

AFP
AUSTRALIAN FEDERAL POLICE

ANNUAL REPORT 2018–19





AFP
AUSTRALIAN FEDERAL POLICE



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Details of accountable authority during the reporting period

Name	Position title/ position held	Period as the accountable authority or member	
		Date of commencement	Date of cessation
Andrew Colvin	Commissioner	1 July 2018	30 June 2019



11 October 2019

The Hon Peter Dutton MP
Minister for Home Affairs
House of Representatives
Parliament House
Canberra ACT 2600

Dear Minister

I am pleased to submit the Australian Federal Police annual report for the period 1 July 2018 to 30 June 2019. This report includes:

- ▶ the annual report of the Australian Federal Police prepared in accordance with section 67 of the *Australian Federal Police Act 1979* (Cth) and section 46 of the *Public Governance, Performance and Accountability Act 2013* (Cth)
- ▶ the annual report on the National Witness Protection Program pursuant to section 30(2) of the *Witness Protection Act 1994* (Cth)
- ▶ the annual report on unexplained wealth investigations and proceedings pursuant to section 179U(3) of the *Proceeds of Crime Act 2002* (Cth)
- ▶ the annual report on delayed notification search warrants pursuant to Part IAAA Division 6 section 3ZZFB of the *Crimes Act 1914* (Cth).

This report has been prepared in accordance with the relevant acts and the Public Governance, Performance and Accountability Rule 2014. A copy of this report is to be presented to each House of Parliament on or before 31 October 2019.

In accordance with section 10 of the Public Governance, Performance and Accountability Rule 2014, I hereby certify that the Australian Federal Police has prepared fraud risk assessments and fraud control plans and has in place appropriate fraud prevention, detection, investigation and reporting mechanisms. The Australian Federal Police is also taking all reasonable measures to minimise the incidence of fraud in the agency and to investigate and recover any proceeds of fraud against the agency.

Yours sincerely

Reece P Kershaw APM
Commissioner

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1 Commissioner's review



1 Commissioner's review

AFP Commissioner
Andrew Colvin
(for 2018-19)



This year holds a special significance for the Australian Federal Police (AFP). We began operations on 19 October 1979, when the *Australian Federal Police Act 1979* (Cth) was proclaimed, so this year marks the AFP's 40th anniversary. This milestone has given us an opportunity to reflect on a past we can all be very proud of and an occasion to celebrate four decades of service to our nation, which we will do towards the end of the year.

I remain proud of and humbled by the diversity of the AFP's work and the results we have achieved during the past 12 months. As an agency which continues to evolve to meet emerging priorities in Australia and around the world, our staff are rightly acknowledged as among the world's best.

In 2018-19, our focus has been on four key themes:

- ▶ maximising our **operational impact** by placing our resources and energy where they can be most effective
- ▶ continuing to work towards building a **capable and future ready AFP** to meet future challenges
- ▶ supporting **cultural and organisational health** and recognising the toll the challenges of policing can take on our members and the importance of continuing our journey of cultural reform
- ▶ maintaining and expanding our sphere of influence through **strong partnerships** with a range of organisations that share our commitment to crime prevention, nationally and internationally.

Our core values of integrity, excellence, respect, accountability, commitment, fairness and trust remain the bedrock of our organisation. They reflect the diversity of the community we serve and the strength of our organisation.

It has been another busy 12 months, both at home and internationally, reflecting our organisational responses to emerging threats and the incredible variety of the work we do.

Our work in partnerships, both within Australia and further afield, remains our greatest strength. As part of Australia's national security framework and through our local and international work, the AFP continues to serve our community to ensure its ongoing safety.

The threat of global terrorism is ever-present, and our work with partner agencies in this space shows no sign of easing. We have made a number of significant arrests to protect Australian lives and property from the threat of a terror attack.

The AFP is particularly proud of the part we have played as part of the joint investigation team to bring charges against four suspects over the downing of Malaysian Airlines flight MH17 over Ukraine on 17 July 2014. This was an excellent example of skilled international policing and forensic investigation at the very highest level.

Closer to home, working with officers from the Australian Border Force, in June 2019 we took almost 1.6 tonnes of methamphetamine (ice) off the streets in what was the largest ever onshore seizure of this insidious drug in Australia's history. The ongoing fight against large-scale international drug trafficking remains one of our biggest challenges.

In late 2018, I was pleased to be in Beijing to extend our agreements with Chinese law enforcement agencies to tackle transnational serious and organised crime enterprises. Since its inception in 2015, Taskforce Blaze has netted more than 20 tonnes of narcotics and precursor chemicals, the result of more than 100 AFP and Chinese joint investigations. Our cooperation and success in China is replicated in the 32 other countries where the AFP has an international presence.

After two years of intensive planning, in November 2018 we supported our friends in Papua New Guinea to deliver a successful and safe Asia-Pacific Economic Cooperation (APEC) meeting of world leaders. The establishment in Brisbane of the AFP-led Australian Centre to Counter Child Exploitation (ACCCE) represents a national response to counter the growing scourge of online exploitation of children. While it is still early days, the ACCCE brings together capabilities from the public and private sectors, as well as civil society, to support Australian law enforcement and partner efforts to prevent, disrupt and prosecute child exploitation matters.

In June and July 2018, members of the AFP were integral to a successful international effort to save a Thai junior soccer team trapped in a flooded cave system in Northern Thailand. Their resilience in the face of overwhelming odds and their work in partnership with Thai authorities and other partners demonstrated the best of the AFP to the world.

Less obvious but no less important is our success in keeping our airports, federal parliament, key Commonwealth establishments and designated Australian and foreign dignitaries safe. In 2018-19, we responded to almost 30 000 incidents across nine major airports. We protected 30 Commonwealth establishments across Australia and ensured the safety of over 200 foreign dignitary visits. During the federal election in May 2019, our members in Protection Operations were ever-present and vigilant in safeguarding our democratic processes.

As I complete my term as Commissioner, I pay tribute to the men and women of the AFP who strive to police for a safer Australia, and I acknowledge that the difficult work we do every day can take its toll. On 7 November 2018, I told a Senate standing committee inquiry that the loss of three lives on AFP premises in recent years was a stark reminder of the impact a career in policing can have on our people. Police everywhere are over-represented in statistics on work-related mental health injury; in fact, early research indicates that policing is the occupation at the highest risk of mental health injury. The AFP is not immune from this. We have a privileged role in society, but it comes at a cost.

While there is more to be done, we have sought expert advice nationally and internationally, launched a holistic AFP Health and Wellbeing Strategy, and taken a range of other positive steps to provide additional support where it is most needed. This is an important start.

As we entered our second century of Commonwealth policing in 2018, the AFP also entered a new era of transformation—a time of significant change to meet the changing criminal environment. When I launched the AFP's *Policing for a safer Australia—our strategy for future capability* we were releasing a blueprint for our future with a focus

on capability and an assessment of what our people, processes and technology must reflect if we are to maximise the value we provide to the community and our stakeholders.

Today's criminals have more reach to more potential victims, with more anonymity and geographical protections. The cyber world has brought with it the challenges of encryption, the removal of geographical boundaries, and a pace and complexity of criminality never previously imagined. At the same time, the increase of extremism and terrorism has taken crime fighting to a very public and very global space. I am pleased to see our members adapt to the changes needed to tackle the modern-day criminal head on by embracing new technologies and new thinking. This form of organisational evolution shows no signs of slowing down any time soon.

I thank our partner agencies, my senior executive and all AFP members and staff for their ongoing support and dedication during what has been another challenging 12 months. The AFP can be justifiably proud of its achievements and we will continue to do everything in our power to keep Australia safe.



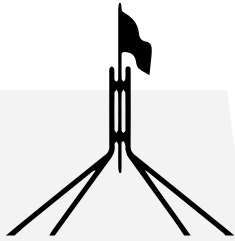
Andrew Colvin APM OAM
AFP Commissioner
17 July 2019

Snapshot of achievements

2018-19

PREVENTION

Protective services to establishments
30



Airport patrol across **9 major airports**, with officers responding to **29 832** incidents

2019 election campaign

3769 events assessed for potential risks

1040 AFP Close Personal Protection deployments



Delivered the ThinkUKnow online safety program to **238 779** participants with the support of partners

Full-time close protection for **5 high office holders** and ensured the safety of over **200 foreign dignitary visits**

112 overseas children rescued from potential sexual abuse



DISRUPTION

14.9 tonnes

of illicit drugs and precursors seized at the border or domestically



\$53 million in assets restrained

\$5.8 billion

of avoided harm from illicit drugs and precursors seized in 2018-19

\$10 million

of benefits to the economy from successful fraud investigations



RESPONSE AND ENFORCEMENT

502

people arrested for Commonwealth crimes



228

investigation briefs submitted to the Commonwealth Director of Public Prosecutions for assessment

6

people charged as a result of terrorism investigations



60

people charged as a result of child protection investigations

INTERNATIONAL COLLABORATION

225
33

staff in countries



1 disruption

of a terrorism plot overseas

40 tonnes

of illicit drugs seized by overseas police services with AFP assistance

\$2.9 billion

of harm avoided through drug seizures

8

Pacific Police capacity development missions

Pacific police Development Program delivered to **14 countries**

2 Overview of the AFP



Overview of the AFP

2

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The AFP's role and purpose

As Australia's national policing agency, the AFP is a key member of the Australian law enforcement and national security community, leading efforts to keep Australians and Australian interests safe both at home and overseas.

The AFP's vision—policing for a safer Australia—reflects its role as legislated in section 8 of the *Australian Federal Police Act 1979* (Cth) (AFP Act) and is informed by an associated Ministerial Direction issued under section 37(2) of the AFP Act. The AFP also performs functions under the *Witness Protection Act 1994* (Cth) and the *Proceeds of Crime Act 2002* (Cth).

The AFP provides:

- ▶ police services in relation to laws of the Commonwealth, the property of the Commonwealth (including Commonwealth places) and the safeguarding of Commonwealth interests
- ▶ protective and custodial services as directed by the Minister
- ▶ police services and police support services to assist or cooperate with an Australian or foreign law enforcement agency, intelligence or security agency, or government regulatory agency
- ▶ police services and police support services in relation to establishing, developing and monitoring peace, stability and security in foreign countries
- ▶ community policing services in the Australian Capital Territory (ACT) and the territories of Christmas Island, Keeling Islands, Norfolk Island and Jervis Bay.

Figure 2.1 Links between the AFP's purpose, outcomes and programs



Outcome 1

Outcome 1 principally captures the AFP's national and international policing activity. This activity draws on a wide range of AFP capabilities, including operational, support and strategic assets. These capabilities address threats that can originate domestically or internationally and can emerge quickly in response to developments in areas such as technology.

Operational activity under Outcome 1 involves:

- ▶ a local, national and international presence
- ▶ close and effective engagement with our partners, with the AFP being Australia's lead agency for international law enforcement collaboration
- ▶ a range of both proactive and reactive approaches, including deterrence, prevention, disruption, investigation and intelligence
- ▶ a flexible capability base that can support a broad menu of work and is responsive to routine business, critical incidents and new crime types.

Outcome 1 involves two programs:

Program 1.1: Federal Policing and National Security

Program 1.1 reduces criminal and security threats by promoting the safety and security of Australian communities and infrastructure; preventing, deterring, disrupting and investigating serious and organised crime and crimes of Commonwealth significance; and ensuring effective collaboration with international, Commonwealth, state and territory partners.

Program 1.2: International Police Assistance

Program 1.2 reduces criminal and national security threats through delivery of collaborative law and order police development missions, participation in internationally mandated peace operations and provision of civil policing assistance in accordance with Australian foreign development policy priorities.

Outcome 2

Outcome 2 reflects the AFP's community policing capability delivered to the ACT through ACT Policing. ACT Policing delivers a policing service in accordance with the Policing Arrangement between the Commonwealth and ACT governments.

ACT Policing publishes its results in a separate annual report.

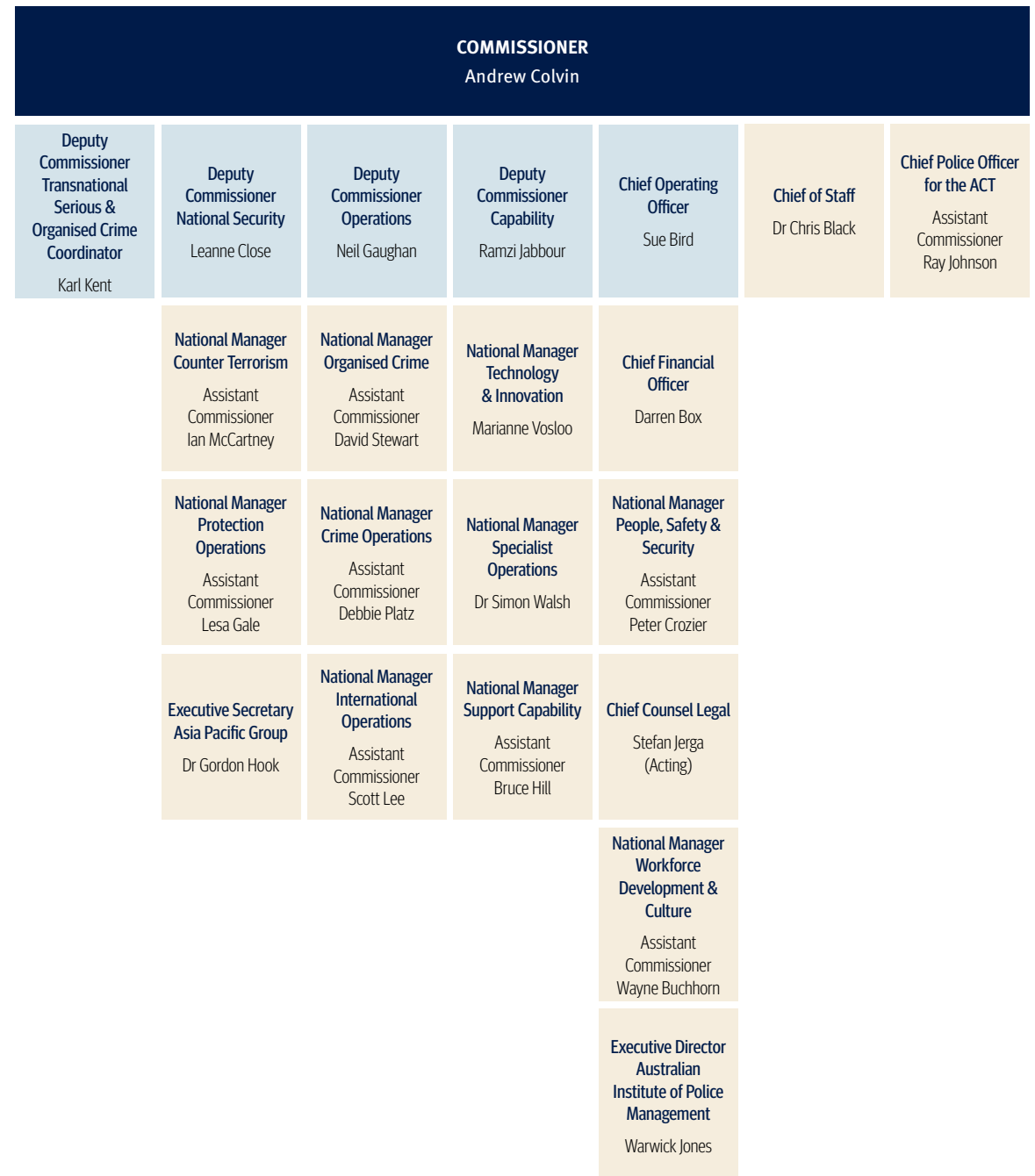
Organisational structure

At its broadest level the AFP's organisational structure is organised into three pillars: Operations, Capability and Capacity. These areas drive strategic initiatives and activities as described in the *AFP Corporate Plan 2018-19*. The organisational structure has been developed with a focus on aligning capacity and capability to best support and sustain operational outcomes.

During 2018-19, the AFP reorganised its structure to integrate several entities under the Workforce Development and Culture function. The AFP's previous Workforce and Development function and Reform, Culture and Standards function were combined to form one function reporting to an Assistant Commissioner. Under the new structure the National Manager Workforce Development and Culture is responsible for the Learning and Development, Professional Standards and Culture and Recognition branches, along with each of the state offices. The AFP combined the two functions so that we could leverage off existing opportunities by linking the state offices operationally with cultural reform and learning and development; and ensuring cultural change could consistently flow through the work life cycle nationally. This also provided the opportunity to integrate cultural change into systems, protocols and daily work aspects and directly embed thinking and teaching into the state offices.

Further information on the performance of the AFP during 2018-19 can be found in Chapter 4, 'Performance details'.

Figure 2.2 Organisational structure, 30 June 2019



Legend:



Strategic initiatives

In 2018-19, the AFP continued to progress four enterprise-wide strategic initiatives, consistent with the *AFP Corporate Plan 2018-19*. Chapters 4 and 5 provide further details of the complementary activities of the AFP's Operations, Capability and Capacity pillars.



Activities to enhance strategic capabilities

In 2018-19, the AFP continued to invest in our capability framework and strategic capabilities. Table 2.1 below shows the strategic initiatives that are our key focus areas and the related activities that we progressed to optimise the AFP's ability to address known challenges and threats as well as those not yet realised.

Table 2.1 Strategic initiatives and related activities, 2018-19

AFP future	
Activity	Progress
Implement the AFP futures work in capability development	<ul style="list-style-type: none"> ▶ Developed a single-source report that provides an overview of significant programs driving change across the organisation and a mechanism for registering matters requiring priority attention ▶ Sustained engagement with academia, global futurists and industry partners regarding impacts from future law reform, ethics and privacy, partnerships (hybrid policing) and information sharing ▶ Published the Futures Insight report <i>Trusted, ethical, fast-moving and effective: the AFP investigative team of 2030</i> jointly with the Australian National University
Continue to respond to the functional and efficiency review recommendations	<ul style="list-style-type: none"> ▶ Progressed a range of initiatives and continued to integrate the review's recommendations into forward work plans ▶ Implemented a new key committee framework that better supports decision-making and strategic governance
Develop new capability-based operating models	<ul style="list-style-type: none"> ▶ Completed the early stages of capability models development ▶ Undertook a program of work developing pilot individual capability plans

Partnerships

Activity	Progress
Identify new partnership opportunities for the AFP that provide insights and experience that align with the AFP's capabilities and operations	<ul style="list-style-type: none"> ▶ Established working groups with enabling and prevention sectors under the auspices of the Australian Centre to Counter Child Exploitation ▶ Developed partnerships with the public and private sectors, including industry and academia, which enabled delivery of high-quality tailored training to meet operational and corporate requirements
Assess opportunities to create stronger partnerships with existing partners	<ul style="list-style-type: none"> ▶ Made commitments to partners under new and reinvigorated formal arrangements (see Chapter 4 for details) ▶ Supported 11 communities of practice groups that strengthen collaboration and problem-solving ▶ Maintained and enhanced industry and law enforcement partnerships through the Australian and New Zealand Policing Advisory Agency

Culture and organisational health

Activity	Progress
Continue to implement the recommendations of the Cultural Change report (CCR)¹	<ul style="list-style-type: none"> ▶ The majority of the CCR recommendations have been implemented, with strategies and initiatives meeting the intent of the recommendations and principles now embedded as 'business as usual' ▶ Implementation of the remaining recommendations is nearing completion or underway by the AFP branches best placed to effectively lead the relevant CCR initiative
Review the results of the all-staff survey	<ul style="list-style-type: none"> ▶ Undertook a program of work to inform improvements to the framework associated with ill and injured employees ▶ Implemented an internal communications framework providing regular, consistent updates for staff on topical issues and activities ▶ Reinvigorated the AFP Confidant Network (refer to Chapter 4 for more details)

¹ Cultural change: gender diversity and inclusion in the Australian Federal Police (2016)

Continue to implement the Health and Wellbeing Strategy

- ▶ Developed and launched the *People Strategy 2018–2022*, which integrates multiple programs of work, including commitments under the *AFP Health and Wellbeing Strategy 2018–2023*
- ▶ Increased AFP Welfare Officer capacity, with coverage extended to all small and remote offices
- ▶ Arranged delivery of Road to Mental Readiness training—an education-based program that promotes positive mental health and reduces the stigma associated with mental health injuries and illnesses in a first responder setting (refer to Chapter 4 for more details)

Agile and innovative capability

Activity	Progress
Implement the strategic workforce plan	<ul style="list-style-type: none"> ▶ The strategic workforce plan will be implemented following completion of the enterprise Capability Plan and crime threat domains
Introduce new leadership training and development model	<ul style="list-style-type: none"> ▶ Developed and launched the <i>People Strategy 2018–2022</i>, which integrates multiple programs of work, including commitments under the <i>AFP Learning Strategy</i> ▶ Established the Leadership Centre to enhance leadership capabilities and promote positive leadership behaviours ▶ Administered a suite of bespoke 'Leadership Uplift' programs designed to complement existing leadership training
Continue to invest in technology	<ul style="list-style-type: none"> ▶ Reached the final stages of implementing five programs, providing integrated security, capability monitoring, innovative service delivery and enhanced communication capacity ▶ Initiated the E-learning Capability Project, focused on innovative learning and development solutions

3 Performance overview



Performance overview

3

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Annual performance statement

Statement of preparation

I, as the accountable authority of the Australian Federal Police (AFP), present the 2018–19 annual performance statement of the AFP as required under subsection 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act). In my opinion, this annual performance statement is based on properly maintained records, accurately reflects the AFP's performance in 2018–19, and complies with subsection 39(2) of the PGPA Act.



Reece P Kershaw APM
Commissioner

11 October 2019

Purpose of the AFP

The AFP purpose in the 2018–19 corporate plan is:

*'As Australia's national policing agency,
we protect Australians and Australia's interests'*

During 2018–19, the AFP pursued this purpose through two Portfolio Budget Statement (PBS) outcomes (see Chapter 2 Figure 2.1). The first addresses criminal security threats to Australian economic and social interests. The second addresses policing the Australian Capital Territory (ACT) on behalf of the ACT Government under a service agreement.

This annual performance statement only addresses the objectives, work and measures delivering against Outcome 1 and its related programs 1.1 and 1.2 (see Figure 2.1). Reporting for Outcome 2 is provided separately, to the ACT Government. This information is available at www.police.act.gov.au/about-us/publications.

As outlined in section 8 of the *Australian Federal Police Act 1979* (Cth), the AFP polices for a safer Australia through a diverse range of activities and responsibilities. The AFP addresses assorted criminal threats and safety issues targeting national security, Australian interests and federal government institutions and property. To do this, the AFP:

- ▶ polices Australian Commonwealth territories such as Jervis Bay and Christmas Island
- ▶ addresses complex crimes that cross state and international borders
- ▶ protects dignitaries, parliamentarians, witnesses and key assets
- ▶ pursues proceeds of crime and other mandated Commonwealth functions related to police intelligence, interagency exchange and cooperation domestically and internationally
- ▶ establishes and monitors peace, stability and security in foreign countries.

This work seeks to counter and defuse threats that potentially undermine the legitimacy and effective operation of Australia's interests and institutions, with commensurate impacts on community safety. In undertaking these functions, the AFP works within a broad and diverse matrix of legislation and can access many offence provisions. The priority assigned to AFP investigations and the ways the AFP engages to counter crime and make the community safer are both informed by this legislative context and the broader operating environment, including the Ministerial Direction, community and stakeholder expectations, best operational/policing practice and the key challenges of globalisation, transnational serious and organised crime, terrorism and regional stability.

The AFP's current policing services embody four common operational outcomes—prevention, disruption, response and enforcement—across its diverse responsibilities. The AFP uses these themes to focus on:

- ▶ reducing existing and future harm
- ▶ interrupting the exchange of money, goods and value among criminals
- ▶ upholding law and order and institutional legitimacy
- ▶ protecting critical infrastructure
- ▶ enhancing community safety by identifying criminal activity and enforcing the law
- ▶ enhancing community safety by investigating offences.

