b>160</b>	<b>160</b>
<b>Net (cost of)/contribution by services</b>	<b>(64,654)</b>	<b>(65,507)</b>	<b>(64,014)</b>	<b>(61,510)</b>	<b>(62,168)</b>
Revenue from government	57,567	59,490	59,550	56,877	57,265
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(7,087)</b>	<b>(6,017)</b>	<b>(4,464)</b>	<b>(4,633)</b>	<b>(4,903)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(7,087)</b>	<b>(6,017)</b>	<b>(4,464)</b>	<b>(4,633)</b>	<b>(4,903)</b>

**Note: Impact of net cash appropriation arrangements**

	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Less depreciation/amortisation expenses previously funded through revenue appropriations	7,087	6,017	4,464	4,633	4,903
<b>Total comprehensive income/(loss) as per the statement of comprehensive income</b>	<b>(7,087)</b>	<b>(6,017)</b>	<b>(4,464)</b>	<b>(4,633)</b>	<b>(4,903)</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	1,868	1,868	1,868	1,868	1,868
Trade and other receivables	14,270	10,870	10,870	10,870	10,870
<b>Total financial assets</b>	<b>16,138</b>	<b>12,738</b>	<b>12,738</b>	<b>12,738</b>	<b>12,738</b>
<b>Non-financial assets</b>					
Property, plant and equipment	11,402	8,698	7,234	6,057	4,940
Intangibles	9,483	14,631	15,277	14,876	14,165
Other non-financial assets	1,835	1,835	1,835	1,835	1,835
<b>Total non-financial assets</b>	<b>22,720</b>	<b>25,164</b>	<b>24,346</b>	<b>22,768</b>	<b>20,940</b>
<b>Total assets</b>	<b>38,858</b>	<b>37,902</b>	<b>37,084</b>	<b>35,506</b>	<b>33,678</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	2,627	2,627	2,627	2,627	2,627
Other payables	1,600	1,600	1,600	1,600	1,600
<b>Total payables</b>	<b>4,227</b>	<b>4,227</b>	<b>4,227</b>	<b>4,227</b>	<b>4,227</b>
<b>Provisions</b>					
Employee provisions	10,902	10,902	10,902	10,902	10,902
Other provisions	478	478	478	478	478
<b>Total provisions</b>	<b>11,380</b>	<b>11,380</b>	<b>11,380</b>	<b>11,380</b>	<b>11,380</b>
<b>Total liabilities</b>	<b>15,607</b>	<b>15,607</b>	<b>15,607</b>	<b>15,607</b>	<b>15,607</b>
<b>Net assets</b>	<b>23,251</b>	<b>22,295</b>	<b>21,477</b>	<b>19,899</b>	<b>18,071</b>
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	80,433	85,494	89,140	92,195	95,270
Reserves	3,808	3,808	3,808	3,808	3,808
Retained surplus/(accumulated deficit)	(60,990)	(67,007)	(71,471)	(76,104)	(81,007)
<b>Total parent entity interest</b>	<b>23,251</b>	<b>22,295</b>	<b>21,477</b>	<b>19,899</b>	<b>18,071</b>
<b>Total equity</b>	<b>23,251</b>	<b>22,295</b>	<b>21,477</b>	<b>19,899</b>	<b>18,071</b>

Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity—summary of movement (budget year 2017–18)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2017</b>				
Balance carried forward from previous period	(60,990)	3,808	80,433	23,251
Adjustment for changes in accounting policies	–	–	–	–
<b>Adjusted opening balance</b>	<b>(60,990)</b>	<b>3,808</b>	<b>80,433</b>	<b>23,251</b>
<b>Comprehensive income</b>				
Surplus/(deficit) for the period	(6,017)	–	–	(6,017)
<b>Total comprehensive income</b>	<b>(6,017)</b>	<b>–</b>	<b>–</b>	<b>(6,017)</b>
Of which:				
Attributable to the Australian Government	(6,017)	–	–	(6,017)
<b>Transactions with owners</b>				
Contributions by owners				
Equity injection—appropriation	–	–	2,000	2,000
Departmental capital budget	–	–	3,061	3,061
<b>Sub-total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>5,061</b>	<b>5,061</b>
<b>Estimated closing balance as at 30 June 2018</b>	<b>(67,007)</b>	<b>3,808</b>	<b>85,494</b>	<b>22,295</b>
<b>Closing balance attributable to the Australian Government</b>	<b>(67,007)</b>	<b>3,808</b>	<b>85,494</b>	<b>22,295</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	57,567	59,490	59,550	56,877	57,265
Net GST received	2,200	2,200	2,200	2,200	2,200
Other	4,221	2,537	1,003	–	–
<b>Total cash received</b>	<b>63,988</b>	<b>64,227</b>	<b>62,753</b>	<b>59,077</b>	<b>59,465</b>
<b>Cash used</b>					
Employees	38,677	37,550	36,159	33,848	34,055
Suppliers	25,311	26,677	26,594	25,229	25,410
<b>Total cash used</b>	<b>63,988</b>	<b>64,227</b>	<b>62,753</b>	<b>59,077</b>	<b>59,465</b>
<b>Net cash from/(used by) operating activities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	13,294	8,461	3,646	3,055	3,075
<b>Total cash used</b>	<b>13,294</b>	<b>8,461</b>	<b>3,646</b>	<b>3,055</b>	<b>3,075</b>
<b>Net cash from/(used by) investing activities</b>	<b>(13,294)</b>	<b>(8,461)</b>	<b>(3,646)</b>	<b>(3,055)</b>	<b>(3,075)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	13,294	8,461	3,646	3,055	3,075
<b>Total cash received</b>	<b>13,294</b>	<b>8,461</b>	<b>3,646</b>	<b>3,055</b>	<b>3,075</b>
<b>Net cash from/(used by) financing activities</b>	<b>13,294</b>	<b>8,461</b>	<b>3,646</b>	<b>3,055</b>	<b>3,075</b>
<b>Net increase/(decrease) in cash held</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Cash and cash equivalents at the beginning of the reporting period	1,868	1,868	1,868	1,868	1,868
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>1,868</b>	<b>1,868</b>	<b>1,868</b>	<b>1,868</b>	<b>1,868</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget—Bill 1 (DCB)	3,094	3,061	3,046	3,055	3,075
Equity injections—Bill 2	10,200	2,000	600	–	–
<b>Total new capital appropriations</b>	<b>13,294</b>	<b>5,061</b>	<b>3,646</b>	<b>3,055</b>	<b>3,075</b>
<b>Provided for:</b>					
Purchase of non-financial assets	13,294	5,061	3,646	3,055	3,075
<b>Total items</b>	<b>13,294</b>	<b>5,061</b>	<b>3,646</b>	<b>3,055</b>	<b>3,075</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations(a)	10,200	5,400	600	–	–
Funded by capital appropriation—DCB(b)	3,094	3,061	3,046	3,055	3,075
<b>Total purchases of non-financial assets</b>	<b>13,294</b>	<b>8,461</b>	<b>3,646</b>	<b>3,055</b>	<b>3,075</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	13,294	8,461	3,646	3,055	3,075
<b>Total cash used to acquire assets</b>	<b>13,294</b>	<b>8,461</b>	<b>3,646</b>	<b>3,055</b>	<b>3,075</b>