In pursuing these operational impacts, the AFP's work typically involves many partners and is often a component in larger criminal justice or offence-related processes domestically and internationally. The case studies in this annual performance statement highlight the AFP's cooperation and the interconnected nature of policing. As the AFP contributes to the broader criminal justice system, its ownership and control of the larger process and final social outcomes are limited. However, the AFP can strongly influence key processes in the system. In doing so, it supports the criminal justice system to hold offenders to account and to encourage the community's compliance with laws, especially criminal laws. The AFP has performance measures that focus on the four operational themes (see Figure 3.1 and performance criteria 2.1 to 2.8).

Performance criteria 2.1 to 2.8 are proxy measures, as it is difficult to directly demonstrate the social impact from policing tasks, given the complexity of factors generating crime and criminal harm. Further, there is ongoing social debate about which activities, programs or approaches are most effective to address socio-criminal problems like illicit drug use or human trafficking. Policing is, by its nature, an inexact and contested process, with social groups and arms of government having strong opinions about the best remedies for criminal problems and the ideal role of police in applying them. While it examines research on and best practice in treatments for crime, the policing response in the end is heavily shaped by the service's legislated role and remit.

A second set of performance criteria (1.1 to 1.3) examine aspects of the AFP's efficiency when contributing to key areas of public value for policing—namely, drug seizures and investigations, fraud investigations, confiscation of criminal assets, and community perceptions of safety.

Performance criteria 1.1 and 1.3 cover community confidence locally and from international program evaluations. These criteria complement return on investment measures. Performance criterion 1.1 examines the Australian community's level of confidence in the AFP to counter threats, while performance criterion 1.3, drawn from the AFP's international engagement program, examines improvements to, and perceptions of, safety and policing capability in specific international communities.

Performance criterion 1.2 consists of three return on investment (ROI) measures. Two ROI measures (transnational ROI and international ROI) estimate the harm to the community that is avoided when the AFP seizes drugs. The transnational ROI also estimates the harm avoided by investigating frauds as against the operating costs of the AFP teams undertaking this work. Preventing the sale of drugs on Australian streets minimises community harm. With fewer drug sales, there are fewer health problems, property crimes, offences against persons, traffic collisions, injuries, deaths, and productivity losses from illicit drug use. The ROI compares the cost of the AFP's work in this area against the avoided social harm to determine whether the policing effort is a good investment.

The third ROI measure focuses on confiscation of criminal assets. Our work on proceeds of crime should remove money from criminal hands and inhibit ongoing reinvestment in criminal activities, delivering a clear and general social return. The ROI reports on the cost of the AFP's work in this area versus the value of the confiscated assets disposed of during the year. The AFP's contribution depends on the ratio of AFP investigative and legal costs to the final sale prices of assets when they are sold by the Australian Financial Security Authority, who are responsible for realising proceeds of crime.

Figure 3.1 AFP performance framework 2018–19

Performance criteria groups			
Public value and impact			
1.1 Community confidence	1.2 Return on investment	1.3 Evaluations	
Operational outcomes			
Prevent	Disrupt	Respond	Enforce
2.1 Prevention case study analysis	2.2 Disruption case study analysis 2.3 Disruption numbers 2.4 Avoidable incidents	2.5 Response case study analysis ¹ 2.6 Response times	2.7 Enforce case study analysis 2.8 Prosecution acceptance rate ¹

¹ New measure for 2018–19

Results summary

The AFP maintained its high performance across all but one of its performance measures for Outcome 1 (see Table 3.1). This trend is similar to that for the past five years. The combined evidence in this annual performance statement shows the AFP was successful in meeting its purpose in 2018–19.

Detailed results are presented starting from page 25. Overall analysis is on page 47 and a financial performance summary is shown on page 51.

Table 3.1 Summary results against AFP 2018–19 performance criteria

Performance criteria ¹	Result	Met
Public value and impact		
1.1 Community confidence	61%	●
1.2a Return on investment—transnational crime	3.6	●
1.2b Return on investment—assets confiscation	2.7	●
1.2c Return on investment—international operations	22.2	●
1.3 Evaluations	page 31	●
Operational outcomes		
2.1 Prevention	page 32	●
2.2 Disruption	page 34	●
2.3 Disruption numbers	246	●
2.4 Avoidable incidents	1	●
2.5 Response	page 38	●
2.6 Response times	P1 ² —93%	●
	P2 ² —93%	●
	P3 ² —100%	●
	P4 ² —100%	●
2.7 Enforce	page 41	●
2.8 Prosecution acceptance rate	95%	●

¹ Performance criteria source:
Portfolio Budget Statement 2018–19 Outcome 1 (pages 112–113)
Corporate plan 2018–19 activities (pages 18–21)

² P: Priority level (more information on page 40)

Results legend

● Achieved ● Not achieved

Public value and impact

1.1 Community confidence				
Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 19	
Result	2017–18	2018–19	Target	Target achieved
		62%	61%	75%

In March–April 2019, Lonergan Research was commissioned to conduct a phone survey of the Australian public. The results were used to gauge the level of community confidence in the AFP's contribution to law enforcement and national security. The 2019 survey questions were identical to those in 2018.

The target was 75 per cent of respondents rating their confidence in the AFP as 8 or more out of 10. While confidence in the AFP's overall contribution to national security and law enforcement is reasonable, with 61 per cent of Australians rating it 8 or more out of 10, it fell short of the target of 75 per cent. However, when confidence is taken as 6 or more out of 10, confidence in the AFP reaches 86 per cent, exceeding the target.

Most police services include survey-based community confidence and trust indicators in their performance reporting. Their targets vary, with results ranging from 74 per cent in Canada to 82.5 per cent for ACT Policing in 2017–18. Services use a diverse range of counting methods to determine their results. The AFP adopted a graded approach similar to that of Canada. It is notable that many other police services have larger community policing roles than the AFP, having direct engagement and high visibility in their respective communities.

In light of other police services' results, the AFP's current target of 75 per cent of respondents reporting high confidence appears ambitious. This is because the AFP has few public contact roles and rarely deals with individual community members, so community knowledge and recognition of the service starts from a lower level. The crimes that the AFP addresses tend to affect national or border security and government departments or programs, given that the AFP's remit and operational focus is on the criminal entities causing harm.

Survey details

Style

Over the phone, random sample, mainly closed questions

Statistics

1003 respondents,
99.6% response rate

Gender

51% Men
48% Women
1% Gender X / indeterminate

State/territory

34% New South Wales
25% Victoria
20% Queensland
11% Western Australia
7% South Australia
2% Tasmania
2% Australian Capital Territory
1% Northern Territory

Age

13% 18–24
17% 25–34
23% 50–64
22% 65+

Education

17% Below Year 12
16% Completed Year 12
25% TAFE / college
42% University

Nationality

79% Australian citizenship
9% Dual citizen
13% Other

AFP officers outside ACT Policing or airport environments generally do not wear uniforms at work. As the service undertakes many joint operations, even media briefings about operations often involve members of other police services.

Significantly, the community will know the AFP more through indirect means, mainly the media. These influences were revealed in the 2018 survey, where confidence was driven by success stories in media coverage and news broadcasts, especially good results around drug seizures, terrorism threats and border security at the airports. This trend continued in 2019. Eighty-two per cent of Australian residents mentioned that television or radio news was their main source of information about the AFP, but only one in eight Australians (12 per cent) rated their perceived knowledge about the AFP as 8 or more out of 10. This indirect and low knowledge of the AFP poses challenges, because the level of knowledge and perceptions of what the AFP does, and how well it does it, will be filtered by how the media presents the AFP's work and the likely confusion of respondents if they see the AFP's work as state police work. Given such issues, the survey and performance criterion will be reviewed for 2020 to develop a more realistic approach tailored to the AFP's roles and community interaction.

1.2a Return on investment—transnational crime				
Source of criterion	PBS 2018-19		Program 1.1, page 112	
	Corporate Plan 2018-19		Page 19	
Result	2017-18	2018-19	Target	Target achieved
		16.0	3.6	Positive return (i.e. >1)

The value of the AFP's transnational crime efforts is currently calculated (refer to Figure 3.2) using investigations finalised in 2018-19. This means that the cases counted may have commenced prior to 2018-19. Some investigations can take up to 10 years to complete. The length of a case can be affected by court challenges, complexity and available evidence, and resources and priorities.

The transnational ROI uses the drug harm index (DHI) in its calculations to assess social harm. The DHI estimates the harm in dollar terms that could have occurred had the actual drugs reached the Australian community. Harm is calculated according to the type of drug seized, as different drugs pose different levels of harm. The DHI includes a variety of harms depicted in Figure 3.2. The DHI, rather than the drug street price, is used in the ROI calculation, as it offers a more holistic figure for the range of immediate and downstream harms from illicit drug trade and use.

The AFP's national policing efforts (transnational ROI for 2018-19) returned \$3.60 for every dollar spent by the AFP on transnational crime. This may be broken down into a drugs component and a financial crime component. Drug investigations returned \$4.30 for every dollar, while \$0.20 was returned for financial investigations. Drug-related investigations finalised in 2018-19 brought \$1.2 billion in benefits, including avoided drug harm, against a cost of \$274 million. Financial crime cases finalised this year brought \$10 million in benefits against a cost of \$59 million. This result, however,

Figure 3.2 Transnational return on investment calculation and social harm

Calculating return on investment (ROI)

$$ROI = \frac{\text{Benefits}}{\text{Costs}} \longrightarrow (\text{DHI} + \text{EFR})$$

Calculating the benefits

To calculate the benefits of preventing crime before it happens the AFP considers the potential social harm that could have been caused if the crime had not been prevented. The AFP uses two different measures:

- ▶ DHI—drug harm index
- ▶ EFR—estimated financial return

The following components are included:

prevention (1) prison (1) legal (1) medical (2) rehab (2)

absenteeism (2) road crashes (2) clean up (2) drug crime (2) financial crime (3)

- 1 component is common to both the DHI and EFR calculations
- 2 component is used only in the DHI calculation
- 3 component is used only in the EFR calculation

reflects only the benefits that can be directly measured. Benefits accruing from preventative activities, such as target hardening, education and risk awareness undertaken by the Confiscated Assets, Fraud and Anti-Corruption Centre are not currently captured.

The high drug return reflects changes to forensic processes that have freed up resources, particularly regarding large-scale drug importation cases with seizures of drugs coming into the country. AFP Intelligence has also increased its effective support to investigations. Teams have adopted adaptive investigative strategies designed to meet changes in the criminal environment, most notably the behaviour of international organised crime syndicates targeting Australia. The AFP's approach to working

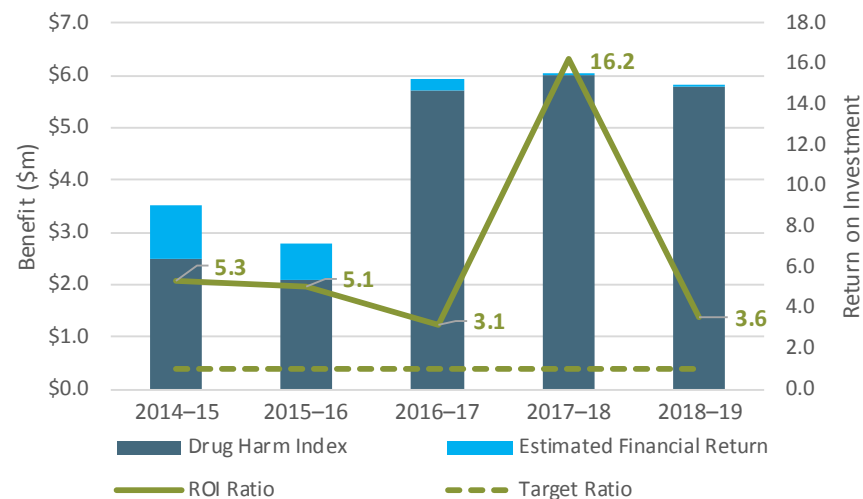
collaboratively with international law enforcement to target crime at its source may affect the split of domestic versus international investigations and drug seizures. The transnational ROI only uses domestic drug seizures for the drug harm calculations.

The ROI is sensitive to operational strategy—for example, targeting organisers rather than couriers or working on international branches of criminal entities with law enforcement partners and preventing the drugs from coming to Australia may also affect seizure weights. The ROI results will have some volatility, according to operational strategies.

The drop in the level of avoided social harm for financial crimes seems likely to reflect the level of complexity of these matters and the time it takes to investigate them, and the changing role of the AFP in fraud and how this relates to the assumptions and calculations for the ROI. Often other methods aside from investigation and prosecution—including focusing on prevention, disruption and other treatments—are used to address fraud matters. The lengthy duration of some cases and any court challenges can also affect the ratio of fraud amounts against costs. Lower figures do not necessarily reflect weaker performance. The changing policing landscape of fraud federally is having an impact on this ROI.

The value of illicit drug and economic crime varies from year to year, as shown in Figure 3.3, and reflects operational strategies.

Figure 3.3 Return on investment for transnational crime trend



1.2b Return on investment—assets confiscation				
Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 19	
Result	2017–18	2018–19	Target	Target achieved
		2.0 ¹	2.7	Positive return (i.e. >1)

¹ Previously reported as 3.9. Due to an administrative error, the confiscated figure erroneously included amounts that related to matters that were not yet finalised before the courts

One way in which AFP activities target and disrupt the criminal economy is by confiscating assets that are linked to illegal activity. Confiscation of criminal assets is a key strategy used by law enforcement across the world to combat organised crime. Removing tainted assets from the criminal economy ensures that criminals are not able to benefit from their offending and reduces the amount of money that can be reinvested into criminal activities.

Within the AFP, the investigation and litigation of criminal assets confiscation matters is administered through the multi-disciplinary Criminal Assets Confiscation Taskforce (CACT), which brings together the resources and expertise of the AFP, the Australian Taxation Office (ATO) and the Australian Criminal Intelligence Commission (ACIC). The CACT works closely with other domestic and international law enforcement partners. The return on investment (ROI) for assets confiscation compares the value of confiscated assets from proceeds of crime matters conducted by the CACT on behalf of the Commissioner of the AFP in 2018–19 with the costs of running the CACT (the investigation and criminal asset litigation teams within the AFP) and secondees provided by the ATO and ACIC.

The realised asset values are provided by the Australian Financial Security Authority, noting that these assets may relate to investigations commenced in previous years or where the confiscation order was made in an earlier financial year and the assets have been realised in a subsequent financial year or over a number of years.

The ROI for assets confiscation is 2.7 against a target of 1. This is based on a total benefit of \$49.7 million of confiscated assets over costs of \$18.4 million.

The amount confiscated each year will be affected by the individual circumstances of the matters being litigated, including the time taken to litigate matters to finality, the time taken to realise confiscated assets and the value of the assets when they are sold. One of the matters that was successfully finalised during this financial year was commenced back in 2013. This complex matter involved funds which were suspected to be the proceeds of money-laundering offences committed overseas and, as such, the matter involved a significant amount of international liaison with a number of countries.

Some fluctuations of the ROI should be expected due to the complex nature of proceeds of crime litigation and the need to balance the commencement of new matters with the servicing of existing matters before the courts.

1.2c Return on investment—international operations				
Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 19	
Result	2017–18	2018–19	Target	Target achieved
		32	22	Positive return (i.e. >1)

The AFP's international posts assist international law enforcement services in a wide array of joint operations, including seizure of illicit drugs destined for Australia, combating human trafficking and countering child sexual exploitation. The true breadth of this contribution cannot be fully measured—the ROI assesses the value of international drug seizures where there was AFP involvement against the cost of the AFP doing this work. Cost estimates include costs incurred at all AFP international posts in 2018–19. The value of the international drug seizures, or benefit, is measured by the drug harm index¹ (DHI).

Despite the partial capture of benefits via the current ROI, this year the AFP's international operations returned \$22 for every dollar spent—substantially above the target ROI of 1. This is based on 40.6 tonnes of drugs and precursors, with a corresponding DHI of approximately \$3 billion, that were seized overseas by local police services with AFP assistance during 2018–19; and AFP post costs of \$133 million. This is likely to be an underestimate of international work, as this tally only includes work by posts. Posts have a diversified work program of which drugs investigations and seizures are only one element, and International Operations has also pursued disruptions and prevention work in the drug space which do not involve seizures.

Most seizures were intercepted in Myanmar (15.1 tonnes, including 2.8 tonne of methamphetamine and approximately 700 kilograms of precursors) and Malaysia (including a 2 tonne seizure of methamphetamine), the Netherlands and China. This reflects the strong and effective partnerships constructed through the AFP's international network and the geo-criminal geography of drug production and trade involving Australia. Northern Myanmar production of methamphetamine—a high social harm per gram drug—has continued to increase. The AFP continues to work with Myanmar and Chinese authorities through initiatives like Taskforce Blaze. The strong cooperation has led to drug production shifting in the region. Chinese authorities, with AFP support, have also commenced operations to detect drugs and prevent them from crossing into China over the Myanmar border. This has altered the locations and size of seizures. Similarly, AFP work with the Netherlands police has targeted the manufacture and export of synthetic drugs (particularly methamphetamine) to Australia, leading to substantial seizures there. These are in turn used in the ROI calculations.

The ROI has dropped to 22 from its very high figure last year of 32. This reflects operational strategy and the crimes being targeted. Many posts in the Asia-Pacific have focused on prevention and, increasingly, child sexual exploitation matters, which will

affect the share of work involving drugs and drug seizures. As only drug seizures are used in this ROI, such changes in the mix of cases and operational focus of posts will alter the ratio of AFP costs to seizures. The result for this performance criterion still exceeds its target.

1.3 Mission / external territories performance evaluation				
Source of criterion	PBS 2018–19		Program 1.2, page 112	
	Corporate Plan 2018–19		Page 19	
Result	2017–18	2018–19	Target	Target achieved
		See 2017–18 Annual Report	Evaluation results below	Evaluations completed and recommendations addressed

Pacific Police Development Program—Pacific Transnational Crime Network review

As outlined in the *AFP Corporate Plan 2018–19*, the AFP planned an internal review of components of work funded by the Pacific Police Development Program (PPDP), such as the Pacific Transnational Crime Network (PTCN). One evaluation was planned in 2018–19.

The PTCN, established in 2002, provides an interconnected, proactive criminal intelligence and investigative capability to combat transnational crime in the Pacific. The PTCN comprises the Pacific Transnational Crime Coordination Centre (PTCCC) in Samoa; and 28 Transnational Crime Units (TCUs) based in 20 Pacific island countries. This evaluation therefore included engaging with diverse stakeholders across multiple law enforcement agencies (across multiple countries) in the Pacific.

The main purpose of the health check was to determine the extent to which PTCN is contributing to reduced criminal and security threats to the Pacific region by identifying key regional results facilitated by the PTCN. The health check provided advice on what Pacific regional law enforcement cooperation approaches and processes have worked or are working; and outlined recommendations to enhance outcomes in the region.

The PPDP tasked International Operations to review the network on behalf of the Pacific Islands Chiefs of Police between April and June 2019. This process assessed the effectiveness of the network in combating transnational crime in the Pacific. The results of the review will be presented to the Pacific Islands Chiefs of Police later in 2019, outside this reporting period. The report will inform decision-making regarding the future direction of the PTCN. Details will be provided in next year's annual performance statement.

¹ www.afp.gov.au/about-us/publications-and-reports/return-investment-methodology

Operational outcomes

2.1 Prevention case study analysis				
Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 20	
Result	2017–18	2018–19	Target	Target achieved
	Achieved	Case studies below	Successfully targeted crime prevention	Yes

In 2018–19, the AFP undertook a range of prevention activities. Prevention activities are those that reduce the risk and/or opportunity of national security incidents or the commission of federal criminal offences by:

- ▶ working to reduce victimisation of a person, place or thing
- ▶ working with potential offenders and vulnerable individuals to prevent them from engaging in criminal activity
- ▶ targeting underlying causes of crime
- ▶ strengthening institutions / rule of law / police legitimacy to ensure order is maintained, enforcement occurs and the majority voluntarily adhere to the law.

AFP prevention activities are diverse. They range from those that are more commonly viewed as traditional crime prevention to those that are more unusual. Currently, AFP prevention activities may be initiated by government or multi-agency bodies—for example, this occurs with the Australian National Child Offender Register—or involve specialist offences or policing with a preventive focus like control orders. AFP prevention activities may be education and community awareness raising (like ThinkUKnow online security awareness) or media awareness-raising campaigns (like National Missing Persons Week) or work by taskforces with prevention goals. Sometimes prevention is initiated by the AFP; it can simply involve officers identifying system vulnerabilities during an investigation and subsequently advising the appropriate agency so that the agency can take preventive action. When prevention occurs within investigations, it often coexists with and complements other operational strategies, such as enforcement and disruption.

This is the second year of this performance criterion. The AFP is still cataloguing and building shared knowledge of prevention; this will continue to enhance the case study analysis. Examples of AFP prevention are given in the following case studies.

Case study: Registration on the National Child Offender System—prevention and enforcement

The Australian National Child Offender Register (ANCOR) requires child sex offenders, and other defined categories of serious offenders against children, to keep police informed of their whereabouts and other personal details for a period of time after they are released into the community. However, in June 2018, an Australian previously

convicted of child sexual offences travelled to Asia and had not registered his intention to travel prior to departing Australia. This person was deemed to be at high risk of further offending.

In June 2018, AFP Yangon Post notified AFP Phnom Penh Post that they were attempting to locate this person and register him as per legal requirements. AFP Phnom Penh Post in turn requested assistance from the Cambodian national police, who located the person residing in Phnom Penh and arrested him for deportation to Australia. Upon arrival in Australia, the person was served with ANCOR documentation.

International police-to-police cooperation and information exchange is crucial in effectively enforcing the law—in this case, registration of a child sex offender, thereby preventing future offending and safeguarding the community from these offenders.

Case study: Prevention through target hardening—intelligence sharing with foreign law enforcement partners

Criminals frequently use international locations to enhance their business, build social contacts and evade local law enforcement. Because of this, the AFP has a significant focus on crime prevention internationally as outlined in the AFP's International Engagement Strategy. The AFP aims to harden international targets to make them less attractive to criminals. Stopping the travel of high-risk offenders to areas they may exploit is one way to curtail offending and harm.

AFP International Operations coordinates this prevention work, building intelligence exchange arrangements with international partners to create a harder environment for offenders to operate within. This approach has been successfully used to counter travelling child sex offenders. Two examples of this approach are countering offending against children internationally; and prevention and disruption to stop inadvertent online harm.

Countering offending against children internationally

The AFP identified an Australian who was attempting to meet a 14-year-old girl in the Philippines using a group known for facilitating travel to undertake child sexual exploitation. Because no offence had yet taken place, the AFP was unable to prevent this person from travelling. The AFP notified the Bureau of Immigration in the Philippines of the person's planned travel. On arrival in the Philippines, the Australian was deemed not to have a legitimate reason to enter the country and was subsequently denied a visa and promptly returned to Australia. On the person's arrival, AFP Child Protection spoke to them, informing them that, should they try to visit the Philippines again, they would be denied entry. As no crime had been committed, officers could not pursue prosecution. However, they could ensure that the host country was aware of the person's travel plans and thus prevent entry and any likely crime.

Prevention and disruption to stop inadvertent online harm

Increasingly, young people use the internet as a social forum. Young people often post explicit material of themselves or their friends and share the images among an online peer or friendship group. When people voluntarily expose themselves or friends online,

the line between victim and offender gets blurred. In these voluntary cases, some people see the posting of sexualised pictures and acts as a ‘bit of fun’ among friends. However, if a person does not consent to having their image posted then it is a violation of privacy and trust and can have harmful and unintended consequences. The personal harm and potential exploitation of this material by others for criminal economic gain galvanises police to take action to reduce similar events in the future. Prevention is often the policing tactic used.

In a recent matter, AFP members contacted a number of girls who had been unwittingly exploited online by an offender. The victims were identified during an investigation that subsequently led to a prosecution of the offender. As the victims were not instrumental to the case, they had no knowledge of how their online behaviour had been used by the offender in their crimes.

The officers wanted to talk to the girls to explain how they had exposed themselves online to an adult male rather than a young male, as they had believed, and to educate them about online dangers and how they could protect themselves and seek support services. Officers spoke with the girls and their families. Their families were appreciative of the advice and the officers’ concern to take the extra step to protect and educate the girls. After meeting the girls, the officers approached their school and provided the principal with information on the ThinkUKnow online security awareness program. The principal was receptive to using the program. Through independent follow-up with victims, officers aimed to reduce further harm to the victims and the likelihood that their peers at school would also fall prey to online predatory behaviours.

2.2 Disruption case study analysis				
Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 20	
Result	2017–18	2018–19	Target	Target achieved
	Achieved	See case studies below	Successfully undertook disruption	Yes

Disruption is a specific type of outcome for criminal investigations. It involves delaying, diverting or otherwise complicating the commission of criminal activity or the operations of a criminal entity. Results show that disruption activities are efficient because they build relationships with partners and reduce crime-related harm in Australia. This measure augments our enforcement indicators and reflects a broader range of operational tactics and strategies. It impacts on complex transnational crime where prosecution in Australia may not be feasible or cost-effective. A number of disruptions are demonstrated by the following case studies.

Case study: International taskforce keeps Australians safe through disrupting drug smuggling operations

In July 2018, AFP Guangzhou Post received a referral through Taskforce Blaze advising that it suspected that 11 consignments of the drug

3,4-methylenedioxyamphetamine (MDMA) had been sent to a parcel locker in Sydney. Chinese law enforcement had identified and analysed the consignments. Their examination revealed that each container held a number of children’s toys concealing a powdery substance. The substance tested positive for 3,4-methylenedioxyphenyl acetone, also known as 3,4-methylenedioxyphenyl-2-propanone (MDP2P). MDP2P is a precursor to MDMA and is a controlled substance in Australia under the Customs Regulation 2015. Significantly, MDP2P is not a scheduled precursor in China and there are no offences associated with its possession, trafficking or export.

AFP Guangzhou Post liaised with the Australian Border Force (ABF), which intercepted the first seven consignments, each containing approximately 10 kilograms of MDP2P. Chinese law enforcement then notified AFP Guangzhou Post of an additional four consignments being sent to the same parcel locker in Sydney. As a result of these referrals and cooperation between agencies, the ABF seized an estimated 150 kilograms of MDP2P. This result highlights the importance and strength of AFP in-country relationships with Chinese law enforcement agencies. Together, Chinese and Australian agencies are detecting and disrupting crime entering Australia, even where there is no equivalent trafficking or exporting offence for the substance in China.

Case study: Countering forced marriage—prevention and disruption strategies

The AFP is a key player in the Australian Government’s response to human trafficking and slavery-related crimes like forced labour and marriages, outlined in the *National Action Plan to Combat Human Trafficking and Slavery 2015–19*. The most visible form of trafficking typically involves the sexual exploitation of women and children. Often with human trafficking and forced marriage matters there is insufficient evidence for prosecution. Prosecution often depends on proving intent rather than dealing with an actual act of forced marriage, which is challenging. These cases are complex. Suspects can be based internationally and part of close-knit cultural and family networks, and members can be reluctant to report matters or give evidence. There can also be visa and immigration status complexities and potential overlap of applicable state and federal charges². Given these challenges, the AFP often uses disruption and prevention strategies to address human trafficking matters.

In February 2019, AFP members received allegations that a father in New South Wales was forcing his daughter into an arranged marriage with a person in Afghanistan. Members investigated the matter and interviewed key persons of interest. When interviewed, the father denied the allegation but acknowledged significant cultural pressure from friends and family in Afghanistan to arrange the marriage.

Members discussed with the parent the seriousness of the crime and the need to follow Australian laws, which disallow forced marriages. Police engagement alerted the father about their interest in him and his potential crime, disrupting any plans.

Members also recommended that the daughter go into the Australian Government’s Support for Trafficked People Program at the outset of the investigation to remove her

² See Joint Committee on Law Enforcement (2017) *Report on an inquiry into human trafficking, slavery and slavery-like practices*, Chapter 2.

from potential harm. This program, administered by the Department of Social Services and delivered by the Red Cross, is a key component of Australia's strategy and action plan to prevent human trafficking. It potentially offers recipients an individual case manager, accommodation, counselling and referral to legal and migration advice. The AFP determines eligibility for the program, considering whether a person is, or may have been, the victim of a human trafficking or slavery-related offence and is an Australian citizen or holds a valid visa. In 2018, authorities referred 38 potential victims to the Support for Trafficked People Program³.

In the investigated matter, the daughter agreed to apply and was accepted for the program. She was removed from the household and given assistance. This preventive measure assisted her to avoid victimisation and further disrupted any parental plans of forced marriage by physically removing her.

Case study: Mixing enforcement and disruption to counter drug importation

During an Australia-based operation concerning the concealment of a commercial quantity of methamphetamine in car cleaning products, officers identified that some suspects in the case had links to an international methamphetamine distribution network originating in Iran and involving organised crime syndicates in Melbourne, Sydney and Adelaide. The group hid their plans using an encrypted communications application.

Officers decided to use disruption to complement enforcement in this case. They forwarded the details of the investigation to the AFP Beirut Post, which passed appropriate information to Lebanese authorities. Lebanese authorities then arrested and interviewed members of the group operating in Lebanon. As a result of the Lebanese investigation, other members of the Iran-based syndicate operating in Lebanon and Iran were identified.

AFP investigators used the new information to continue their investigation in Australia, executing search warrants and approaching other members of the network operating in Australia. During the Australian investigation it became apparent that one member of the group was likely to take over the role as receiver and distributor of future methamphetamine consignments in Australia. The role was important, and it was a personal promotion for that member in the network's hierarchy. Officers decided that talking to this new distributor, who had a key role in ensuring that illicit products moved safely and in making the trade exchange, might impede the growth of the Australian operations. Destabilising trust relationships among syndicate members can be an effective disruption tactic.

After officers spoke with the member, the person could no longer adopt the distribution role and left the syndicate. By interacting with members, officers exposed roles and arrangements, informing the network they were aware of their operations and hindering expansion plans. This effectively disrupted the criminal entity's operations.

Case study: Protecting Commonwealth funds by targeting a key element in the criminal through-chain

Following the evaluation of a Business Email Compromise (BEC) scam targeting the Commonwealth, the AFP-hosted Fraud and Anti-Corruption (FAC) Centre commenced activity to disrupt the syndicate responsible. Because the scammers operated anonymously from international locations, there was little prospect of prosecution and conviction. The BEC methodology involved the scammers deceiving Commonwealth agencies into altering banking and payment details by appearing to be legitimate contractors. The BEC scam resulted in the syndicate obtaining \$350 000 of Commonwealth funds, with an attempt to obtain a further \$4.4 million. FAC Centre enquiries revealed that Australia-based money mules were used to facilitate transfer of funds internationally.

Through interaction with the suspected money mules, the FAC Centre determined that the money mules themselves were victims of inheritance and love scams. These scams gave the criminal syndicate access to Australia-based bank accounts from which international money transfers could be made and unwitting participants to assist them. This interaction resulted in the identification of multiple compromised domestic and international bank accounts and the timely notification of an additional \$1.8 million transfer into one of the compromised accounts.

The FAC Centre informed relevant domestic financial institutions, issued an alert to Commonwealth member agencies and passed information to law enforcement partners. Such wide information dissemination and subsequent actions led to a whole-of-government response, providing disruption opportunities and awareness of scams targeting Commonwealth departments. Conversing with the money mules and interrupting their ability to be used by the scammers fundamentally disrupted the scam by taking out a key enabler in the criminal operation.

As can be seen in this case, AFP officers, in conjunction with those of other agencies, used multiple approaches and initiated action by other parties to good effect.

2.3 Disruption numbers				
Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 20	
Result	2017–18	2018–19	Target	Target achieved
	206	246	206	Yes

The AFP recorded 246 disruptions in 2018–19. Of these, the majority focused on child sexual exploitation (38 per cent) and drugs (33 per cent), with small numbers of disruptions related to other crime types, including human trafficking, financial crime, cybercrime and terrorism. Based on numbers recorded until now, annual numbers of disruptions are likely to fluctuate. The use of disruption appears sensitive to the context and particulars of an investigation and will reflect the mix of active investigations.

³ From UNHCR (2018) *Trafficking in persons report—Australia*, 28 June.

These disruptions can be split into two types: international and national disruptions. In 2018–19, 64 per cent of disruptions were international and 36 per cent were national.

The case studies in this chapter show the complexity and scope of AFP work and demonstrate the successful use of international disruption activity to reduce harm and protect Australians (see performance criterion 2.2).

2.4 Avoidable incidents				
Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 20	
Result	2017–18	2018–19	Target	Target achieved
		0	1	<3 incidents

A key objective of the AFP Protection effort is to keep individuals and interests identified as being at risk safe from acts of terrorism, violent protest and issue-motivated violence. Protection is provided within Australia and overseas to the Governor-General, the Prime Minister and other ministers and designated diplomats and foreign officials.

The success of this effort is gauged by counting the number of avoidable incidents⁴ that occurred in the reporting period. No two avoidable incidents are alike, and additional interpretation on the impact of each avoidable incident is necessary to assess the overall performance of this criterion.

There was one avoidable incident recorded in 2018–19. No-one was hurt in the incident. It related to a member of the public throwing an egg at the Prime Minister while he attended a Country Women's Association meeting. While AFP Close Personal Protection officers were able to intervene with the member of the public, they were unable to prevent the egg from being thrown.

2.5 Response case study analysis				
Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 21	
Result	2017–18	2018–19	Target	Target achieved
		n.a. (new measure in 2018–19)	Case studies below	Successfully delivered response

This new performance criterion complements the long-term avoidable incidents performance criterion (2.4). While the AFP and state and territory police services share the need to urgently respond to an incident, in other ways the AFP's response role differs from that of state and territory police. Most state and territory police services have call-out numbers (000 or 131 444), first respondent roles for certain accidents and emergencies and a rescue role. The AFP response role adopts a different approach,

⁴ Avoidable incidents are those incidents that could have been avoided through physical action, intervention or reasonable intelligence and that result in death, injury, loss of dignity or embarrassment to those individuals and interests identified by the Australian Government or the AFP as being at risk.

reflective of its links to national policing, the Australian Government and Australian interests. The AFP response is diverse, spanning things like time-critical initial drug seizures at the border; phone calls from vessels in distress; alarms at high office holder and foreign diplomat premises; Australian policing support to international emergencies; and aviation incidents (see performance criterion 2.6).

The following case studies provide examples of the role and impacts of AFP response work.

Case study: Phone call threat to high office holder

The AFP responds to reports from telecommunications or internet companies about life-threatening phone calls. The AFP has responsibilities under the *Telecommunications Act 1997* (Cth) to identify, evaluate and mitigate any risk from a phone call when providers disclose to the AFP that someone has made a threat to a person's life or health.

In October 2018, an Australian Government agency contacted the AFP Watchfloor Supervisor reporting that a phone call had been received in which the caller made threats to kill the Director General of the agency.

The AFP made enquiries on the phone number and identified the number as belonging to a person in Camperdown, New South Wales. The AFP then contacted New South Wales Police Force Communications, which dispatched a unit to speak with the suspect to determine their level of risk. The AFP also organised for the AFP Canberra Diplomatic Protection Unit (DPU) to be vigilant at the Director General's residence until the threat had been assessed.

The New South Wales Police Force contacted the AFP and informed them that the suspect had admitted to making the threats. As the person had a history of mental illness, the New South Wales Police Force took them to hospital, where they were scheduled under the *Mental Health Act 2007* (NSW). The AFP then informed the agency and advised the DPU.

Case study: International threat referral from Instagram

In July 2018, the AFP received information from INTERPOL Wiesbaden that an Instagram account was being used to make threats of self-harm. Instagram provided details of the account, which belonged to a user in Australia.

The AFP conducted a number of enquiries using the subscriber details provided by Instagram and identified a mobile phone account in Queensland. It then coordinated with the Queensland Police Service, with the Queensland Police Service attending the address of the user to conduct a welfare check.

Following a mental health check, the Queensland Police Service deemed no further action was necessary. The AFP advised INTERPOL Wiesbaden and Instagram of the results. In this case, the AFP and the Queensland Police Service worked together to ensure personal safety.

2.6 Response to aviation incidents within priority time frames

Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 21	
Result	2017–18	2018–19	Target	Target achieved
	Priority 1—92%	Priority 1—93%	Priority 1—90%	Yes
	Priority 2—93%	Priority 2—93%	Priority 2—90%	
	Priority 3—100%	Priority 3—100%	Priority 3—95%	
	Priority 4—100%	Priority 4—100%	Priority 4—95%	

This performance criterion provides a combined assessment of police response time frames within designated Australian airports where there is an AFP presence, including Adelaide, Brisbane, Cairns, Canberra, Darwin, Gold Coast (Coolangatta), Melbourne, Perth and Sydney. Response times vary depending on the priority level⁵ of the incident and may range from life threatening (priority 1) to no immediate danger (priority 4). The AFP exceeded targets for all four priority levels. The table above shows the results are similar to last year, with a 1 per cent increase in priority 1 incident response rate, while the response rate for all other priority levels remained steady.

The AFP attended 703 priority 1 incidents in 2018–19. The results for the major airports were especially strong given the increase in air traffic at Sydney and Melbourne airports over 2018 and recent years. Passenger numbers increased 13 per cent at Sydney over the period from 2013–14 to 2017–18⁶, and passenger numbers increased 14 per cent at Melbourne over the same period. In the same time frame staffing has had only slight growth at these locations (0.3 per cent at Sydney and 4 per cent at Melbourne).

Other police services report on response times in their annual reports, but there is currently no standardised response measure for priority 1 call-outs across jurisdictions. From a review of reports, those jurisdictions with response times (NSW, Qld, WA, SA and the ACT) aim to have between 80 and 90 per cent of their priority 1 call-outs met within time targets of between 10 and 15 minutes⁷. The AFP's target of 90 per cent is high compared with state targets, while the 10-minute time frame is also one of the leanest. The geography of the patrol, policing resources and deployment strategies, and the rate of clustering (or not) of incidents, will affect how services attain their targets.

⁵ Priority level definitions:

1. Life-threatening or time-critical situation.
2. Situation requiring immediate AFP attendance; however, not life threatening.
3. No immediate danger to safety or property but where AFP response or attention is required. This is determined in consultation with the complainant but, in any event, no later than 120 minutes from the initial contact by the complainant.
4. No immediate danger to safety or property but where police response or attention is required. This is determined in consultation with the complainant but, in any event, no later than 24 hours from the initial contact by the complainant.

⁶ www.bitre.gov.au/publications/ongoing/files/Domestic_airline_activity_2018.pdf

⁷ www.pc.gov.au/research/ongoing/report-on-government-services/2019/justice/police-services

2.7 Enforce case study analysis

Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 21	
Result	2017–18	2018–19	Target	Target achieved
		n.a. (new measure in 2018–19)	Case studies below	Successfully targeted crime prevention

This is a new performance criterion and complements the new statistical performance criterion 2.8. Enforcement activities are those that compel compliance with laws, rules or regulations by:

- ▶ investigating the commission of federal criminal offences (and other relevant offences)
- ▶ assisting other regulatory/enforcement agencies to enforce their laws/regulations.

Law enforcement agencies cooperate in order to develop a counter-network against international networks of crime. Much of this cooperation includes aspects of enforcement work spanning things from extraditions to locating suspects or offenders for other agencies. For the AFP, core enforcement activities include:

- ▶ undertaking investigations related to offences against the Commonwealth or national security
- ▶ providing community policing in Australia and internationally as well as carrying out peacekeeping duties that operationalise criminal and community safety laws, leading to civil order and security
- ▶ actioning Commonwealth policing related provisions spelled out in laws or initiatives like child sex offender registration, INTERPOL, international alerts and assets confiscation
- ▶ responding to criminal breaches of court processes related to topics that the AFP is responsible for, such as family law or AFP investigations/prosecutions.

The AFP also helps other agencies to enforce their offence provisions or laws (often through AFP members assisting with warrants, interviews or surveillance, or doing police checks) or locating criminals and returning them to face charges/court in their home territory.

The AFP has a long and rich tradition of enforcement, with this aspect of policing the most commonly associated and identified as a core element of any police service. As enforcement can occur in many ways, the rationale and goals behind it vary, as do the social outcomes.

These two new performance criteria acknowledge that not only are enforcement outcomes varied but many are also constrained, as they feed the working of the criminal justice system. Although AFP activities are often part of this larger process, the AFP does

not necessarily control the final social outcome. For example, AFP members contribute to prosecution by investigating matters, but they do not control the next and final steps of the process—prosecution, court and sentencing, where key social impacts and outcomes are generated.

Given this complexity, case studies can efficiently illustrate the interconnected and multiple aspects to, and outcomes from, enforcement work.

Case study: Gold purchases in money laundering and terrorist financing

The AFP has established various units for private sector liaison as a way to enhance defences against crime. This engagement often supports legislative or industry self-regulation designed to mitigate crime in the sector. In the precious metals sector, businesses have ‘Know Your Customer’ obligations, which assist in countering domestic and international money laundering. Customers and sellers need to prove their identity to reduce the amounts of unauthentic products entering the market and the number of suspicious money transfers occurring. A number of law enforcement and intelligence agencies, including the AFP, AUSTRAC and Australian Criminal Intelligence Commission (ACIC), are involved in enforcing the anti-money laundering and terrorist financing requirements.

Under these arrangements, the AFP received information about persons making suspicious gold purchases using suspected false identities and paying with backpacks of cash. AFP Melbourne office members undertook analysis of intelligence and began an investigation. Enquiries revealed those involved were persons known to state police with suspected links to Middle Eastern organised crime entities. The AFP spoke with Victoria Police, and the services combined investigative efforts to focus on money laundering using precious metals and drug trafficking.

During the investigation, the AFP provided operational and field intelligence support to Victoria Police led search warrants on two premises. The AFP focused on money laundering and links to drug importation, whereas the Victoria Police focused on drug trafficking and firearms. The warrants found one suspect in possession of cannabis and stolen plasma TV sets, while another suspect was in possession of a ballistic vest and bullets without holding a firearms licence or being a sporting shooter. Given the links to Middle Eastern organised crime entities, these items were deemed suspicious. While the search warrants were being carried out, documents were identified that indicated significant amounts of assets and cash were being moved through bank accounts and business entities, reflective of money-laundering methodologies. Such financial information will inform future work. Given the artefacts found at the search and their use as evidence, Victoria Police took carriage of the matter. In 2019, police laid charges for possession of drugs and stolen goods, with the matter going before court.

The AFP, in the end, did not charge any offenders but worked in collaboration with Victoria Police to assist its enforcement efforts. By responding to the initial intelligence report and investigating, the AFP also supported regulatory arrangements underpinning Australia’s anti-money laundering laws and regime. For the AFP, these enforcement activities also involved disrupting organised crime as investigating the group with

Victoria Police and the subsequent legal action notified the criminals of police interest and seized goods, which interrupted the illegal trade and rewards for the group.

Case study: National medicine shortage due to illegal trade—disruption and enforcement

The AFP received a referral from New Zealand Customs and New Zealand Police in relation to methamphetamine importation in 2017. Following inquiries, a Joint Organised Crime Group investigation of a Hong Kong syndicate was conducted. The syndicate was believed to be moving amphetamines between Australia, New Zealand and Hong Kong. The investigation involved members from the AFP, the New South Wales Police Force, Australian Border Force, the Department of Home Affairs, the New South Wales Crime Commission and ACIC. Following seizures, the ongoing investigation identified members of the syndicate who were operating in Australia. Some of these people were known to authorities for money-laundering activities.

In May 2018, these ‘traders’ began to expand their business into a new line of goods—illegal wholesale supply of the pharmaceutical substance Gardasil 9 Human Papillomavirus 9-valent vaccine. This vaccine is used for the prevention of cervical cancer and appears on Schedule 4 of the Poisons List of the *Therapeutic Goods Act 1989* (Cth). The Australian pharmaceutical dispensing system has many safeguards and checks. The wrongful use of prescribed drugs is clearly dangerous and when done to make money is also clearly criminal. Over recent years, the media and law enforcement have noted the growing illegal use and sale of prescription drugs, especially online. Misuse of prescription fentanyl is a notable example.

A relationship between one of the money-laundering traders and a local pharmacist developed and shipment of the vaccine began. A number of consignments were dispatched to Hong Kong, with each containing 300 single injections of the medication. The value of Gardasil 9, based on information in the seized invoices, was approximately \$500 000. The total estimated retail value in Hong Kong was more than \$600 000. Although lucrative and illegal from the Australian end, the medication was not a prohibited substance in Hong Kong, so no action could be taken by Hong Kong authorities.

During August 2018, the AFP executed search warrants at the pharmacy and at the exporter’s residence in Sydney with the assistance of the New South Wales Department of Health. Members of the Pharmaceutical Regulatory Unit provided information and expert opinion during this operation.

During interview, one suspect made full admissions relating to the offences, and charges were subsequently laid by the New South Wales Police Force. The men involved were charged with prohibition on wholesale supply of certain substances for therapeutic use, with a maximum penalty of two years imprisonment. The Pharmaceutical Regulatory Unit supported this work, providing statements in relation to the investigation that added significant value to the Crown’s case.

In May 2019, one trader was sentenced with two counts of prohibition on wholesale supply of certain substances for therapeutic use and received a supervised community

corrections order, including 60 hours of community service work. The pharmacist was charged with three counts of prohibition on wholesale supply of certain substances under section 9(1) of the *Poisons and Therapeutic Goods Act 1966* (Cth), found guilty and sentenced to eight months jail time. This was appealed and the person received a six-month intense corrections order. The Australian Health Practitioner Regulatory Agency also suspended the pharmacist, but the pharmacist is currently appealing this.

The illegal trade in Gardasil 9 contributed to a nationwide shortage of the vaccine in Australia, with commensurate health effects on the Australian community.

The work of the AFP in partnership with law enforcement partners, as well as the New South Wales Department of Health, used other regulatory tools from the department to disrupt this operation. There was also enforcement activity, upholding bodies of law about medication dispensing. Seizing the drug and prosecuting the offenders effectively disrupted the illegal trade, with policing contributing to a safer Australia by delivering greater community safety and health outcomes.

Case study: International effort to counter cybercrime using all approaches—enforcement, prevention and disruption

On 27 March 2018, AFP Canberra received information from AFP The Hague Post about people in Australia who were under investigation in EUROPOL's Operation PowerOff. PowerOff was a complex investigation led by the Dutch National High Tech Crime Unit and the UK's National Crime Agency, with the support of EUROPOL and other law enforcement agencies. It investigated the provider of the online distributed denial of service (DDoS) tool Webstresser.org. People could buy Webstresser.org reasonably cheaply and use it to carry out DDoS attacks. PowerOff aimed to take down the infrastructure underpinning Webstresser.org and stop the activities of both its administrators and customers through prosecution and disruption.

Webstresser.org was considered the world's biggest marketplace to hire DDoS services, with over 150 000 registered users carrying out an estimated six million attacks. The damage of these attacks was substantial. Attackers targeted critical online services offered by banks, government institutions and police services, as well as the gaming industry.