Prepared on Australian Accounting Standards basis.

DCB = departmental capital budget.

(a) Includes both current Bill 2 and prior year Act 2 appropriations.

(b) Does not include annual finance lease costs. Includes purchases from current and previous years' DCBs.

**Table 3.6: Statement of asset movements (budget year 2017–18)**

	Property, plant & equipment \$'000	Computer software & intangibles \$'000	Total \$'000
<b>As at 1 July 2017</b>			
Gross book value	24,717	27,636	52,353
Accumulated depreciation/amortisation and impairment	(13,315)	(18,153)	(31,468)
<b>Opening net book balance</b>	<b>11,402</b>	<b>9,483</b>	<b>20,885</b>
<b>CAPITAL ASSET ADDITIONS</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase—appropriation equity(a)	–	5,400	5,400
By purchase—appropriation ordinary annual services(b)	1,179	1,882	3,061
<b>Total additions</b>	<b>1,179</b>	<b>7,282</b>	<b>8,461</b>
<b>Other movements</b>			
Depreciation/amortisation expense	(3,883)	(2,134)	(6,017)
<b>Total other movements</b>	<b>(3,883)</b>	<b>(2,134)</b>	<b>(6,017)</b>
<b>As at 30 June 2018</b>			
Gross book value	25,896	34,918	60,814
Accumulated depreciation/amortisation and impairment	(17,198)	(20,287)	(37,485)
<b>Closing net book balance</b>	<b>8,698</b>	<b>14,631</b>	<b>23,329</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injection appropriations provided through Appropriation Bill (No. 2) 2017–18.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2017–18 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>EXPENSES</b>					
Total expenses administered on behalf of government	–	–	–	–	–
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Non-taxation revenue</b>					
Fees and fines	45,250	200	150	100	100
Other revenue	64,654	65,507	64,014	61,510	62,168
<b>Total non-taxation revenue</b>	<b>109,904</b>	<b>65,707</b>	<b>64,164</b>	<b>61,610</b>	<b>62,268</b>
<b>Total own-source income administered on behalf of government</b>	<b>109,904</b>	<b>65,707</b>	<b>64,164</b>	<b>61,610</b>	<b>62,268</b>
<b>Net (cost of)/contribution by services</b>	<b>109,904</b>	<b>65,707</b>	<b>64,164</b>	<b>61,610</b>	<b>62,268</b>
<b>Surplus/(deficit)</b>	<b>109,904</b>	<b>65,707</b>	<b>64,164</b>	<b>61,610</b>	<b>62,268</b>
<b>Total comprehensive income/(loss)</b>	<b>109,904</b>	<b>65,707</b>	<b>64,164</b>	<b>61,610</b>	<b>62,268</b>

Prepared on Australian Accounting Standards basis.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)**

AUSTRAC has no assets or liabilities administered on behalf of the government.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Fines	45,250	200	150	100	100
Other	64,654	65,507	64,014	61,510	62,168
<b>Total cash received</b>	<b>109,904</b>	<b>65,707</b>	<b>64,164</b>	<b>61,610</b>	<b>62,268</b>
<b>Net cash from/(used by) operating activities</b>	<b>109,904</b>	<b>65,707</b>	<b>64,164</b>	<b>61,610</b>	<b>62,268</b>
<b>Net increase/(decrease) in cash held</b>	<b>109,904</b>	<b>65,707</b>	<b>64,164</b>	<b>61,610</b>	<b>62,268</b>
Cash and cash equivalents at the beginning of the reporting period	–	–	–	–	–
Cash to Official Public Account for:					
Transfers to other entities					
(Finance—whole of government)	(109,904)	(65,707)	(64,164)	(61,610)	(62,268)
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

Prepared on Australian Accounting Standards basis.