Graphic from PowerOff website

In conjunction with ongoing investigations and arrests, in 2019 the Netherlands Government launched an initiative known as 'Hack Right'. As presented in media coverage, Hack Right targeted 'young first-time offenders (12 to 23 years) from PowerOff who naively engaged in cybercrime without recognising the implications of their actions'⁸. The initiative attempted to change the perpetrators' behaviour, help them avoid a criminal record, and perhaps turn them towards a career as an ethical hacker instead. Would-be offenders on the program were encouraged to 'use your skills to do something positive—develop a cool app, write a helpful code library, publish some research, create a popular website, help mitigate against security threats'.

The AFP participated in this investigation. Many of the Australian suspects, like those internationally, were young and had no prior criminal histories, so prosecution was unlikely. From May 2018, AFP members undertook a mixture of disruption, prevention and enforcement activity. AFP officers interviewed a number of juveniles, alerting and educating their parents to their children's online activities and harm. Many offenders' parents had very little understanding of their children's actions. Many youths were cautioned, with this action and parental interest disrupting further criminal activities.

By November 2018, the AFP and four state police services had participated in the Webstresser.org investigation, with action taken against 35 persons of interest (eight in South Australia, four in New South Wales, seven in Western Australia and 16 in Victoria), including conducting seven search warrants. One person was arrested, one person was summonsed and three people were dealt with via state-based youth offender diversion action (prevention). Most others were cautioned, with intelligence gathered regarding Webstresser.org usage (disruption). Following police contact with the juveniles during May 2019, advice from AFP The Hague Post stated that the Australian action alone resulted in a 60 per cent decrease in DDoS attacks in Europe.

2.8 Prosecution acceptance rate

Source of criterion	PBS 2018–19		Program 1.1, page 112	
	Corporate Plan 2018–19		Page 21	
Result	2017–18	2018–19	Target	Target achieved
	n.a. (new measure for 2018–19)	95%	n.a. (target to be set in 2019–20 based on this year's result)	n.a.

The AFP measures the quality of briefs of evidence submitted to the Commonwealth Director of Public Prosecutions (CDPP) through the prosecution acceptance rate—a new performance criterion that replaces the conviction rate. This performance criterion is designed to measure the proportion of briefs submitted that are accepted by the CDPP and therefore indicates the thoroughness and quality of AFP investigations. Prosecution not only directly impacts on the severity and amount of Commonwealth crime but also indirectly influences criminal activity by deterrence.

⁸ <https://hotforsecurity.bitdefender.com/blog/website-down-ddos-for-hire-site-webstresser-shut-by-crime-agencies-19802.html>

Of the 417 briefs for which the CDPP completed its assessment in 2018–19, 95 per cent were accepted for prosecution, indicating that the vast majority of briefs submitted to CDPP were of high quality and contained sufficient evidence to proceed with the matter in court.

The CDPP decided not to proceed with prosecution in the remaining 5 per cent of briefs, primarily due to insufficient evidence. These were subsequently withdrawn from court proceedings. Lessons learned from these briefs will assist in maintaining high standards for briefs of evidence in future investigations.

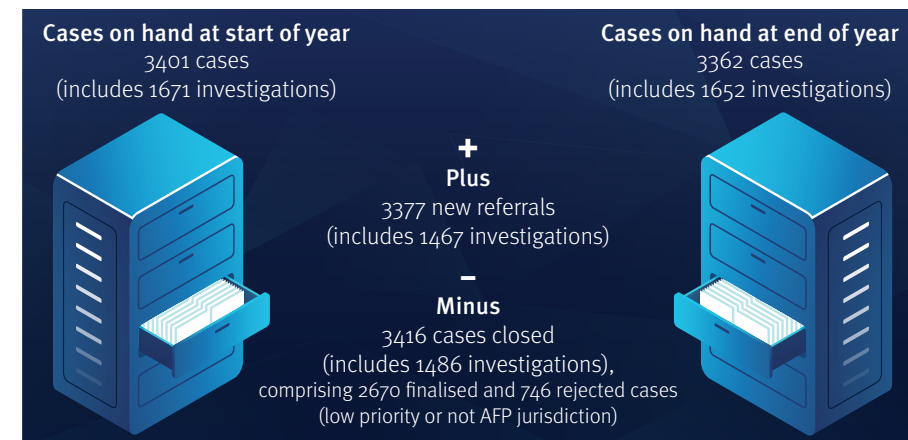
Each brief of evidence refers to an individual offender; however, AFP investigations are often complex matters involving multiple offenders. Altogether, the CDPP completed its assessment of 228 investigations in 2018–19, of which 49 per cent were investigations of drug crime; 25 per cent were of child sexual exploitation; and 11 per cent were of financial crime. The remaining 15 per cent comprised investigations of other crime types, including terrorism and people smuggling. Four of these investigations took over 10 years to investigate, with the median run-time being two years.

Overall analysis

The AFP continues its positive results and contribution to Portfolio Budget Statement program 1.1 and 1.2 outcomes. Figure 3.4 shows the overall throughput of AFP cases for 2018–19. In this workload, the AFP has delivered highlights such as:

- ▶ delivering public value, as seen through positive return on investment
- ▶ successful brief preparation—no briefs were refused due to poor quality
- ▶ successful and diverse enforcement, as seen in enforcement case studies. The AFP competently undertook an instrumental role in the investigation–prosecution process, supporting the legal workings of the criminal justice system, which aims, among other things, to maintain community safety and order
- ▶ reducing crime through prevention and disruption—case studies show the diverse ways the AFP contributes to public safety, often by interrupting criminal activities, bolstering defences and hardening targets against suspected criminals
- ▶ timely response to incidents. People at airports can be assured a policing response commensurate with the risk of the incident. This is a particularly strong result given the continuing growth in the physical layout and passenger movements at major airports. Operational strategies, airports partnerships and intelligence underpin this strong result.

Figure 3.4 Overall AFP cases throughput 2018–19



While the AFP performed well this year, there were fortunately no major incidents at the level of severity of the downing of MH17 or the Bali bombings that required the wholesale deployment of AFP resources. The demand for and breadth of AFP activities nevertheless continues to expand, as does the complexity of policing work. The AFP faces increasing expectations, driven by the courts and the community, about evidentiary standards and management of suspects and witnesses.

Despite overall strong performance, the community confidence target was not achieved. Although there are clear reasons why the target is ambitious, the result shows that the public have little knowledge of the AFP's role. The results also show that segments of the community that are often more vulnerable to crime have higher confidence in and feeling of safety about the AFP. This bodes well for developing community outreach programs—a key component of prevention. The lack of a distinct public image remains an area of concern and distorts the survey's results, as the public frequently do not really know the agency and it is unclear whether it needs to, given the role of the AFP. This will be an area of ongoing consideration as to the best measure for the AFP to use.

The ability to develop diverse and complex enforcement activities is key to AFP performance. As seen in the case studies, enforcement is often associated with complexities, like supporting government programs for human trafficking, money laundering or terrorist financing; or the legal apparatus, like sex offender registers as well as legal requirements for international law enforcement cooperation. AFP members have to navigate these diverse activities and demands effectively. To do so relies on their training and the operational supports within the AFP (such as capabilities like forensics) to assist them to identify offences and evidentiary needs and to progress matters.

Officers need to competently sustain their effort over months, sometimes years, and manage many intricacies during an investigation. Even simple investigations can take many turns along the way, resulting in multiple and unpredictable outcomes. The interconnected nature of disruption, prevention and enforcement is demonstrated by the case studies which had two or more of these elements. The strong results in disruption and prevention work are often underpinned by the AFP's international liaison network, officer training and managerial recognition that some crimes (for example, human trafficking) are at times more effectively addressed using disruption and prevention rather than prosecution. Such decisions are taken in light of stakeholder consultation, the nature of referrals and outcomes for policing effort.

Lessons for future performance

In many cases the AFP is adopting a more flexible problem-solving approach to crime and referrals by preventing or disrupting it, with clear operational and social benefits. This is particularly the case when dealing with juveniles or matters where there is a need to address a crime and protect, but where the likelihood of getting the matter to court is low.

New technology also requires officers to gain new skills, test new technological capacities and manage any subsequent implications for privacy or legal process. Improvements in methods of general scientific enquiry or knowledge may transfer into new forensic or work processes and evidentiary detail for police. While this generates benefits, it can also lead the community to question the role and powers of police, as has occurred with data retention laws or counter-terrorism orders.

Increasingly the AFP, like other police services, also needs to cooperate and work not only across borders but also in different political and legal jurisdictions, and even

crime types, as transnational criminals commit more than one type of crime. The array of potential options, like investigation, prevention or disruption, that are available to officers and the agency to address crime also offers a complex and nuanced environment within which to operate. Such elements are all part of modern policing. With such diverse complexity, policing is an increasingly sophisticated and demanding business, often challenging its personnel, processes and systems.

As Figure 3.4 shows, the AFP has a relatively stable body of ongoing work that reflects the complexity and time taken to resolve investigations. There will always be more crime than the AFP can combat. Therefore, the AFP recognises the need to harness capability effectively and to invest in internal processes to maximise effect and effort. Over the last four years, the AFP has undertaken major reform and future proofing, targeting key areas of agency performance and sustainability like culture, capability planning, future needs and case prioritisation. It has invested in cyber skills, data analysis, and IT systems that will improve efficiency and interconnectivity. It also continues to invest in partnerships and cooperation with other agencies in operational and commercial endeavours to develop mutually beneficial exchange and support that will improve resources and processes.

Outcome 2

ACT Community Policing				
Source of criterion	PBS 2018–19		Outcome 2—Program 1.1, page 115	
	Corporate Plan 2018–19		Page 21—ACT Policing Purchasing Agreement	
Result	2017–18	2018–19	Target	Target achieved
	See ACT Policing Annual Report			

The AFP has responsibility for providing policing services in the ACT. The Policing Arrangement is set out in the ACT Police Purchasing Agreement, which defines the outcomes, outputs, performance measures, targets and facilities to be provided. The three main outcomes defined against ACT Policing’s performance are:

- ▶ reduce crime
- ▶ public safety
- ▶ community and partner engagement.

The Purchase Agreement specifies the type, level and cost of the services that the ACT Government requires from ACT Policing on an annual basis. In addition, the Minister for Police and Emergency Services issues a ministerial direction in which the special areas of focus for the year are outlined.

Information on ACT Policing, including performance against its targets, can be found in the ACT Policing Annual Report, available at www.police.act.gov.au/about-us/publications.

Financial performance

The AFP’s \$1 397 million departmental operating income for 2018–19 comprised \$1 103 million in government appropriation, \$166 million from the ACT Government for policing services and \$127 million in other revenue. In addition, the AFP received \$59 million in government appropriations for departmental capital expenditure and \$71 million in equity injections for specific initiatives. The AFP also administered \$14 million in expenses on behalf of the government in 2018–19.

The result for 2018–19 reported by the AFP is a departmental comprehensive loss of \$109 million. Excluding the impact of unfunded depreciation expense of \$93 million, the AFP recorded a deficit for the year of \$16 million. The deficit result was due to technical accounting adjustments to employee leave provisions due to movements in the bond rate.

Audited financial statements showing the AFP’s financial position are in Chapter 6. The agency resource statement is in Appendix D. Summary financial tables are in Appendix E.

4 Performance details



Performance details

4

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Overview

At its broadest level the AFP's organisational structure (see Chapter 2) is organised into three pillars: Operations, Capability and Capacity. These areas collectively drive strategic initiatives and activities as described in the *AFP Corporate Plan 2018-19*.

Operations delivers the AFP's investigations and policing services in areas such as protection, counter-terrorism, aviation, illicit drugs, people smuggling, human trafficking, forced marriage, online child sexual exploitation, fraud, money laundering and cybercrime. This function directly targets the substantial threats arising from increasingly diverse criminal activity.

Capability delivers technical, specialist and scientific services in support of enterprise and operational activity. These services are increasingly critical to the effectiveness and efficiency of all AFP operations and cover surveillance, covert operations, technical services, forensics, digital forensics, tactical operations, intelligence, and information and communications technology.

Capacity ensures the AFP has the financial and human resources as well as audit, risk management and legal governance frameworks to respond to current and emerging requirements. It is particularly focused on creating an agile, diverse and inclusive workforce.

This chapter documents the performance of the AFP during the reporting period.

Pillar	Head	Function
Operations	Deputy Commissioner National Security	Counter Terrorism
		Protection Operations
	Deputy Commissioner Operations	Organised Crime
		Crime Operations
Capability	Deputy Commissioner Capability	International Operations
		Technology and Innovation
		Specialist Operations
Capacity	Chief Operating Officer	Support Capability
		Workforce Development and Culture
		People, Safety and Security
		Chief Financial Officer
		Chief Counsel



Counter Terrorism

Overview

The role of the AFP Counter Terrorism function is to prevent, disrupt and investigate terrorist activity against Australians and Australian interests, both domestically and internationally. Counter-terrorism investigations are conducted collaboratively with Australian law enforcement and intelligence partners, including state and territory police services that lead counter-terrorism responses in their jurisdictions.

The AFP focuses its efforts on prevention and response capabilities to mitigate the threat posed by Australians who commit or plan terrorist acts, provide support to terrorist groups or travel overseas to participate in training or to fight in conflict zones. Many of these activities contain an international nexus, requiring the AFP to engage with our foreign law enforcement partners.

Joint Counter Terrorism Teams (JCTTs) are located in each capital city and consist of the AFP, the respective state or territory police and the Australian Security Intelligence Organisation. The New South Wales JCTT also includes the New South Wales Crime Commission. Since 12 September 2014, when the national terrorism threat level was raised to probable, 95 people have been charged as a result of 43 counter-terrorism-related operations around Australia. Of these, six were charged by the various JCTTs in 2018–19.

Significant achievements

Operation Peqin—38-year sentence for man involved in murder of Mr Curtis Cheng

On 2 October 2015, 58-year-old Mr Curtis Cheng, a senior accountant with the New South Wales Police Force and father of two, was shot and killed as he left work at Parramatta police headquarters. The 15-year-old assailant was in turn shot dead in an exchange of gunfire with police. Operation Peqin was established by the New South Wales JCTT to investigate the shooting and bring to justice all of those involved in supporting the gunman.

On 23 November 2018, one of the men involved in the shooting was sentenced to 38 years imprisonment with a non-parole period of 28 years and six months for his part in helping source the firearm that killed Mr Cheng. The man pleaded guilty to aiding and abetting the gunman, who committed an act of terrorism when he killed Mr Cheng.

The man also pleaded guilty to two other charges of intentionally making funds available to the terrorist organisation Islamic State. A further charge of intentionally being a member of the terrorist organisation was also taken into account during sentencing. Fellow members of the cell were sentenced in 2018. At that time, a 20-year-old was sentenced to 44 years in prison (with at least 33 years to be served) for providing the gunman with the .38 revolver used to kill Mr Cheng, and the 25-year-old who supplied the gun received a 17-year sentence (with at least 13 years and six months to be served).



Operation Appleby—final accused sentenced to 18 years imprisonment

In September 2014, the New South Wales and Queensland JCTTs executed 26 search warrants across Sydney as part of a criminal investigation into the planning of a terrorist attack on Australian soil and the facilitation of travel of Australian citizens to Syria to engage in foreign incursions.

On 29 March 2019, a 20-year-old man was sentenced to 18 years imprisonment for doing an act in preparation for, or planning of, a terrorist act. The man was arrested after taking an order via phone from an international foreign fighter to behead a random member of the public in Sydney.

Over 18 months, 15 people were charged with a total of 44 offences in relation to Operation Appleby and investigations stemming from it.

Operation Vecchio and Operation Tressider—landmark sentences handed down

On 5 June 2019, a young woman was sentenced to 42 years imprisonment after being found guilty of engaging in a terrorist act. In an Islamic State inspired attack, the Bangladeshi student stabbed her homestay landlord while he slept next to his young daughter in his home in Mill Park, Victoria, in February 2018. The woman will serve at least 31 years and six months imprisonment. The woman, then 24, had only been in Australia on a student visa for a week when she committed the attack. Her victim survived.

Also on 5 June 2019, a man was sentenced to 36 years imprisonment, with a non-parole period of 27 years, for engaging in a terrorist act by stabbing his neighbour in Minto, New South Wales, on 10 September 2016. His victim sustained life-threatening injuries but survived.

These are the first instances of Australian courts handing down sentences for a charge of engaging in a terrorist act contrary to section 101.1 of the *Criminal Code Act 1995* (Cth). They reflect the sustained efforts of the Victorian and New South Wales JCTTs and all the participating agencies.

Operation Geldrop—Sri Lanka Easter bombings

On 21 April 2019 (Easter Sunday), terrorist suicide bombers carried out coordinated attacks on three churches and three luxury hotels in the Sri Lankan capital.

For more than 10 years the AFP has been working with the Sri Lanka Police (SLP) to counter crime threats impacting on both countries. This long-term operational cooperation and collaboration with the SLP meant we were ideally placed to assist SLP following the terror attacks.

Under Operation Geldrop, the AFP immediately offered resources and support and deployed 15 additional members to provide investigations, intelligence, forensics and other specialist support to the SLP. The aim was to identify terrorists responsible for the attacks and identify links that may affect Australia's national security.

The deployment of AFP forensic and intelligence resources to Sri Lanka not only supported the SLP investigation but also helped to maintain the AFP's strong relationships with our international partners. Our assistance to Sri Lanka on this occasion highlights the unique role of the AFP as a national and international law enforcement agency.



Protection Operations

Overview

The AFP is the Commonwealth's lead agency in the delivery of frontline protection of the Australian community through the provision of protective services, responding both nationally and internationally to associated threat and risk environments.

The AFP, through the Protection Operations function, ensures the safety of individuals and interests that the Commonwealth deems to be at risk from acts of terrorism, crime and issue-motivated violence. This is achieved by taking an intelligence and risk-analysis based approach and through information collection, sharing and collaboration with Commonwealth, national, international and private partner organisations.

Protection Operations incorporates both the Protection and Aviation branches of the AFP, operating under a single chain of command to provide enhanced capability and commitment to protecting Australia's national security interests.

Significant achievements

Operation Beatham—2019 federal election

On 11 April 2019, the Prime Minister, the Hon Scott Morrison MP, announced the date for the 2019 federal election. The AFP Protection security operation for the federal election commenced and was codenamed Operation Beatham. Under Operation Beatham, AFP Protection Operations resources were allocated to support Australian high office holders across all Australian states and territories during the election campaign.

The national security operation for a federal election is nationally coordinated to provide protective services. The coordination of programs and risk assessments to reduce harm involve a variety of partner agencies nationally. During this period teams respond to and investigate a significant increase in offensive and abusive emails, threats and protest activity.

To ensure a successful campaign all high office holder programs were assessed on a regular basis by relevant Protection Operations areas, with the following results:

- ▶ 3769 events assessed for potential risks
- ▶ 1040 Close Personal Protection deployments.

Throughout Operation Beatham, AFP Protection Operations worked with all Australian state and territory police jurisdictions to provide a joint protective security overlay.

Government House

The AFP delivers the frontline protective service arrangements for official establishments, including Government House, the Lodge, Kirribilli House and Admiralty House. This included the security arrangements for General Sir Peter John Cosgrove AK MC, the 26th Governor-General of Australia. Protection Establishments will also be

providing security arrangements for the new Governor-General of Australia, General David John Hurley AC DSC FTSE, on his arrival into his new post.

The AFP's role at Government House includes the safe movement of approximately 513 persons per month through the AFP station at Government House and managing the security arrangements for the two official Government House Open Days, where the public can visit Government House. Each year Government House attracts approximately 10 000 visitors and hosts approximately 15 official functions per month, with up to 100 attendees per function.



Governor-General departing Government House

Domestic and international engagement on fixated threats

The AFP Fixated Threat Assessment Team (FTAT) exists to reduce the risk of harm from fixated individuals (those with an obsessive preoccupation pursued to an excessive or irrational degree) who seek to target AFP protected establishments, high office holders and Commonwealth public officials who fall under the AFP Protection remit. This is achieved by implementing a joint policing and health approach to risk assessment and management. The FTAT is designed to identify, assess and mitigate threats posed by fixated individuals and help those with mental illness who may have otherwise gone untreated or before they reach crisis point.

In 2018-19, the FTAT assessed over 150 referrals, working collaboratively with international threat assessment networks as well as domestic and international fixated threat assessment centres. These partnerships ensure the FTAT not only benefits from but also contributes to contemporary best-practice policing and health initiatives. The FTAT maintains a solid reputation in fixated threat assessment and showcases its strengths through presentations delivered to key stakeholders and industry leaders.

In 2018–19, the FTAT presented at the Asia Pacific Association of Threat Assessment Professionals conferences in Hong Kong and in Wellington, New Zealand. FTAT members have attended the Victorian Fixed Threat Assessment Centre and the United Kingdom Fixed Threat Assessment Centre to meet with stakeholders and benchmark capabilities. The FTAT also continues to contribute to the Department of Home Affairs Mental Health Lone Actor Working Group under the auspices of the national fixed threat strategy agreed to by the Council of Australian Governments.

Aviation Security Enhancement Program

In the 2018–19 budget, the Australian Government announced \$107 million in funding over four years to increase the AFP's counter-terrorist first response capability at Australia's designated airports, establish aviation protection assessment teams to provide tactical intelligence capability, and increase capability to detect explosives and other emerging threats. To implement this response the AFP has established the Aviation Security Enhancement Program to strengthen and enhance the Australia aviation security environment. This included the strengthening of existing capabilities within the AFP Aviation branch.

Key deliverables from the program in 2018–19 included:

- ▶ enhanced intelligence capability established within the National Aviation Protection Assessment Team, with the introduction of specific intelligence officers at seven of the nine designated airports. Further deployment of intelligence officers will result in all nine airports having this increased capability by 1 July 2020
- ▶ conducting joint proactive search operations of international services into Canberra Airport. This collaborative engagement between the AFP and the Australian Border Force has supported the enrichment of interoperability between the two agencies
- ▶ 30 programs related to leadership, command and control and counter-terrorist first response delivered by the Aviation Collaborative Development Hub in 2018–19 to 168 AFP members and 329 aviation partner agency members
- ▶ ensuring AFP officers are specifically trained in behavioural assessment and security questioning and in immediate action rapid deployment (active armed offender training) at the designated airports
- ▶ piloting the newly formed Protection Operations Response Team at Canberra Airport to provide intelligence-informed and command-led disruption capability to complement static security measures to address and target known and emerging threats and vulnerabilities. Protection Operation Response Team contingents will be established at all of the nine designated airports as the new policy initiative is fully operationalised. They will deliver an additional firearms and explosives detection dog capability, targeting crowded places, selected flights, and sterile and restricted areas.



Protection Operations Special Events highlights 2018–2019

The AFP Protection Operations Special Events Planning Team (SEPT) provides security assessment capability and advice to special events internationally and domestically where the event has been declared a special event by the Australian Government. The AFP liaises with Australian Government partners, foreign policing agencies and other partner agencies to protect and ensure the safety of Australian citizens.

During 2018–19, the SEPT provided security planning and police liaison support to the following special events:

- ▶ Operation Swalm—FIFA World Cup, Russia 2018—The AFP worked with Australian Government partners, foreign policing agencies and Football Federation Australia on security measures for the FIFA World Cup held in Russia between 14 June and 15 July 2018
- ▶ Invictus Games, Sydney 2018—The Invictus Games were held in Sydney between 20 and 27 October 2018 at venues around Sydney Harbour and Sydney Olympic Park. Over 500 athletes representing 18 nations competed in 11 adaptive sports, attracting over 75 000 spectators. The AFP worked with a range of key partners including the Department of Home Affairs, the Australian Defence Force, the Australian Border Force and the New South Wales Police Force to facilitate the safe passage of athletes through Sydney International Airport. It also provided counter remotely piloted aircraft system capability, close personal protection and intelligence support
- ▶ Operation Dawn—Anzac Day 2019, France—The AFP's Operation Dawn supported the Australian Government response to the 2019 Anzac Day commemorations in France. The commemorations were held at four sites located in the Somme department of the Picardy region of Northern France. The AFP's collaboration with Australian Government agencies and French authorities helped to deliver a series of smoothly run and incident-free commemorations.



Commemorations for 2019 Anzac Day, France

Organised Crime

Overview

The Organised Crime function works to disrupt, dismantle and combat complex and transnational serious and organised crime affecting Australia and its interests. Areas of focus include serious and organised criminal activities concerning money laundering, illicit drugs, fraud against the Australian Government, bribery of foreign officials, and corruption in the Australian Public Service. The function has two branches: Organised Crime; and Criminal Assets, Fraud and Anti-Corruption.

Key strategies include collaborating with national and international partners in:

- ▶ international disruptions to fight crime at the source before it affects Australia
- ▶ creating a hostile environment by target-hardening the environments that support and facilitate organised crime
- ▶ removing the proceeds and instruments of crime.

The Organised Crime function participates in numerous Commonwealth multi-agency taskforces, including the Criminal Assets Confiscation Taskforce, the National Anti-Gangs Squad, the Serious Financial Crime Taskforce, the Fraud and Anti-Corruption Centre and the Trade Union Taskforce.

Significant achievements

National Disability Insurance Scheme Fraud Taskforce

On 28 July 2018, the National Disability Insurance Scheme (NDIS) Fraud Taskforce was established in response to indications that serious and organised crime entities would seek to exploit vulnerabilities within the NDIS. The taskforce includes investigators from the Department of Human Services and the National Disability Insurance Agency working collaboratively with the AFP to target serious criminality within the scheme.

In October 2018, the first taskforce investigation resulted in a Victorian man being charged for alleged fraud against the NDIS totalling \$483 000.

In May 2019, a second investigation resulted in the arrest of five people in Sydney alleged to have fraudulently claimed more than \$1.1 million in NDIS payments from more than 70 people on disability plans. The scale of the fraud is likely to increase as investigations of a number of service providers continue.

Seizure, restraint and forfeiture of bitcoin

In January 2016, a man was charged and subsequently convicted with the importation of three firearms contrary to the *Customs Act 1901* (Cth).

Payment for the firearms was made in bitcoin, which was seized at the time of the man's arrest. In January 2018, members of the Criminal Assets Confiscation Taskforce and Criminal Assets Litigation teams in Brisbane successfully restrained the bitcoin under

the *Proceeds of Crime Act 2002* (Cth). At the time it was seized the bitcoin was worth approximately \$7300.

In November 2018, following protracted negotiations, the man agreed to the forfeiture of the bitcoin. By that time it had increased in value to approximately \$154 000. It was subsequently deposited into the Commonwealth's Confiscated Assets Account. This was the first restraint and forfeiture of bitcoin by the AFP. The operation informed our *Better practice guide on identifying, seizing and restraining cryptocurrencies*, which was published in 2018.



A randomly generated bitcoin paper wallet, a form of crypto storage used to seize bitcoin from the offender

Operation Almanon and the Joint Agency Ice Strike Team—tackling ice in South Australia

In late 2017, South Australia Police passed information to the AFP about the potential arrival into Adelaide of a shipment of methamphetamine concealed in a shipping container. The AFP's Operation Almanon resulted in the largest seizure of methamphetamine in South Australia to date—a record 313 kilograms, with an estimated street value of \$270 million.

The consignment arrived in Melbourne on 24 January 2018 on its way to Adelaide. Examination of the container revealed that it held two separate crane jibs, the larger of which had anomalies in its base plate. A subsequent examination revealed 313 kilograms of methamphetamine with a purity level of 77.8 per cent.

Under a controlled operation, the AFP substituted the methamphetamine and executed search warrants on 16 February 2018, arresting three men for their involvement in the importation.

The National Wastewater Drug Monitoring Program continues to show high levels of methamphetamine use in South Australia, so seizures such as Operation Almanon are especially important to the South Australian community.

The results highlight the strength of the working relationships across the whole of government between the AFP, South Australia Police, other state and Commonwealth agencies and our international partners.

Successful prosecution for the importation of 1.42 tonnes of cocaine

In February 2017, as a result of Operation Armour, the AFP seized a total of 1.42 tonnes of cocaine—the largest seizure of cocaine by Australian law enforcement. After the seizure, six men were charged with the offence of serious drug importation. On 1 June 2019, following a 17-week trial, the jury found four of the men guilty of conspiring to import a commercial quantity of border-controlled drugs into Australia.

This is a significant result for the AFP, as a number of new and emerging capabilities were used during the investigation, in the brief preparation and in the process of the court hearing.

Operation Rune—Australia's first successful prosecution of foreign bribery offences

Operation Rune was the first Australian investigation to result in foreign bribery charges.

In 2009, the AFP commenced an investigation of two Australian companies—Securrency International Pty Ltd (Securrency) and Note Printing Australia (NPA)—following allegations that a number of employees and agents had paid bribes to secure banknote contracts overseas. On 27 November 2018, the final prosecution was completed and the Supreme Court of Victoria lifted suppression orders that had been in place since 2011.

In October 2011, as a result of the AFP's investigation, Securrency and NPA each pleaded guilty to three charges of conspiracy to commit foreign bribery and cooperated in proceeds of crime applications brought as a result of the successful company prosecutions. The companies paid a combined total of \$21 666 482 in pecuniary penalty orders, which were the largest ever ordered.

Between 2012 and 2018, five individuals entered guilty pleas and were convicted on either foreign bribery or false accounting offences relating to the conspiracy to bribe foreign officials in Indonesia, Vietnam, Malaysia and Nepal. They were sentenced to terms of imprisonment ranging from three months to two years and six months.

The success of Operation Rune sends a clear message to the community that investigators and prosecutors are actively pursuing this type of crime to ensure that corporations and their employees are held accountable for their conduct.

Operation Hoth—the largest ever domestic seizure of methamphetamine in US history and largest bound for Australia

In early 2019, the AFP had a key involvement in the largest ever domestic seizure of illicit substances in the United States and the largest seizure bound for Australia.

The large-scale drug importation was planned by a transnational organised crime syndicate operating out of the United States. The syndicate was highly sophisticated in its methodology and was believed to have links in Australia, the United States, Canada and Mexico. The substances were being transported to Australia in two containers in January 2019.

The investigation originally commenced as a result of excellent targeting, profiling and intelligence-gathering by the AFP-led National Anti-Gangs Squad (NAGS), which revealed a previously unidentified transnational organised crime group that intended to target the Australian illicit drug market. The intelligence was referred to the Victorian Joint Organised Task Force (JOCTF)—a multi-agency operational taskforce targeting organised crime. JOCTF comprised the AFP, Victoria Police, Australian Criminal Intelligence Commission and Australian Border Force.

Operation Hoth was instituted in response to the intelligence. Through excellent investigation, intelligence sharing, specialist support, coordination and partnerships across domestic and international law enforcement agencies, the operation culminated in the interception and seizure of around 1.7 tonnes of methamphetamine, 25 kilograms of cocaine and 5 kilograms of heroin. Six individuals in New South Wales and Victoria were arrested.

Operation Hoth demonstrated the importance of close collaboration and intelligence sharing between Australian and international partner agencies for joint targeting and disruption of transnational organised crime groups and the kinds of positive outcomes that can be achieved. The AFP worked closely with domestic partners through JOCTF and NAGS. Operation Hoth used the AFP International Network, especially the Los Angeles Post. It was significantly assisted by AFP's established partnerships with United States Immigration and Customs Enforcement, the Royal Canadian Mounted Police and the Homeland Security Investigations Border Enforcement Security Taskforce.

Internally, the Organised Crime led operation could not have achieved success without specialist support from International Operations, Covert and Capability and Specialist Operations, including Forensics, Imagery and Geomatics, and Digital Forensics.



Crime Operations

Overview

The Crime Operations function provides a law enforcement response to and criminal investigation of a diverse range of complex and sensitive crime types, along with delivery of outreach and preventative efforts. It builds productive relationships with state, national and international counterparts to achieve these objectives. The function has three branches: National Response Operations, Cybercrime Operations and Child Protection.

National Response Operations is responsible for providing a national response and investigation capability aimed at a broad range of crime types, including people smuggling and human trafficking, sensitive investigations of espionage and foreign interference, secrecy offences, crimes against humanity, international investigations involving crimes at sea and harm to Australians, environmental crime, telecommunications and postal crime and family law. National Response Operations is also responsible for the coordination, training and deployment of the AFP's Family Investigative Liaison Officer Program.

Cybercrime Operations works collaboratively with domestic and international partners across government, industry and academia to enhance Australia's cyber capabilities and create a costly, hostile environment for cyber criminals both onshore and internationally. Cybercrime Operations priority areas of responsibility include the investigation of cybercrimes against the Australian Government, critical infrastructure and other key systems of national significance.

Child Protection seeks to reduce the incidence and impact of aggravated online child sexual exploitation and Australians travelling internationally for the purposes of offending against children. The Australian Centre to Counter Child Exploitation (ACCCE) falls within the remit of Child Protection. The ACCCE's mission is to drive a collaborative national response to counter the online exploitation of children. Child Protection also conducts a variety of preventative outreach programs to reduce the incidence of crime, including the ThinkUKnow online safety program, and is also responsible for the National Missing Persons Coordination Centre.

Significant achievements

ThinkUKnow 10-year anniversary

ThinkUKnow offers education and prevention awareness presentations to parents, carers, teachers and students about staying safe online. In February 2019, ThinkUKnow Australia celebrated its 10-year anniversary.

ThinkUKnow stands on the front line in the fight against crimes committed against children online. It gives users access to real case studies from the AFP Child Protection Assessment Centre, which they can then use in directing their prevention and awareness messaging about keeping children safe online.

The program was launched in Australia in 2009. Since then, it has grown from reaching 10 000 parents, carers, and teachers over its first five years of operation to now reaching more than 16 000 parents, carers, and teachers and 200 000 students annually.



DCO Neil Gaughan, Carly Ryan Foundation Founder and Chief Executive Officer Sonya Ryan, Minister for Home Affairs the Hon Peter Dutton MP, and NMCO Debbie Platz

National Missing Persons Week

In the first week of August every year, through the National Missing Persons Coordination Centre (NMPCC), the AFP coordinates the annual national promotion of National Missing Persons Week. National Missing Persons Week aims to raise awareness of the significant issues associated with missing persons and help reduce the incidence and impact of missing persons in Australia. In 2018, National Missing Persons Week had its 30th anniversary. To invigorate the event, this significant milestone was incorporated into a new and improved digital campaign that took a completely new approach to publicising it.

The campaign included an emotive short film depicting a true and heartbreaking story of a father struggling with the loss of his missing daughter. The short film appeared on social media accompanied by 30 real long-term missing person profiles. An NMPCC corporate supporter, Outdoor Media Association, helped to amplify messaging by putting similar profiles on their outdoor digital advertising spaces.

The campaign reached a cumulative audience of over 10 million. The short film played over 800 times on television; 184 media articles were published; and there were over 5000 placements through Outdoor Media Association partners with a value of \$1.7 million.



Missing persons billboard

Cyber—Operation Okenite

Between 24 September 2015 and 1 October 2015, a Vietnamese national accessed customer data belonging to two major Australian companies via the IBM web platform used by both companies for online sales. In July 2016, the individual contacted both companies, identifying as an independent security researcher based in Vietnam. The individual claimed that, as a result of a vulnerability in the IBM web platform, they had obtained a total of 243 000 customer records (63 000 and 180 000 respectively). The individual then made an overt blackmail demand for payment relating specifically to the theft of the customer records.

Both of the companies reported the matter to the AFP, and Cybercrime Operations commenced Operation Okenite.

In April 2016, the then Prime Minister, the Hon Malcolm Turnbull MP, referred to this matter when the Australian Cyber Security Strategy was released. At that time, the United States Federal Bureau of Investigations confirmed that the individual had undertaken similar activities targeting multiple United States corporations.

Cybercrime Operations engaged AFP Hanoi Post to provide relevant information to the Vietnamese authorities. The individual was subsequently arrested and charged by Vietnamese authorities. In court proceedings in November 2018, the individual was found guilty and sentenced to 12 years imprisonment under relevant Vietnamese laws for 'using computer networks, telecommunication networks or digital devices to appropriate property at VND 50 million or more'. In addition, VND 2 billion earned from criminal activity was confiscated.

The Australian Attorney-General's Department has advised that, as Australia's extradition treaty with Vietnam had only recently been ratified, this case is likely to be the first successful end-to-end mutual assistance request completed by the AFP with the Socialist Republic of Vietnam.

Operation Bayldon—Joint Anti Child Exploitation Team South Australia

In November 2017, the Joint Anti Child Exploitation Team in South Australia received information derived from an INTERPOL referral that a South Australian based IP address had been detected accessing child exploitation material. The IP address was linked to a website known to trade in such material. Subsequent enquires identified a man residing in South Australia as the likely offender.

AFP surveillance was initially conducted on the offender. In January 2018, working closely with the Thailand Department of Special Investigation (DSI) (with the assistance of AFP Bangkok Post and INTERPOL), search warrants were executed simultaneously in Adelaide and Thailand. The AFP located the offender in one of the South Australian premises searched. He agreed to an interview with police. During the interview, he made a number of admissions about online and contact offending in Australia and Thailand. The offender was subsequently arrested, charged and refused bail.

In Thailand, a search warrant was executed at the address of a suspected child sex offender who was the administrator of the website. During the execution of this warrant, a Thai man was arrested and 11 male children, who were victims of sexual abuse, were removed from harm. Following the joint international resolution activities, evidence on the website was collected and ultimately led to the closure of the site.

Following the resolution phase of the operation, a forensic examination and victim identification review of the material seized from the South Australian premises was undertaken. This process required investigators to assess more than 850 000 video and image files containing hundreds of children offended against for more than seven years. A large amount of the material depicted the offender sexually abusing young children, including babies.

Following this phase of the investigation, numerous Australian and Thai children were identified and those matters were referred to both domestic and international partners. The referral of ‘evidence packs’ to these agencies, including the DSI, has helped identify a number of additional offenders.

On 17 May 2019, the Adelaide District Court sentenced the South Australian offender to 43 years imprisonment with a non-parole period of 28 years following his conviction on 51 charges relating to the most serious child exploitation offences. This is the longest sentence ever imposed for a person convicted of child sexual offences in Australia.

Operation Bayldon has been instrumental in the identification of five serious child sex offenders and more than 26 child victims, and has also assisted in the removal of 11 children from immediate harm.

International Operations

Overview

As Australia’s principal international law enforcement representative, the AFP International Operations function works closely with international partners to disrupt transnational crime internationally and build the capability of regional partners for regional security and stability. The AFP’s unique international operational remit is large and diverse, enabling Australia to fight against crime internationally. The AFP has 225 officers located in 33 countries around the world.

The AFP’s international efforts target transnational threats directly impacting on the Australian community. These include terrorism, people smuggling, drug trafficking, child sexual exploitation and human trafficking.

It is estimated that 70 per cent of Australia’s serious criminal threats have an international element. Australia enjoys a reputation as a safe, free and prosperous country—values that the international criminal element views as lucrative and attractive.

The AFP delivers an operational policing effect internationally through engagement and active collaboration with international law enforcement partners, including through INTERPOL and EUROPOL, and formal taskforce arrangements with international partners to combat mutual crime threats. International Operations also works with and assists domestic law enforcement partners and other Australian agencies to provide a collaborative approach to keeping Australia safe.

International Operations builds the capacity of policing partners, particularly those within our region, to ensure regional security and stability and to safeguard the rule of law. The AFP also supports policing in the Pacific through the delivery of regional security and stability missions in Papua New Guinea, Solomon Islands, Nauru, Vanuatu, Tonga, Samoa and Timor-Leste.

Significant achievements

Disruption of criminal threats to Australia

The AFP’s operational collaboration with its international partners disrupts criminal threats before they reach our community. In 2018–19, the AFP recorded 156 disruptions of criminal matters internationally, including 53 related to drug trafficking. Collaborative policing efforts with Myanmar law enforcement agencies stopped 15.1 tonnes of illicit drugs and precursors, including 2.8 tonnes of methamphetamine, from reaching the Australian community.

To ensure the safety of children around the world, the AFP shared information with law enforcement partners to rescue children from harm. Collaborative efforts with law enforcement partners in South-East Asia (the Philippines, Indonesia, Malaysia and Singapore) resulted in 112 children being rescued from child sexual exploitation. To further enhance the regional response to child sexual exploitation, the AFP is working alongside law enforcement partners as part of the multi-agency Philippine Internet

Crimes Against Children Centre (PICACC), launched in the Philippines in February 2019. PICACC will heighten operational collaboration and intelligence exchange across international borders to deliver an enhanced capability to disrupt offenders and identify and rescue victims. Collaborative efforts with law enforcement partners in the Philippines resulted in 98 children being rescued from child sexual exploitation.

Close cooperation with China has continued to produce significant operational policing results. Economic crime cooperation investigations have resulted in more than \$179 million in restrained assets in Australia deemed to be proceeds of crime from China. The AFP reinforced this cooperation by signing a landmark arrangement with the Chinese Ministry of Public Security in December 2018. Since its establishment, Taskforce Blaze, based in Guangzhou, has disrupted transnational and serious organised crime syndicates targeting the Australian community, which has resulted in the seizure of more than 22 tonnes of drugs.

To share critical policing information between law enforcement agencies across the world, AFP International Operations, through the INTERPOL National Central Bureau and the EUROPOL National Contact Point, facilitated responses to more than 70 000 enquiries.

Rapid and flexible deployments to international crises

The AFP delivers international policing through the application of agile, flexible and nimble capabilities to deliver a multi-faceted response to criminal threats. The AFP's strong and mature relationships with international partners were critical in the urgent deployment of AFP resources to the Tham Luang cave search and rescue mission in 2018 and the terrorist attacks in Sri Lanka and Christchurch in 2019. International Operations members received prestigious awards from the Kingdom of Thailand in recognition of their valued contribution and expert assistance to the Thai cave search and rescue effort.

The trust and understanding established through the long-term operational cooperation and collaboration between the AFP and Sri Lanka Police (SLP) ensured the AFP could be called upon to immediately offer a range of assistance following the terror attacks on Easter Sunday 2019 in Sri Lanka. The AFP deployed 20 additional members to provide command, investigations, intelligence and forensics support to assist the SLP. The AFP has been working with the SLP for over 10 years to counter people smuggling and transnational and serious organised crime threats impacting both countries.

Support for the Solomon Islands general election

In April 2019, the Solomon Islands held its first national general election since the Australia-led 14-year security mission known as the Regional Assistance Mission to Solomon Islands (RAMSI) came to an end in 2017. Since RAMSI, the Royal Solomon Islands Police Force (RSIPF) has taken on full responsibility for policing services in the Solomon Islands. For the 2019 election, the RSIPF successfully delivered the largest policing operation in its history and the peaceful installation of a new government.

To support our regional partner, the AFP has 42 advisors in the Solomon Islands as part of the Solomon Islands Police Development Program. Our advisors have a broad range of specialist technical capability in tactical, community policing, investigations (criminal and corruption) and intelligence areas. Additional advisors were deployed during the election period to provide further support to the RSIPF.



Establishment of the Transnational Serious and Organised Crime Pacific Taskforce

In February 2019, the Transnational Serious and Organised Crime Pacific Taskforce—a four-nation taskforce involving Australia, New Zealand, Fiji and Tonga—was established to combat transnational serious and organised crime. The new taskforce will enhance operations and information sharing across the Pacific. The AFP, Fiji Police Force, Tonga Police and New Zealand Police are working together to ensure the Pacific is not a safe haven for criminals. This taskforce signals an enhanced focus on collaboration between law enforcement of these nations.

The goals of the taskforce are to:

- ▶ enhance information sharing between participants through the established Pacific Transnational Crime Network, the Pacific Transnational Crime Coordination Centre and transnational crime units in member nations
- ▶ investigate and disrupt transnational serious and organised crime operating from, through or impacting on member nations
- ▶ target organised crime entities or syndicates utilising small craft to move illicit drugs and facilitate other organised criminal activity
- ▶ demonstrate the commitment of participants to effective multinational cooperation and effectiveness in combating transnational organised crime
- ▶ strengthen cooperation to conduct expanded investigations on transnational organised crime groups operating within and between multiple countries.

This taskforce builds on existing successful International Operations taskforces, including Taskforce Blaze (with the Chinese National Narcotic Control Commission), Taskforce Storm (with Thai authorities) and Strikeforce Dragon (with Cambodian authorities). Taskforces with our international partners support the AFP's aim of taking up the fight against organised crime internationally to disrupt serious crime before it has a chance to reach our community.

Australian Centre to Counter Child Exploitation— building for the future

On 25 March 2018, the Australian Government pledged \$68.6 million over four years to establish a collaborative national response to counter online child exploitation. As part of this response, the AFP-led Australian Centre to Counter Child Exploitation (ACCCE) began operating on 1 July 2018. Once fully established, the ACCCE will be a focal point for specialists from law enforcement, government, non-government organisations, industry and academia. It will provide a national hub for coordinating and sharing research, resources, intelligence, tools, and information to support Australian law enforcement to recover victims from harm and prosecute offenders.

Working groups have been established, including Operational, Prevention, Research, Intelligence, Wellbeing (psychological wellbeing of members working in this crime type), and Legal. These will inform future strategies, capabilities and technologies, and ensure consistent approaches to education and prevention. Produced in consultation with partner agencies, the ACCCE Blueprint articulates the centre's role, its specific functions, and how it will operate.

In late 2018, the ACCCE and the Australian Institute for Criminology co-hosted the Child Exploitation Material Reduction Roundtable, bringing together more than 90 academics, non-government organisations, industry representatives, and state and territory police to collaborate on new approaches to reduce the distribution of child exploitation material. The roundtable also invited funding applications to conduct best-practice research in this area. Eight successful projects were announced in March 2019, ranging from an easily accessible toolkit to enhancing the capabilities of online investigators.

In early April 2019, a grant funding program assisted state and territory police to deliver initiatives dedicated to countering online child exploitation.

The ACCCE announced its permanent premises in Brisbane in April 2019. To ensure the representation of the vision and objectives of all the functions within the ACCCE, and the wellbeing of staff, stakeholder engagement has driven the design of the building. Drop-in desk spaces and meeting rooms with state-of-the-art facilities will enable a high-tech working and presentation space on the ground floor. Highly enabled operational rooms on level 1 will provide world-class facilities for efficient processing of the voluminous online child exploitation reports. At full capacity the ACCCE will have up to 100 staff.

Further information is available at www.accce.gov.au.



Technology and Innovation

Overview

The Technology and Innovation function enables key capabilities across the AFP by delivering prompt and appropriate functionality, data and insights.

Technology and Innovation is working to ensure the AFP is future ready by extending our capability through several strategic programs:

- ▶ the Integrated Security Capability Solution as part of Program Rampart
- ▶ the Unified Operational Communications Program
- ▶ the Integrated Information Environment Program
- ▶ the National Capability Program
- ▶ the Enterprise Security Services Program
- ▶ the Property Program
- ▶ the Corporate Program.

The Data Centre Transition Program was also completed during 2018-19.



New technology is extending the AFP's capability

Significant achievements

Digital Record of Interview

The Unified Operational Communications Program has been delivering valuable improvements to the way our members work. One of these improvements is the new Digital Record of Interview system which is being installed in interview rooms.

Members can now live stream interviews between locations, allowing teams in different states to observe and communicate with the interviewer as the interviews take place. This has improved our ability to share accurate information quickly during operations.

Creating an integrated information environment

The Integrated Information Environment (IIE) Program is creating and enabling technologies to assist AFP members to find and to analyse the increasing amounts of data being captured and created each year. The program was established to investigate and implement ways for the AFP to adapt to the realities of a changing operating landscape, rapid spread of unstructured data and new technology trends. The projects within the program will create the environment needed for the AFP to thrive in an increasingly data-driven world.

The IIE Program will deliver the ability to search and analyse AFP data holdings to find relevant information in both structured and unstructured data sources. It will also enable advanced data analytics capabilities to discover deeper insights, reduce duplication, visualise complex relationships and automate manual classification of data.

In August 2018, the IIE Program worked with counter terrorism intelligence teams to pilot an interim Google-like search solution to reduce the amount of manual searching through multiple internal intelligence sources. The response to the pilot was very positive. The interim capability trials showed that, when compared with a Windows search, the pilot searches were in the order of 40 times faster for simple searches and more than 100 times faster for more complex and date-related searches. On average, the pilot searches found 1500 more results than equivalent Windows searches.

The enterprise-wide Information Discovery Application Project will deliver the Google-like search capability across the wider AFP from July 2019. This will result in improved operational effectiveness and business performance.



The Information Discovery Application team

AFP iPhones

The Unified Operational Communications Program is improving investigators' ability to communicate securely while in the field. In September 2018, the Brisbane Fraud and Anti-Corruption team executed warrants in relation to Operation Regatta—a Fraud and Anti-Corruption investigation which involved coordinated execution of warrants across multiple jurisdictions.

The new AFP-issued iPhones were instrumental in communication between the teams that were executing the warrants. The iPhones were equipped with the Avaya Equinox application, which enabled investigators in both Brisbane and Sydney to share information securely in real time via video, voice and text across local telephone networks.

The efficiency gained by being able to communicate securely while executing warrants was of substantial benefit to investigators. Improved secure communication during warrant activity assisted investigators to progress matters while still in the field. This resulted in a more efficient process overall.



A new AFP iPhone in use

Specialist Operations

Overview

The Specialist Operations function delivers scientific, technical and intelligence capabilities to assist investigators to understand criminal threats, support operations and inform decision-making across all the AFP's operational and strategic activity. Specialist Operations has two branches: Operations Intelligence and Forensics. The two branches proactively support all phases of policing operations, spanning prevention, disruption, investigation and prosecution, and continue to align specialist capabilities to maximise operational impact.

Operations Intelligence provides a consolidated picture of transnational serious organised crime and national security threats, identifying priorities and informing decision-making. Operations Intelligence assists by providing support in response to these threats with operational partners and by offering tactical intelligence for AFP investigations.

Forensics is committed to delivering and evolving specialist forensic science and technical intelligence capabilities to protect Australia and Australia's interests.

The shifting focus of the AFP's operational environment means that an increasingly integrated forensic and intelligence approach is required. In 2018-19, we saw the further expansion and operational implementation of the AFP's world-leading forensic intelligence capability, drawing on traditional forensic data and technical expertise to inform opportunities for criminal targeting.

Significant achievements

Innovation to meet operational requirements and trends

Specialist Operations is committed to maximising operational impact during periods of ever-increasing operational demand and complexity. An example of in-house innovation is the development and implementation of the large Illicit drug seizure (LIDS) forensic examination procedure, which was developed to address the increased size and number of large drug seizures and the significant work health and safety risks the seized drugs present to members conducting the forensic examinations.

The LIDS procedure allows us to provide information on the identity and purity of large illicit drug seizures over 100 kilograms based on a statistical model. This information is required to satisfy the relevant proofs for charges (under the *Criminal Code Act 1995* (Cth)) for any major seizure greater than 100 kilograms. A collaborative approach across the AFP and consultation with the Commonwealth Director of Public Prosecutions resulted in the LIDS procedure being implemented successfully.

The LIDS procedure has been applied to over 10 large illicit drug seizures. It has saved 80 per cent of full-time equivalent hours normally required and reduced the work health and safety risk associated with exposure to illicit drugs.

Another example is the development of Digital Forensics Funnel Web automation. AFP and partner agency operations are seizing an increasing number of digital exhibits. This has led to increased demand and workflow ‘chokepoints’ in the AFP’s Digital Forensics capability. AFP Digital Forensics members have developed automated solutions such as Funnel Web to address these issues, which will enable investigators to rapidly and safely process digital evidence despite the increasing demand. This will reduce resourcing overheads and turnaround times involved with digital data acquisition and processing. Recently this in-house-developed capability enabled the Digital Forensics Sydney team to support four major protracted organised crime, cyber and counter-terrorism operations simultaneously without negatively affecting the provision of evidential information to investigators as well as timely intelligence for other ongoing AFP investigations.

Increasing collaboration with academic and industry partners remains an area of focus for the Specialist Operations function and the broader AFP to ensure ongoing improvement of current practices and development of innovative solutions to emerging challenges.

Support to the Joint Agency Ice Strike Team in South Australia

The Joint Agency Ice Strike Team (JAIST) was established in South Australia on 1 February 2019. The team is led by South Australia Police and comprises members of the AFP, the Australian Border Force, the Australian Criminal Intelligence Commission, the Australian Taxation Office, the Department of Home Affairs and AUSTRAC.

JAIST members work collaboratively with partner agencies to target the importation and trafficking of illicit drugs—in particular, methamphetamine and its precursors—and to identify the international origins of and supply chains for significant domestic seizures.



Officers with seized illicit substances

Since its inception, JAIST’s operations have resulted in 15 arrests and seizures of over 80 kilograms of illicit substances, including 52 kilograms of methamphetamine and 20 kilograms of precursor chemicals.

Partnerships to support common goals

Specialist Operations values the role that partnerships play in achieving significant operational outcomes and capability development. Two diverse examples of Specialist Operations working alongside partners to achieve common goals are the activities of the AFP Business Engagement Team and the AFP’s Weapons Technical Intelligence Annual Conference.

In 2018, the AFP Melbourne office formally instituted a Business Engagement Team to develop strategic relationships with key private sector businesses that are regularly and unwittingly exploited by organised crime. Through ongoing liaison and the provision of information, the team has enabled vulnerable industries to identify suspected illegal behaviour which can be reported directly to the AFP.

The work of the Business Engagement Team has resulted in the arrest of several individuals for a range of state and federal offences and the seizure of drugs, tobacco and proceeds of crime, including the recovery of \$800 000, which was returned to the victims of a cyber-facilitated fraud.

The annual Weapons Technical Intelligence Conference was held at the AFP’s Majura forensics facility in December 2018. The conference successfully enhanced technical intelligence sharing about improvised explosive devices and weapons across domestic partners and the region. It gave participants a greater understanding of the threat to Australia and the region, thereby increasing our ability to protect against it. For the first time, in support of the Aviation Security Enhancement Program, the conference included a focus session on threats to aviation security. The conference was preceded by an Association of Southeast Asian Nations Bomb Data Centre Working Group meeting to enhance technical capability in support of technical intelligence sharing across the region.



The concrete slab of interest, showing the area of anomaly

AFP Specialist Operations supports South Australia Police in Operation Persist and a 45-year-old cold case

In 2018–19, the AFP played a key role in support of the investigation of one of the oldest active missing person investigations in South Australia: the disappearance of Colleen Adams in 1973.

Colleen Adams was last seen on 22 November 1973. Her husband told police that she left their home at 7 am with packed suitcases. Colleen was reported missing by her mother about a month later. Police declared her disappearance a major crime in 1979 after Colleen had made no contact with family or friends and had not accessed any bank accounts.

As part of South Australia Police Operation Persist, the AFP received a referral from South Australia Police to use a Specialist Operations capability, ground-penetrating radar (GPR). GPR uses radar technology to detect any changes in soil structure. While it can be difficult to see an object or skeletal material directly, GPR can be used to identify disturbances in the soil, such as those caused by a grave being dug.

Anomalies were found beneath a concrete slab in Mr Adams's backyard, and this correlated with and supported other information South Australia Police had pieced together. Through the investigative work of South Australia Police and the AFP's state-of-the-art GPR technology and specialist members, the remains of a body were found on the property and Mr Adams was subsequently charged with Colleen Adams's murder. Partnerships like this highlight the collaboration of Australian law enforcement and the outcomes the AFP can achieve for the community through its specialist capabilities and collaboration with partners.

Operation Kungur—AFP investigation into methamphetamine packaging methods

Operation Kungur is targeting the enduring threat to Australia from organised criminal enterprises that have evolved over 30 years. The intelligence operation is focused on strategies to deter, disrupt and dismantle these enterprises and to take the fight against crime internationally to the place it originates from or the places it transits. The new disruption strategy and sharing of actionable intelligence has resulted in the engagement of international agencies working collaboratively in the exchange of intelligence to disrupt criminal syndicates which have been responsible for large importations of methamphetamine to Australia. Intelligence sharing as a result of this strategy has identified further opportunities for international agencies to disrupt transnational serious organised crime groups. At the same time, this is increasing the AFP's and partner agencies' knowledge of the organised crime threat to Australia.

Operation Kungur has identified the use of Chinese tea packaging as a type of branding for Myanmar-produced crystal methamphetamine, rather than its application as a means of concealment. This nuanced style of branding has been in circulation across South-East Asia since 2013 or earlier. Seized tea packets, each designed to contain an average gross weight of one kilogram of product, are in a variety of packaging designs, some of them interchangeable with different names. Analysis by AFP Forensics of crystal methamphetamine samples from these packets revealed that the majority had extremely high purity levels. This type of packaging is not used exclusively to contain methamphetamine. Smaller but less frequent seizures have also found ketamine packed in tea sleeves.

Despite numerous disruptions throughout the region by international law enforcement partners, the tea packaging methodology continues to be used by transnational serious organised crime groups. In the past 18 months, the amount of intercepted tea-packaged methamphetamine, in particular a variety branded as Guanyinwang, has well exceeded 10 tonnes internationally and is expected to continue in scale and reach. The exposure of this practice by the AFP and subsequent collaboration with international law enforcement partners have resulted in significant disruption activities across Asia. These disruption activities have both developed and strengthened cross-border cooperation with international partners.



Operation Kenko—AFP investigations result in multiple child exploitation charges

In February 2018, the AFP received information about the production and transmission of child abuse material via a social media platform.

Members of the Victorian Joint Anti Child Exploitation Team (JACET) attended premises in rural Victoria and arrested a man who subsequently admitted to sexually abusing his two-year-old niece at the behest and coercion of a female contact he had engaged with online.

Operation Kenko identified the user of this online female profile. In March 2018, members of the JACET executed a warrant in Somerville, Victoria, and arrested a man who had set up multiple female online identities to encourage and entice children and teenagers, in Australia and overseas, to produce child exploitation material and incite the sexual abuse of young children.

In collaboration with the AFP Victim Identification Team, investigators forensically examined the contents of the electronic devices seized and identified thousands of sexualised chat records, images and videos across over 80 fake female user profiles on multiple social media applications. More than 500 000 media items were processed in an attempt to identify child victims.

The Victim Identification Team successfully identified a number of victims through detailed examination of visual clues in the images seized. For example, a small piece of playground equipment was seen in material relating to two victims. The Victim Identification Team was able to establish the brand of the playground equipment and make enquiries with the manufacturer, enabling the playground to be located. Cooperation with schools in the area enabled the two victims to be located and they were provided appropriate support services and safeguarding. More than 60 referrals have been made to domestic and foreign law enforcement agencies to not only prosecute offenders but also safeguard victims. Prosecutions are now underway in the United States, New Zealand, New South Wales and Victoria.

On 25 January 2019, the man pleaded guilty to 30 child exploitation charges. He was sentenced to 12 years imprisonment with a non-parole period of nine years.

Social media provided an opportunity to highlight the sentencing result. An AFP post reached 249 903 people and was shared 2119 times. The community comments were often strongly worded and condemned the crimes but were supportive of the AFP.



Support Capability

Overview

The Support Capability function harnesses a broad range of specialist expertise and world-leading technical capabilities to directly support the AFP's investigative outcomes both nationally and internationally. Support Capability has two branches: the Specialist Response Group and the Covert and Capability branch, which includes the AFP Operations Coordination Centre.

Support Capability deploys covert, discreet and technical resources into AFP investigations and intelligence projects, including surveillance, tactical, maritime and bomb response, negotiation, canine, and search and rescue capability to maximise operational outcomes. These capabilities are a core element of AFP investigations and play a critical role in the successful delivery of operations by the AFP and partner agencies.

Significant achievements

Mobile Responder application

More than 2500 operational members are now better connected because of the recent deployment of the Mobile Responder application.

Mobile Responder enables members to autonomously view and update computer aided dispatch incident information from the field, update their patrol status and see their team members' locations in real time. It complements police radio. Improved situational awareness enables closer monitoring of our members' wellbeing, as well as more effective and rapid incident response.

With critical information available at a member's fingertips, Mobile Responder modernises and streamlines the way the AFP shares, monitors and responds to operational incidents for a safer and better connected workforce.

Australasian Police Dog Championships, New Zealand

In October 2018, AFP dog team member Nero and his AFP handler won the Explosives Detector Championship title at the 2018 Australasian Police Dog Championships held in Trentham, New Zealand.

Handlers and dogs from the AFP participated alongside their counterparts from the New Zealand, New South Wales, South Australia, Victoria and Queensland police forces. Events included narcotics and explosives detection and individual and team patrol dog events. These trials are an opportunity for the AFP to continue to build strong



relationships with our law enforcement counterparts and exchange information on methodology to enhance AFP canine capability.

After his win, Nero entered a well-deserved retirement and now enjoys his leisure at home with his handler.

While the championships were underway, the AFP also participated in the Australasian Breeding and Development workshop, which further developed cooperation and information sharing between agencies.



AFP dog team member Nero with his award

Operational partnerships lead to collaborative success

In November 2017, the AFP disrupted a planned terrorist attack at Federation Square in Melbourne on New Year's Eve. Operation San Jose, the investigation of the planned attack, demonstrated the AFP's collaborative success with partner agencies to support a successful investigation and produce the best available evidence.

The operation exemplified the effective use of the Capability Delivery Model—a 'team of teams' approach that harnesses and coordinates the broad range of capabilities within the AFP—to achieve positive operational outcomes.

This approach not only supported the Joint Counter Terrorism Team (JCTT) operation but also led to the deployment of innovative technologies and investigative methods that provide a more robust approach for future investigations.

In May 2019, the offender pleaded guilty to the charge of doing an act in preparation for, or planning, a terrorist act contrary to section 101.6(1) of the *Criminal Code Act 1995* (Cth). A plea hearing will occur in August 2019.

AFP assists in rescue of the Wild Boars soccer team from Thailand cave system

In June 2018, 12 boys and their soccer coach became trapped in a cave in the Tham Luang Nang Non cave system in Northern Thailand. The boys, members of the Wild Boars junior soccer team, became trapped after heavy rains flooded parts of the cave system. The boys and their coach had been missing in the cave system for seven days.

On 30 June 2018, at the request of the Thailand Government, six AFP Specialist Response Group (SRG) divers left Australia to assist in locating and rescuing the missing boys. The AFP was able to deploy the divers and equipment within 15 hours of the request.

The AFP Bangkok Post Liaison Officer worked tirelessly from the rescue site in a coordination capacity. A total of 13 AFP personnel, including liaison officers, a media liaison officer, psychologists and a chaplain, travelled to Chiang Rai to support the rescue. These members were supported by teams in Australia and the International Network, which managed travel arrangements, immigration requirements and information coordination.

Along with the AFP personnel, dive rescue expertise was provided from seven countries, and over 2000 army, police, drainage and medical experts were involved in the rescue effort.

The missing boys and the coach were located alive in the cave on 2 July. Informed by the expertise of Australian doctors Richard Harris and Craig Challen, a rescue mission was meticulously planned. The boys were to be extracted four at a time. They had to exit through nine cave chambers, some of them underwater. SRG divers were responsible for extracting the group through chambers 2 to 4, working closely with the Thai Navy Seals. Rescuers would face challenging conditions in attempting to locate and free the boys and their coach, including the threat of further cave flooding from monsoon rains.

The rescue was carried out between 8 and 10 July. Throughout the rescue the divers each carried 46 kilos of dive gear and air tanks. They also managed injuries sustained during the rescue, including a dislocated wrist, broken fingers and infected hands, feet and ears.

Ultimately, all 12 boys and their coach were extracted successfully.

The SRG divers were each awarded the Bravery Medal, Medal of the Order of Australia and Australian Federal Police Bravery Medal. They were also awarded prestigious national awards by Thailand in recognition of their valued contribution and expert assistance to the rescue.



Workforce Development and Culture

Overview

The Workforce Development and Culture function is responsible for ensuring all AFP personnel are well skilled and qualified and have the capability to meet the current and future needs of law enforcement in Australia and internationally. It is also focused on ensuring that the work AFP staff undertake is done in an ethical manner in accordance with AFP values and the expectations of the Australian Government and community.

The function continues to work with managers across the AFP to improve organisational health through culture and behaviour that supports a productive and progressive working environment. The key deliverers of strategy within this function are its regions and three branches: Learning and Development (L&D), Professional Standards (PRS) and Culture and Recognition (C&R).

Significant achievements

Reforming professional standards

As part of its continuous improvement philosophy, the AFP's PRS branch commenced an integrity reform project in August 2017. The project has resulted in new business practices and investigation methodology and the creation of significant efficiencies, contributing to a 20 per cent decrease in job run times and a 38 per cent decrease in the number of ongoing investigations between 1 August 2017 and 30 June 2019.

PRS is committed to taking a holistic approach to member welfare in considering misconduct and inappropriate behaviour by AFP appointees. It established the PRS Operations Committee, which consists of representatives from Security, Safe Place, Organisational Health and People Strategies. The Workforce Development and Culture function collaboratively works towards safeguarding and strengthening the integrity and health of its members while reducing misconduct and eliminating corruption.

PRS has had a renewed focus on early intervention and prevention. Significant efforts have been made in education, awareness raising through communication, and the identification of at-risk behaviours early, thus driving a strong culture that supports values-driven conduct and behaviour.

Mentoring for female employees

In 2018–19, C&R introduced the My Mentor: Courageous Woman Program initiative. The program is for female employees who are interested in undertaking a personal journey to improve their personal and professional lives. It is designed to assist participants to self-reflect, 'deep dive' on their career challenges and identify potential barriers to reaching their full potential. Both mentees and mentors are able to identify areas or topics to discuss and establish a stronger partnership to build on. During 2018–19, 80 participants attended the program.

The program addresses issues unique to women and their personal and professional goals and allows for participants to develop their knowledge, skills and attitudes on an ongoing basis. Participants learn how to self-manage and know their values, purpose and goals. The program aims to increase individual engagement, performance and productivity while building confidence among attendees.

Future Leaders Program

During 2018–19, 44 executives from a broad range of roles across the AFP completed the Future Leaders Program and worked through complex operational, procedural and cultural change issues that affect the AFP. The program was focused on increasing levels of knowledge, self-awareness and new skills that will allow participants to better support the senior executive and their teams back in the workplace. The program was designed and developed jointly by L&D and the Australian Institute of Police Management.

A thousand detectives and counting

In June 2013, the AFP launched the Investigations Doctrine—the cornerstone of the organisation's professional literature and philosophy on investigations. Applying its guidance over the last six years, L&D has successfully embraced the challenge of shaping the AFP's investigative culture and capability into the future.

The Investigator Development Continuum describes a clear pathway from investigator to detective to senior investigating officer, with Investigations and Specialist Training members transferring their operational knowledge to the next generation of detectives. Underpinning these programs is a suite of investigations standards, investigation management tools and best-practice governance methods informed, developed and maintained by the Investigations Standards and Practice Group. The standards promote the principles of evidence-based policing and excellence in investigations. L&D ensures that investigations development programs are aligned to higher education qualifications such as the Advanced Diploma of Police Investigations. The National Designation Panel maintains the integrity of the continuum and designation process.

L&D is proud of its role in realising the designation of over 1000 AFP detectives since the inception of the AFP. Through its efforts, the detective designation is now recognised as a mark of expertise and of those who embrace the 'investigative mindset'—objectivity, critical thinking and investigative strategy.



Implementation of the AFP Leadership Centre

In mid-2018, the AFP Leadership Centre was established to support the AFP's culture change agenda and help maximise its operational impact. The new centre ensures there is a renewed focus on enhancing leadership behaviours and capabilities throughout the organisation. Building and sustaining effective leadership capabilities is a crucial step toward ensuring we remain future ready, successfully navigating our evolving threat environment and maintaining a strong and healthy workforce.

Since its inception, the Leadership Centre has focused on bringing an evidence-based approach to developing AFP leaders. It conducts a needs analysis by bringing together various sources of information. Based on the identified needs, the centre has designed and delivered several initiatives aimed at developing leadership behaviours and skills. These include formal courses and programs (in conjunction with the AFP L&D branch), workplace learning initiatives, coaching and mentoring programs, online programs, self-reflection tools and an advisory service to the workforce.

Into 2019-20, the Leadership Centre will place greater emphasis on strategic project delivery to help drive crucial initiatives, including a leadership career pathways model, a talent management framework and a new enterprise-level technology platform.

Australian Institute of Police Management

The Australian Institute of Police Management (AIPM) is a national common police service hosted by the AFP. All AIPM employees and the AIPM site at Manly belong to the AFP. The AFP Commissioner chairs the AIPM Board, which consists of all Australian and New Zealand Police Commissioners. The AIPM provides executive and tertiary-level education to policing and other public safety organisations domestically and internationally.

In 2018-19, the AIPM conducted 55 learning and development activities for over 1140 participants. As well as structured education, these activities provide opportunities for networking across the law enforcement and public safety sectors to enable more effective and efficient staff.

A highlight for the AIPM in 2018-19 was the establishment of the Pacific Faculty of Policing to deliver a range of programs for Pacific police officers both at the AIPM and in the Pacific. In line with this, the AIPM hosted the Pacific Islands Chief of Police Commissioners Executive Leadership Team at their annual conference at Manly. The faculty has so far conducted six Pacific programs and brought together 136 participants.

Volunteers in Policing Program

The Volunteers in Policing (VIP) Program provides a unique opportunity for members of our community to use their skills, experience and knowledge to make a positive contribution to their community by supporting the work of the AFP. The VIP Program provides a positive focus for the public perception of police and fosters stronger links between the AFP and the community. The VIP Program is considered to be a strategic partner in enabling the AFP to meet its outcomes relating to ACT and national policing activities. Police volunteers undertake unpaid work and provide valuable assistance to the AFP in a variety of approved roles and locations.

As at 30 June 2019, the VIP Program had 52 volunteers, comprising 23 women and 29 men, ranging in age from 49 to 87. During 2018-19, volunteers contributed over 15 900 hours to ACT Policing and national policing activities. For national policing, this included over 760 hours of catering duties, including a fundraising BBQ at AFP National Headquarters most months. Police volunteers provided over 640 hours of general administrative support, 366 hours of Forensics administrative support, 17 hours of role-playing for training courses and 84 hours for AFP Legacy, to name just a few examples. AFP Legacy's purpose is to support the police family and to perpetuate the memory of fallen AFP members.

The VIP Program is held in high regard not only within the AFP but also externally. Its excellence was recognised and acknowledged by winning the 2018 Canberra Choice Volunteer of the Year Award.



APEC 2018—AFP supports Royal Papua New Guinea Constabulary

Through 2017 and 2018, Papua New Guinea successfully hosted its biggest ever major international event—the 2018 Asia-Pacific Economic Cooperation (APEC) Summit.

Summit activities started in October 2017 and brought over 9000 delegates, staff and media to Port Moresby. The summit culminated in November 2018 with the Economic Leaders Week, which was attended by 21 senior leaders and 3600 delegates from the 21 APEC member countries.

More than 4000 Royal Papua New Guinea Constabulary (RPNGC) members were out in force performing a variety of roles, including bomb searches, canine patrols and security sweeps, to ensure a safe and secure event. AFP advisory support was close at hand to support the RPNGC.

More than 100 AFP officers and advisors worked closely with the RPNGC for more than two years to prepare, plan and implement policing and security as part of a strong partnership between the two police forces. Significant capability was required to deliver security arrangements for such a significant event. To guarantee operational success and impact, the AFP assisted the RPNGC across several areas, including major event security planning, Close Personal Protection, water policing, motorcades, canine detection and bomb response. This assistance came from building the capacity and capability of these specialist areas of the RPNGC as well as the provision of operational support during the summit.

Our close policing partnership with PNG has been recognised by the RPNGC as a significant capability enabler to ensure the delivery of a safe and secure APEC, which in turn has also assisted in continuing to safeguard the Pacific region. While Papua New Guinea was hosting APEC, the AFP deployed extra specialist support to provide security for transiting leaders passing through Australia to meet the demands placed on aviation operations and patrols, along with extra bomb and canine screening of luggage and aircraft.

Cairns Airport was used as a transit point for a number of dignitaries, including the United States Vice President, New Zealand Prime Minister, Malaysian Prime Minister and Sultan of Brunei.



People, Safety and Security

Overview

The People, Safety and Security function provides responsive and forward-looking staffing policies, strategies and systems in support of AFP operational and other business needs. Its services focus on the recruitment and development of a healthy, skilled, diverse and professional workforce through integrated employee services and initiatives. People, Safety and Security has four branches: Organisational Health, People Strategies, Security, and the People Taskforce.

Significant achievements

People Centre

AFP People Strategies has continued to enhance its service delivery model with the introduction of the People Centre. The People Centre is the initial point of contact and first-tier support for AFP members for all People Strategies enquiries. The centre's primary role is to triage enquiries and, where matters are complex and require specialist support, facilitate referrals to the People Strategies Centres of Expertise.

Through first-tier support the People Centre provides guidance on human resources governance, policies and processes; promotes self-service functions for routine transactional enquiries; drives greater consistency in service levels and advice provided; and reduces time spent on low-impact tasks.



A staff member from the People Centre help desk

Positive Vetting capability

The Positive Vetting security assessment is the government's highest security clearance.

As an authorised vetting agency, the AFP has been conducting its own security clearance assessments at the Baseline and Negative Vetting levels for over 10 years. In 2017, AFP Security began developing a Positive Vetting capability. Since this capability became operational in late 2017, the Security branch has continued to develop its capacity.

Working with partner agencies, we have sourced appropriately qualified and experienced providers for specialist components of the process, and ensured that our processes and standards are benchmarked to meet and exceed the standards required by the Australian Government Protective Security Policy Framework.

Most recently, in addition to commencing initial clearance assessments, we have commenced the transfer to AFP control of AFP Positive Vetting clearances carried out by external agencies, a task we expect to continue through 2019 and conclude towards the end of 2020. Clearances currently in the assessment process with external agencies will continue to be managed by those agencies until the assessments are concluded.

People Taskforce

In October 2018, following the outcomes of the 2018 Staff Survey, the Commissioner established a 12-month People Taskforce to accelerate a program of work across three priority areas identified through the survey: improving support to our injured and ill people; modernising our employment framework; and improving our performance culture.

The People Taskforce works in close partnership with relevant branches that will own the outcomes from each project. Its focus is to develop the road map for sustainable change across these three areas. The projects will simplify and streamline processes and develop fit-for-purpose strategies.

Road to Mental Readiness

In January 2019, the AFP became the first Australia-based first responder agency to partner with Lifeline (Canberra) to deliver Road to Mental Readiness (R2MR) training to the workforce. R2MR is an education-based program designed to improve resilience and reduce the stigma of mental health in a first responder setting. It gives participants practical tools and skills to maintain mental health. The AFP has committed to providing six courses per month to both team leaders and team members throughout Australia.

The AFP is committed to the health and wellbeing of its people, and R2MR is part of the AFP's overall strategy to improve health through education and awareness.

'In truth this was the single best learning experience I've had in the AFP.'
(R2MR participant)

Chief Financial Officer

Overview

The Chief Financial Officer (CFO) function supports the achievement of the AFP's outcomes by providing a comprehensive range of financial, commercial and business support services.

This includes managing National Property and Exhibits and delivering shared services such as criminal records, finance, commercial support and infrastructure services. The function identifies AFP resource capability scope, promotes agility in resource allocation and drives change in business models to achieve more efficient results.

The CFO function collaborates and negotiates with the Department of Finance and the Home Affairs portfolio on AFP budget matters. It also works closely with Home Affairs portfolio partners to co-locate staff and specialist facilities. The function continues to identify opportunities for more efficient resource use and promotes agility in resource allocation.

Significant achievement

Darwin canine co-location

In June 2018, the AFP commenced strategic property planning discussions with the Australian Border Force (ABF) and the Department of Home Affairs concerning canine accommodation. The AFP and ABF canine programs had been located separately. By co-locating, efficiencies could be achieved and skills and working relationships could be strengthened.

In December 2018, as a result of these discussions, the AFP and ABF canine programs combined resources by housing the ABF Detector Dog Program within the AFP Specialist Response Group Canine Facility in Darwin, Northern Territory. This work is part of broader Home Affairs reviews of efficiencies in operations.

Two ABF handlers and their dogs have moved into the AFP Darwin facility, where they are sharing world-class facilities and have the opportunity to build on their skills and experience. Co-location of the kennel facilities will continue to enhance the already good working relationship between the two agencies.



Co-location of AFP and ABF canine capabilities enhances our close working relationship

Chief of Staff

Overview

The Chief of Staff (COS) is a key adviser to the Commissioner. The COS also oversees the AFP's primary capabilities for ensuring the agency engages with key stakeholders and remains aligned with its strategic operating environment.

The COS function is comparatively small but it delivers a diverse range of specialist capabilities that involve close collaboration with a wide range of internal and external stakeholders. Its services include:

- ▶ supporting strategic decision-making by the AFP executive and the government by leading, coordinating or contributing to the development of whole-of-AFP or whole-of-government policy and legislative reforms
- ▶ managing the AFP's interactions within government mechanisms, including ministers' offices, parliamentary committees and the Department of Home Affairs
- ▶ documenting the AFP's strategic direction by developing the corporate plan, the associated performance framework and external reporting
- ▶ providing high-quality design and communications support for strategic AFP initiatives and enterprise-level campaigns
- ▶ engaging with the community and other stakeholders through traditional and social media and the internet
- ▶ supporting a three-tier committee structure and secretariat support function under the Commissioner.

Significant achievement

Finding common ground through social media

The AFP first launched its Facebook page in 2012. Since then, the AFP's social media audience has grown to over half a million people across Facebook, Twitter, Instagram and LinkedIn. The social media accounts provide a unique platform for the AFP to communicate directly with the public and to make them aware of the AFP's work. The objectives of the AFP's social media channels are to:

- ▶ build trust and community confidence
- ▶ inform, educate and engage
- ▶ disrupt crime
- ▶ disseminate critical information to a wide audience.

The AFP experimented with different content types and engagement strategies on social media in 2018-19.



Screenshots from the Love Actually tribute Christmas social media video

AFP assists in response to the Christchurch terrorist attack

On 15 March 2019, a single gunman carried out a terrorist shooting attack on two mosques in Christchurch, New Zealand, during Friday prayers.

Following the attack, the AFP deployed over 60 people in a multi-tiered response. Support provided to New Zealand Police included bomb identification, digital forensics and appraisal capabilities, specialist response, disaster victim identification, specialist forensic capabilities and intelligence officers, and included representation from state and territory partners.

The AFP Family Investigation Liaison Officer (FILO) Coordination network received a request for FILO assistance on the afternoon of the attack. Within 24 hours, eight AFP FILO members arrived in New Zealand and were deployed into the field to assist New Zealand Police Family Liaison Officer teams with collecting forensic evidence and supporting families of the victims. AFP FILO members assisted New Zealand Police colleagues in the days and weeks following the incident with family support services and the many Disaster Victim Identification processes, including providing support at funeral ceremonies.

In Australia, the New South Wales JCTT undertook a range of inquiries to assist New Zealand Police with their investigation. This included facilitating a whole-of-government intelligence response to requests for information, which was activated in accordance with the Australia–New Zealand Counter-Terrorism Committee protocols.

To reassure affected communities the AFP's Community Liaison Teams continued to strengthen their relationships with key community groups and build new networks across all Australian communities. A centrally coordinated effort saw the teams reach out to various communities, visiting mosques and schools, speaking to community and government leaders, and responding to questions and concerns across many culturally and linguistically diverse and multi-faith communities.

Community Liaison Teams witnessed firsthand the outpouring of emotion by the Australian community while attending mosques, community centres, schools and shops frequented by members of the Muslim community.



Melbourne vigil for victims of the Christchurch attack

5 Management and accountability



Management and accountability

5

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Corporate governance

Key committee framework

An independent review of the AFP’s governance structures and operating arrangements commenced in 2017. Since that time, the senior executive and the broader organisation have been working to design a framework that better supports decision-making and strategic governance across the AFP. On 1 July 2018, a new AFP key committee framework was introduced to support decision-making and strategic governance across the AFP.

A three-tiered structure was established to empower evidence-based decision-making at the most appropriate levels, encourage diversity of thought and experience, and streamline the flow of information. The Tier 1 and Tier 2 committees are responsible for setting strategy and converting strategy into management.

The Strategic Leadership Group and the National Managers’ Forum sit outside the formal decision-making structure as forums for strategic guidance, consultation and consideration of conceptual and emerging issues of organisational importance.

Our committee framework is shown at Figure 5.1.

Figure 5.1 Key committee framework

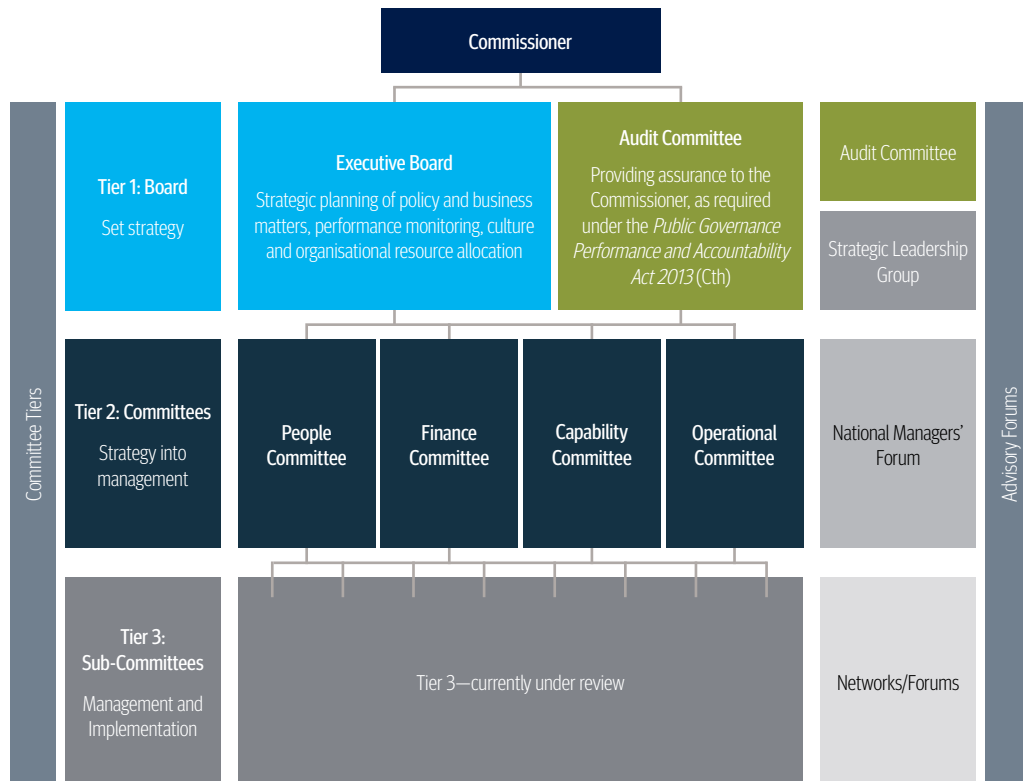


Table 5.1 AFP governance committees

Committee	Tier	Chair	Role
Executive Board	Tier 1	Commissioner	Provides senior leadership and strategic direction, makes key decisions (consistent with the <i>Public Governance, Performance and Accountability Act 2013</i> (Cth)) and reviews risks for the AFP. Its primary focus is strategic planning in policy and business matters, performance monitoring, culture, and resource allocation. It regularly reviews organisational health based on a range of indicators, including agency performance with respect to capability, finance, operations and people.
Executive Board Sub-Committee on Finance	Advisory forum	Chief Operating Officer	Provides advice to the Finance Committee and the Executive Board on financial matters. This advisory board is a subcommittee of the Executive Board.
Operational Committee	Tier 2	Deputy Commissioner Operations	Advises the Commissioner and the Executive Board on: <ul style="list-style-type: none"> the AFP’s strategic operational priorities with reference to the Ministerial Direction, the AFP’s vision, the AFP’s strategic priorities, return on operational investments and external factors (e.g. political, economic, social, technological, environmental and legislative) the alignment of operational resources with strategic priorities the adequacy of the operations framework.
Capability Committee	Tier 2	Deputy Commissioner Capability	Advises the Commissioner and the Executive Board on the AFP’s strategic capability requirements, priorities and opportunities to ensure the AFP is an effective and innovative capability-led organisation.
People Committee	Tier 2	Chief Operating Officer	Advises the Commissioner and the Executive Board on key people matters and makes supporting decisions on related internal policies and processes.
Finance Committee	Tier 2	Chief Operating Officer	Advises the Commissioner and the Executive Board on strategic finance and budgetary matters.

Committee	Tier	Chair	Role
Strategic Leadership Group	Advisory forum	Commissioner	Drives strategic outcomes for the AFP. It reflects on current strategy and considers how to achieve future strategy. It is a forum for senior leaders to collaborate on, innovate and shape matters of organisational significance, with a focus on strategic direction, planning and priorities.
National Managers' Forum	Advisory forum	Deputy Commissioner National Security	Provides senior leadership and strategic guidance to influence and shape matters of organisational significance. It is a key contributor to strategy development. It exists as a roundtable for strategic discussion, consultation and information sharing.
Audit Committee	Advisory forum	External	Provides independent advice to the Commissioner on the AFP's risk, control and compliance framework, its financial statement and its performance reporting responsibilities.

Corporate planning and reporting

The AFP corporate plan sets out our purpose, priorities, environmental context, activities, performance measurement methods and management approach to risk engagement. It guides us in achieving the results we have targeted. We update our corporate plan every year, ensuring it aligns with the legislative requirements of the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act), the accompanying Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) and revisions to the AFP Ministerial Direction.

Along with the AFP Portfolio Budget Statement and annual performance statement, the corporate plan is an integral part of our performance management and reporting cycle.

In 2018–19, our corporate plan incorporates four strategic initiatives designed to ensure our capabilities and capacity are aligned to deliver against priority operations. They allow us to remain flexible, improve our efficiency and ensure the AFP is future-proofed against challenges we will face. These strategic initiatives appear in this report in Chapter 2 'Overview of the AFP'.

Progress and performance against our performance criteria as detailed in the *AFP Corporate Plan 2018–19* appear in this report in the annual performance statement—see Chapter 3, 'Performance overview'.

Managing AFP investment

The AFP has evolved from managing a four-year rolling capital plan to managing a four-year rolling investment plan. The Portfolio Delivery Office ensures that initiatives on the investment plan align with AFP strategies. The Enterprise Portfolio Management Office monitors and tracks delivery of initiatives.

In 2018–19, the Portfolio Delivery Office and Enterprise Portfolio Management Office managed an investment plan worth over \$180 million, including change initiatives in a range of maintenance, enhancement and capability development activities in support of the AFP's onshore and international activities.

The Portfolio Delivery Office and Enterprise Portfolio Management Office make recommendations on investment to Tier 2 governance committees based on strategy, risk, key performance indicators and capability development.

Internal audit

The AFP delivers an annual Internal Audit Program that takes into consideration agency-wide and organisational business unit risks, previous and proposed Australian National Audit Office (ANAO) coverage, previous internal audit coverage and new initiatives. The program is approved by the Commissioner and is delivered using in-house and external resources.

The AFP Audit Committee met seven times during 2018–19 and considered 12 internal audit reports. Internal audit coverage ranged from protection of information to

cybercrime. The Audit Committee monitors the progress of recommendations made in internal audit and ANAO reports through regular reporting.

Risk management

The AFP manages risks through its risk management framework. The framework enhances the quality of the AFP's decisions in complex and dynamic environments and allows the AFP to consider emerging risks which may arise from developments in economic, technological, social, political or environmental factors, including community expectations. It provides the AFP with a mature basis for engaging and managing risk, contributing to innovation, efficiency and safety in the achievement of its objectives.

In 2018–19, the AFP reviewed and updated the framework to ensure that systematic risk management is embedded into key committees and business processes of the AFP. This will support informed decision-making and business planning at all levels of the organisation.

At the enterprise level, the AFP manages eight broad risks which directly relate to its ability to achieve its objectives. When engaged and managed well, these eight enterprise risks are also recognised as significant opportunities to enhance the AFP's outcomes and contribute to policing for a safer Australia.

The eight enterprise-level risks relate to:

- ▶ the health, safety and wellbeing of AFP appointees
- ▶ AFP culture, standards and integrity
- ▶ achievement of operational outcomes
- ▶ partnerships and stakeholder engagement
- ▶ the ongoing effectiveness of AFP capabilities
- ▶ attracting, retaining, maintaining and effectively utilising a skilled workforce
- ▶ effectively managing the AFP's resources, including finances
- ▶ effectively using, managing or protecting information.

The AFP participates in the annual Department of Finance Comcover Risk Management Benchmarking Survey. The AFP's 2018–19 results saw an improvement in risk maturity from 'Integrated' to 'Advanced'.

Fraud control

The AFP promotes a culture of ethical conduct and does not tolerate misconduct and, specifically, fraud and corruption. The AFP maintains a robust internal fraud control and anti-corruption framework designed to prevent, detect and respond to fraud and corruption.

As a Commonwealth entity, the AFP maintains a fraud control plan and conducts fraud assessments in compliance with section 10 of the PGPA Rule.

The *AFP Fraud Control and Anti-Corruption Plan 2020* (FCAC Plan) sets out our strategy for overall management of fraud and corruption risks within, and against, the agency. The FCAC Plan applies to all members, contractors and service providers, who are made aware of their individual roles and responsibilities in fraud and corruption prevention, detection and response. The FCAC Plan is consistent with the AFP's professional standards framework.

Fraud and corruption risks are reviewed regularly. As part of their oversight and assurance role, our Audit Committee monitors the progress and effectiveness of the implementation of the FCAC Plan.

Governance instrument framework

The governance instrument framework is a collection of AFP governance instruments (including Commissioner's Orders and National Guidelines) and external agreements (including memoranda of understanding). It is available through an AFP intranet portal. The governance instrument framework contributes to the:

- ▶ achievement of AFP operational and administrative outcomes, consistent with AFP values and the efficient and ethical use of Commonwealth funds and property
- ▶ security of the AFP
- ▶ professional standards of the AFP and procedures for addressing conduct issues established in Part V of the *Australian Federal Police Act 1979* (Cth) (AFP Act)
- ▶ legal compliance of AFP appointees in discharging their duties, including responsibilities under the *PGPA Act*, *Work Health and Safety Act 2011* (Cth), *Crimes Act 1900* (ACT), *Crimes Act 1914* (Cth) and *Privacy Act 1988* (Cth)
- ▶ management of risk
- ▶ effective delegation of statutory authority and powers.

More information is available on the AFP's Information Publication Scheme web page: www.afp.gov.au/ips.

Business continuity

The AFP has a well-developed business continuity management framework. The continuity framework includes policies, systems and programs to assist the AFP to continue to operate effectively during unplanned disruptions to its staff, facilities, infrastructure or logistics. The framework assists in preventing, preparing for, responding to, managing and recovering from the impacts of a disruption. There were five unplanned activations of business continuity arrangements during 2018–19.

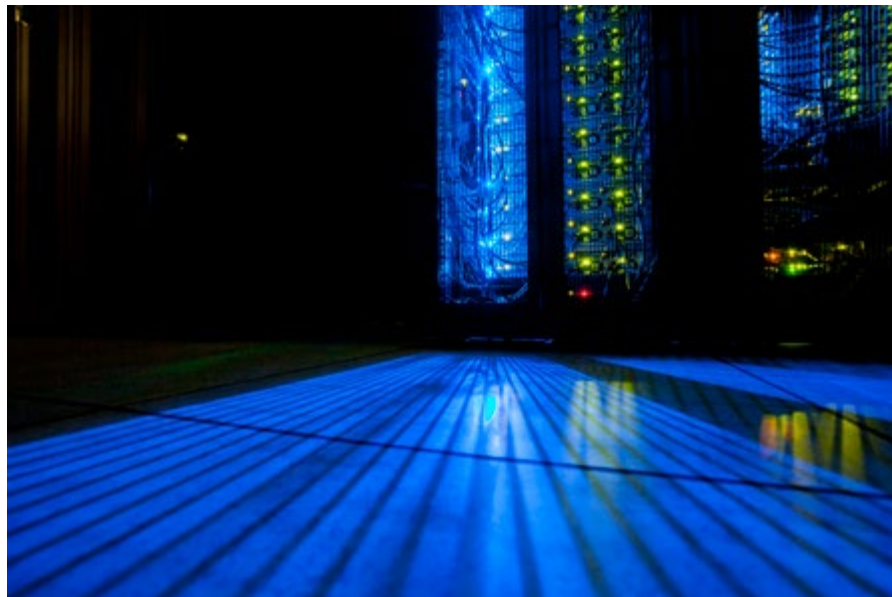
The AFP has an appointed business continuity committee which convenes as a decision-making body to assist AFP business activities to continue or recover in the event of disruption. The committee's activities are focused on the recovery of business

outcomes once the disruption is contained. It utilises the Incident Command and Control Structure Plus model to coordinate these activities. The committee is supported by systems and capabilities which facilitate decisions regarding the critical business activities during disruption. The business continuity committee witnessed two exercises during the reporting period. As part of its oversight and assurance role, the Audit Committee monitors the compliance and effectiveness of the business continuity management framework.

Ecological sustainability

The AFP's Data Centre Transition Program has completed its objectives, including the remediation and decommissioning of servers, storage and network equipment in its two primary data centres. This program of works concluded in June 2019 and outstanding maintenance and transfer activities will be transitioned to business as usual from July 2019. The reduction in physical hardware has allowed us to achieve a continued reduction in ICT power usage, which has resulted in a reduction of greenhouse gas emissions. This, along with the effective management of mechanical power consumption, has resulted in the power use effectiveness (PUE) of our data centres significantly overachieving the target of 1.5 PUE set by the Department of Finance.

In particular, the Hume Data Centre's mechanical costs have reduced over the past year as a result of a decrease in the IT hardware footprint. The decrease has resulted in a reduction of 521 548 kWh (or \$61 798) from the previous financial year (2017–18). The policy of not replacing server storage equipment or under-utilised server assets has contributed to reduced costs.



External scrutiny

Auditor-General reports

The Auditor-General conducted no AFP-specific audits or cross-agency audits that included the AFP in 2018–19.

Commonwealth Ombudsman reports

Section 40XA of the AFP Act requires the Commonwealth Ombudsman to conduct at least one annual review of the AFP's administration of Part V of the AFP Act and report to parliament on the results of those reviews.

On 24 May 2019, the Ombudsman tabled the 2017–18 annual report to parliament on complaints resolved between 1 July 2017 and 30 June 2018. The review did not identify any systemic issues in the AFP's complaint management administration.

For the review period covering 2018–19, one inspection visit was conducted under Part V in April 2019. The findings of the Ombudsman's 2018–19 annual report are yet to be published. Preliminary discussions indicate that the Ombudsman will make a number of observations regarding process improvements; however, no significant or systemic issues are expected to be identified.

The AFP continues to work closely with the Ombudsman's office to ensure best-practice complaint management in the AFP. The next inspection is scheduled to commence on 20 April 2020.

Australian Information Commissioner decisions

During 2018–19, the Australian Information Commissioner made five decisions concerning AFP freedom of information requests. Four decisions were set aside and substituted, providing the applicant with greater access to information contained in the documents, and one decision was affirmed.

Freedom of information: Information Publication Scheme

The Information Publication Scheme (IPS) created by Part 2 of the *Freedom of Information Act 1982* (Cth) (FOI Act) requires Australian Government agencies subject to the FOI Act to publish a broad range of information on their public website.

The IPS underpins a pro-disclosure culture across government and transforms the freedom of information framework from one that is reactive to individual requests for documents to one that is agency driven. More information is available on the AFP's Information Publication Scheme web page: www.afp.gov.au/ips.

Judicial decisions and decisions of administrative tribunals

In 2018–19, there were no judicial or tribunal decisions that had a significant effect on the operations of the AFP.

Parliamentary committee reports

In 2018–19, the AFP provided submissions to the following parliamentary inquiries and other key inquiries:

- ▶ Parliamentary Joint Committee on Intelligence and Security Advisory review of the Telecommunications and Other Legislation Amendment (Assistance and Access) Bill 2018
- ▶ Parliamentary Joint Committee on Intelligence and Security review of the amendments made by the *Telecommunications and Other Legislation Amendment (Assistance and Access) Act 2018* (Cth)
- ▶ Parliamentary Joint Committee on Intelligence and Security review of the Crimes Legislation Amendment (Police Powers at Airports) Bill 2018
- ▶ Parliamentary Joint Committee on Intelligence and Security review of the Australian Citizenship Amendment (Strengthening the Citizenship Loss Provisions) Bill 2018
- ▶ Parliamentary Joint Committee on Intelligence and Security review of the Counter-Terrorism (Temporary Exclusion Orders) Bill 2019
- ▶ Parliamentary Joint Committee on Intelligence and Security review of the Counter-Terrorism Legislation Amendment Bill 2019
- ▶ Parliamentary Joint Committee on Intelligence and Security review on the AFP's functions under Part 5.3 of the *Criminal Code Act 1995* (Cth) (Criminal Code) and Division 3A of the *Crimes Act 1914* (Cth)
- ▶ Parliamentary Joint Committee on Law Enforcement inquiry into theft and export of motor vehicles and parts
- ▶ Parliamentary Joint Committee on Intelligence and Security review of the mandatory data retention regime prescribed by Part 5-1A of the *Telecommunications (Interception and Access) Act 1979* (Cth)
- ▶ Parliamentary Joint Committee on Intelligence and Security review of the Australian Citizenship renunciation by conduct and cessation provisions
- ▶ Parliamentary Joint Committee on Intelligence and Security review of the listing of Jemaah Anshorut Daulah and Jama'at Mujahideen Bangladesh as terrorist listings under the Criminal Code
- ▶ Parliamentary Joint Committee on Law Enforcement inquiry into the impact of new and emerging information and communications technology
- ▶ Parliamentary Joint Committee on Law Enforcement examination of the AFP 2016–17 annual report pursuant to section 7(1)(f) of the *Parliamentary Joint Committee on Law Enforcement Act 2010* (Cth)
- ▶ Parliamentary Joint Committee of Public Accounts and Audit inquiry into any items, matters or circumstances connected with Auditor-General report No. 31 (2017–18) Managing Mental Health in the Australian Federal Police

- ▶ Parliamentary Standing Committee on Public Works inquiry into the proposed fit-out of new leased AFP premises at 140 Lonsdale Street, Melbourne
- ▶ Senate Standing Committee on Legal and Constitutional Affairs review of the Criminal Code and Other Legislation Amendment (Removing Commonwealth Restrictions on Cannabis) Bill 2018
- ▶ Senate Legal and Constitutional Affairs References Committee inquiry into dowry abuse
- ▶ Senate Standing Committee on Education and Employment inquiry into the high rates of mental health conditions experienced by first responders, emergency service workers and volunteers
- ▶ Senate Standing Committee of Privileges 172nd report
- ▶ Independent National Security Legislation Monitor review of the prosecution and sentencing of children for terrorism
- ▶ Independent National Security Legislation Monitor review of the operation, effectiveness and implications of the citizenship loss provisions in sections 33AA, 35, 35A and 35AA of the *Australian Citizenship Act 2007* (Cth)
- ▶ Independent National Security Legislation Monitor review of the *Telecommunications and Other Legislation Amendment (Assistance and Access) Act 2018* (Cth).

Independent reviews

In 2018–19, no independent reviews were carried out in relation to the AFP.

Professional standards

The Professional Standards (PRS) branch is responsible for the development and maintenance of a robust and transparent framework to safeguard and strengthen the integrity of the AFP. It operates under Part V of the AFP Act to support the organisation and its appointees through the AFP's integrity framework, based on the key elements of prevention, detection, response and continuous improvement.

The PRS branch uses rapidly evolving data-driven methods to identify trends, risks and vulnerabilities to inform the AFP executive of the organisation's health. It takes a holistic approach towards safeguarding and strengthening the integrity of AFP members while reducing misconduct and eliminating corruption.

Responding to the current complex and dynamic crime threat can involve increased pressures and workloads. This potentially exposes members to integrity vulnerabilities. Ethical leadership and early intervention will be key to preventing and minimising misconduct issues and preventing corruption.

The PRS branch has implemented enhancements in investigation methodology, resulting in improved investigation timeliness, finalisation of long-tail investigative matters and the creation of significant efficiencies, as evidenced by a 20 per cent decrease in job run times and a 38 per cent decrease in the number of ongoing investigations between 1 August 2017 and 30 June 2019.

The AFP has implemented a revised drug-testing strategy, which continues to be an important element of our integrity framework. The strategy is based on risk modelling, improved detection and optimal use of available resources. The traditional random testing strategy resulted in 75 536 drug tests for the period from 1 July 2000 to 30 June 2018. Only 0.095 per cent returned a confirmed positive result. During the 2018-19 financial year, 3453 random and targeted drug tests were undertaken, resulting in 0.116 per cent returning a confirmed positive result. The random and targeted drug testing strategy is aimed at deterring drug use. Given the low incidence rate, it is considered a successful deterrent.

Complaint management

Part V of the AFP Act¹ defines the categories of complaints about AFP appointees. Complaints are dealt with as breaches of the AFP Code of Conduct. Code of Conduct issues fall into one of four categories:

- ▶ The lowest, and least serious, is category 1
- ▶ The next highest, and next most serious, is category 2
- ▶ The next highest, and next most serious, is category 3
- ▶ The highest, and most serious, is conduct giving rise to a corruption issue (category 4).

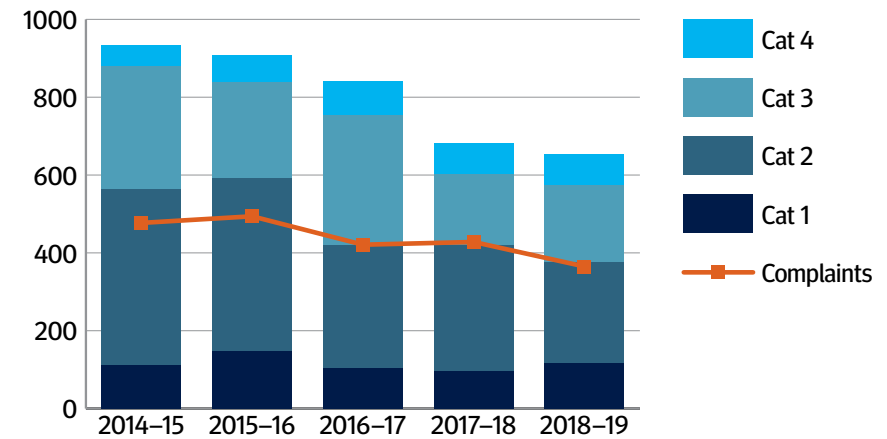
If conduct would otherwise belong to more than one category, it is taken to belong to the higher or highest of those categories.

In 2018-19, the AFP received a total of 365 complaints—a 14.7 per cent decrease on the figure of 428 in the previous reporting period. The number of new alleged breaches of the AFP Code of Conduct resulting from these complaints was 653, 4.3 per cent lower than the corresponding figure for 2017-18 (682).

Figure 5.2 shows the number of complaints for each category of breach over the last four years. Table 5.2 provides case examples of the four categories. Further breakdowns, by category and type, are provided in Appendix A, Tables A1 to A9.

¹ Refer to the Australian Federal Police Categories of Conduct Determination 2013 for further information on the determinations under subsection 40RM(1) of the AFP Act.

Figure 5.2 Trend in the number of complaints and alleged breaches¹, 2014-15 to 2018-19



¹ Conduct breaches are individual issues identified within a complaint. Multiple breaches may be applied when two or more complaint issues are identified from information supplied by a complainant or when two or more members are subject to a complaint.

Table 5.2 Categories of AFP conduct issues and case examples

Category 1	<p>Incident: Discourtesy (established)</p> <p>During 2018-19, a member of the public phoned Police Operations to make a complaint. The caller was advised that the incident being reported was not a police matter. The caller was unsatisfied with this outcome. The officer tried to provide further context to the situation, which the caller disregarded. The officer, believing that the caller was no longer going to listen to the advice being provided, terminated the call. The caller attended a police station to make a further complaint against the officer. After investigation, it was found that inadequate service was provided, as the call was terminated before the caller was able to finish the conversation.</p>
Category 2	<p>Incident: Unauthorised discharge of taser (established)</p> <p>A member self-reported an unintentional Conducted Energy Weapon (CEW) discharge in breach of Commissioner’s Order 3—Operational Safety—the Discharge of a Taser. The member was preparing to start a shift when, during the loading of an authorised taser in a loading bay, they pulled the trigger to conduct a spark/functionality test that caused a single cartridge of the taser to discharge. The complaint was found to be established on the basis that the weapon should not have been activated in the way it was. The officer was required to undergo remedial CEW training and reassessment.</p>

<p>Category 3</p>	<p>Incident: Prescribed concentration of alcohol (established and dismissed)</p> <p>A member self-reported a positive Prescribed Concentration of Alcohol (PCA) offence. The member was subject to a random breath test and required to undertake a breath analysis. The breath analysis returned a positive reading and the member was placed under arrest and charged with 'Drive with Mid-Range PCA'. The member further disclosed a previous low-range PCA offence that had not previously been reported. The member received a bond to comply with conditions, including participation in the Traffic Offenders Rehabilitation Program. This was the second breach in a 12-month period for the member, with the aggravating feature that the previous breach was unreported. This was considered serious misconduct, as it involved deliberate conduct demonstrating a reckless indifference to the AFP Code of Conduct and the values of the AFP. The member's employment with the organisation was terminated.</p>
<p>Category 4 (Corruption)</p>	<p>Incident: Serious breach (misconduct or neglect of duty) (established)</p> <p>During 2018–19, an investigation was finalised with regard to a member misusing an official corporate credit card to withdraw money without approval. Multiple withdrawals that were not acquitted in accordance with organisational requirements were identified and reported to Professional Standards. The member was suspended from duty while being investigated.</p> <p>The investigation found numerous cash withdrawals totalling less than \$50 000 that did not all appear to have been expended on authorised AFP-related expenses. Receipts were not provided to justify the expenditure, contrary to the AFP Commissioner's Financial Instructions and the AFP Guideline on Using the AFP Corporate Credit Card. The member failed to demonstrate due care and diligence or 'proper use' and management of public resources, contrary to the AFP Code of Conduct, and engaged in corrupt conduct as defined by the <i>Law Enforcement Integrity Commissioner Act 2006</i> (Cth), in that the conduct involved 'abusing the office' and/or, having regard to their duties and powers, involved a 'corruption issue'. The member resigned from the organisation, was criminally charged and pleaded guilty to a charge of dishonestly causing a loss to the Commonwealth (contrary to section 135.1(5) of the <i>Criminal Code Act 1995</i> (Cth)).</p>

Our people

The AFP continues to develop a workforce that reflects all elements of our community. The AFP is focused on harnessing the inherent abilities of its diverse workforce through inclusion initiatives that enable our members to support the communities that they serve. The AFP continues to place a high priority on the health, welfare and development of its personnel.

Workforce overview

The AFP had 6663 staff at 30 June 2019. This figure comprises:

- ▶ 3251 police officers
- ▶ 733 protective service officers
- ▶ 2679 professional staff.

Forty-three per cent of employees were located outside the ACT, including 225 staff overseas and 23 serving in Commonwealth external territories.

The overall ratio of female to male staff slightly increased in 2018–19. Women comprised 38 per cent of the workforce, a 0.6 per cent increase from 2017–18. The proportion of women in Senior Executive Service (SES) roles increased from 35.4 per cent to 36.5 per cent.

The natural attrition rate has been steadily increasing over the past four years; however, it remained low at 4.9 per cent overall, comprising:

- ▶ police officers—4.2 per cent
- ▶ protective service officers—3.3 per cent
- ▶ professional staff—6.2 per cent.

Further AFP staffing statistics are in Appendix C.



AFP members at a charity fitness event

Strategic workforce planning

People Strategy

In September 2018, the AFP launched its inaugural People Strategy 2018–2022. The new strategy is a commitment to improving the AFP working environment and a further step towards ensuring the organisation and its people are supported and future-ready. The strategy recognises that the AFP's greatest asset is its people and that the future of our workforce is clear—it will be multidisciplinary and diverse, and it will revolve around our capabilities and our partnerships.

The strategy creates alignment between existing AFP people-related strategies and provides an overarching narrative to develop a sustainable, engaged, high-performing and healthy workforce that works together to achieve the AFP's vision, policing for a safer Australia. The strategy is supported by integrated yearly action plans that align with functional business planning outcomes. To ensure accountability for the People Strategy objectives being met, the progress of actions is regularly monitored and is reported biannually to the AFP People Committee.

Figure 5.3 Six pillars of the AFP People Strategy 2018–2022



Job family model

The job family model and the skills and qualifications framework enable the AFP to better understand its workforce by identifying AFP job roles and their ascribed similar duties, technical skills, qualifications, training and licence/permit requirements. The AFP job family model is a three-tiered structure based on the job family, occupational group and job role. It was first introduced in 2016.

In 2018, as part of continuous improvement efforts, the AFP reviewed its job family model to better identify the types and numbers of roles required to deliver a sustainable and adaptable workforce in which the right person with the right skills is in the right role at the right time. The revised job family model structure was approved by the AFP People Committee in November 2018 and implemented across the AFP in December 2018.

Workforce security

The safety and security of AFP personnel is our priority as the AFP continues to operate in a heightened threat environment where the threat to police remains.

The Security branch's primary responsibilities are to:

- ▶ ensure the physical security of AFP buildings to prevent harm to AFP personnel and facilities
- ▶ protect the AFP's ICT systems
- ▶ maintain a robust personnel security vetting capability to meet the needs of the AFP and the Commonwealth
- ▶ enhance the security culture of the AFP through development and application of the security governance framework and an education and awareness capability.

In 2018–19, the Security branch actively contributed to the safety and security of our people by:

- ▶ continuing to enhance the physical security of key infrastructure
- ▶ continuing the development of a positive vetting capability
 - the AFP is now managing 15 per cent of its active PV clearances, with the target to manage 100 per cent of the PVs by December 2020
- ▶ enhancing security awareness training for AFP staff
 - delivery of awareness programs across all major AFP office locations within Australia and eight targeted security awareness campaigns delivered in a multifaceted approach inclusive of face-to-face and interactive online components
- ▶ reducing the risk of self-harm by improving controls around access to AFP firearms.

Employment arrangements and remuneration

Executive Level Enterprise Agreement

The AFP Executive Level Enterprise Agreement covers Executive Level employees. The 2016–2019 agreement expired on 1 February 2019, and negotiations for the *AFP Executive Level Enterprise Agreement 2019–2021* concluded in late 2018.

On 21 December 2018, a majority 'yes' vote of 93 per cent (174 votes) found in favour of a new enterprise agreement for Executive Level employees. Participation was high, with 81 per cent (188 votes) of eligible voters participating in the ballot.

The Fair Work Commission approved the agreement on 4 April 2019 and it came into operation on 11 April 2019. The agreement has a nominal expiry date of 11 April 2021.

Enterprise Agreement

The *AFP Enterprise Agreement 2017-2020* was approved by the Fair Work Commission on 19 May 2018 and it came into operation on 24 May 2018. The agreement has a nominal expiry date of 24 May 2021 and covers band 1 to 8 employees.

Australian Federal Police award modernisation

The AFP Enterprise Award 2016 was approved by the Fair Work Commission on 19 August 2016. This award determines the minimum standards to be provided in the AFP employment framework. This award was made separately from an industry award due to the unique nature of employment and duties at the AFP.

Senior Executive Service remuneration

All Senior Executive Service (SES) employees are engaged under an AFP SES contract. The *AFP Better practice guide on SES remuneration and performance* details and clarifies the provisions in the contract and their practical application.

The SES remuneration framework is increment based, and SES salaries are reviewed annually by the Commissioner. To be eligible for incremental advancement, an SES employee must have participated in an annual Charter of Performance and have received a rating of 'skilled' (or higher) over an entire 12-month period.

Following the annual performance cycle, advice on individual outcomes is supplied to the Deputy Commissioners and the Chief Operating Officer, who then provide recommendations to the Commissioner. Further details on AFP SES remuneration can be found at www.afp.gov.au/about-us/governance-and-accountability/executive-remuneration-and-other-highly-paid-staff-reporting.

Performance management

The 2018 AFP Staff Survey indicated less favourable responses from employees regarding performance management. In response to this feedback, in mid-2018 a resourced Performance Management Team was established within People Strategies.

Since its inception the team has assisted leaders to manage 65 cases of underperformance. Its work has ranged from advice and support to team leaders who are managing employees through an informal performance management process up to coordinating, facilitating and advising on complex performance management cases, often involving multiple stakeholders. This has resulted in:

- ▶ three members exiting the organisation
- ▶ 35 cases of performance improvement
- ▶ 27 cases currently outstanding and requiring various levels of support.

The Performance Management Team is working closely with the People Taskforce in developing an initial uplift of performance management skills and knowledge for the team leader cohort through the rollout of performance workshops. These workshops will provide a face-to-face forum where team leaders will be provided with the tools to link

performance and organisational outcomes, undertake meaningful and regular feedback sessions, identify and manage capability gaps or behaviour issues, understand the linkages between health and performance, and develop performance improvement plans. In addition, it will be an opportunity for team leaders to raise and discuss specific issues or challenges that they are facing. The Performance Management Team is also providing presentations at the Team Leader Development Program and other business-led forums.

Recruitment

The AFP's new recruitment system, MyCareer, was implemented in November 2018. The new system provides delegates, panel members and applicants with greater oversight and access to recruitment information. MyCareer has modernised and streamlined the AFP recruitment processes, with selection panels able to monitor the progress of recruitment requests and process gateways/correspondence through the MyCareer system.

Diversity and inclusion

During 2018-19, the Culture and Recognition branch implemented a number of initiatives to progress inclusive practices in the organisation. These initiatives included:

- ▶ introduction of 'Acknowledgement to Country' to the AFP's meeting protocols
- ▶ revision of the *Better practice guide on breastfeeding in the workplace*
- ▶ introduction of online cultural competency training for all staff
- ▶ introduction of inclusive language in better practice guides and policies
- ▶ introduction of a recognised Day of Diversity, celebrated nationally.



A diverse and inclusive workplace

The AFP continues to work closely with the peak governing bodies for major diversity groups and undertakes benchmarking exercises to review progress towards achieving the objectives and targets set out in the *AFP Cultural Reform—Diversity and Inclusion Strategy 2016–2026*.

The AFP continues to support five diversity networks:

- ▶ Malunggang Indigenous Officers Network
- ▶ Gay and Lesbian Liaison Officers Network
- ▶ AFP Ability Advisory Network
- ▶ National Women’s Advisory Network
- ▶ Culturally and Linguistically Diverse (CALD) Network.

The networks exist primarily to support their members and perform a vital role in providing input to strategies and initiatives that influence cultural change and inclusion in the workplace. Throughout 2018–19 the AFP’s networks initiated a number of major events that raised awareness and promoted diversity and inclusion in the workplace.

Disability reporting

The *National Disability Strategy 2010–2020* sets out the national policy framework to improve the lives of people with disability. The AFP will contribute to a high level and will develop two-yearly reports against the outcome areas of the strategy.

Work health, safety and rehabilitation

AFP Organisational Health has responsibility to all AFP staff for injury prevention, radiation safety, emergency procedures and injury management, with an emphasis on prevention, early access and rehabilitation to support enhanced law enforcement.

To ensure due diligence and compliance in accordance with the *Work Health and Safety Act 2011* (Cth) (WHS Act) and associated regulations, the Work Health, Safety and Rehabilitation team conducted 18 audits nationally.

The AFP was compliant with one national radiation inspection undertaken by the Australian Radiation Protection and Nuclear Safety Agency in accordance with the *Australian Radiation Protection and Nuclear Safety Act 1998* (Cth).

As per the WHS Act, the AFP maintained compliance with emergency management arrangements for fire warden training, evacuation exercises and inspections that were undertaken nationally.

During 2018–19, the AFP notified Comcare of 29 incidents under section 38 of the WHS Act. The AFP did not receive any provisional improvement notices. There was one formal investigation by Comcare. No notices were issued pursuant to Part 10 of the WHS Act.

Triage team

The AFP Organisational Health Triage Team, established in July 2017, provides a central point of contact for health-related advice to AFP members, former members and their families. The team gives members immediate referral, advice and action on their health issues. It comprises subject-matter experts, including a registered nurse, a mental health practitioner, a case manager and senior administrative staff, to assist with the complexities of health administration.

Since its inception, the triage team has assisted members and provided support and guidance on a range of services, including medical support and personal and workplace stress. In addition to supporting individuals, the team advises and guides supervisors on how they can support a member.

Support services

The AFP has an extensive range of support services available to AFP members and their families, and there has been a concerted effort to increase the presence of support services in regional and remote areas over the last year. Support services are provided by a range of skilled professionals including chaplains, social workers, psychologists, nurses and welfare officers.

This network of services provides support to members affected by stress of work or personal pressures and can help facilitate pathways to professional help or other forms of assistance where required.

Learning and development

The Learning and Development branch (L&D), part of the Workforce Development and Culture function, is responsible for the development, delivery, coordination and evaluation of training within the AFP. Our training is primarily conducted at the AFP College in Barton, ACT. L&D also facilitates training at the AFP Majura complex, AFP National Headquarters and all AFP state offices. This includes training for ACT Policing. The Jakarta Centre for Law Enforcement Cooperation (JCLEC), located in Semarang, Indonesia, is functionally aligned to L&D.

L&D is committed to building and maintaining an inclusive organisational learning culture that supports capability development in the AFP and across the broader law enforcement sector. This is achieved through the delivery of high-quality tailored training to meet both operational and corporate requirements, as well as through partnerships within the public and private sectors, including industry and academia.

The *AFP Learning Strategy* remains the guiding document for L&D activities. It outlines a principles-based approach to learning, including the premise that learning is critical for success. The Learning Strategy directly supports one of the key initiatives under the *People Strategy 2018-2022*—‘a learning organisation’—and also informs major projects within the People Taskforce.

Recruit training

In 2018-19, the AFP graduated nine recruit/transition programs, totalling 203 graduates. Included in this number were 103 police graduates, 22 members who transitioned from protective service officers to sworn police, and 78 protective security officer graduates. The new police members deployed to the ACT and various national roles, as did the members who were part of the transition program. The new protective service officers deployed to various locations within Australia.



The 26th Governor-General, Peter Cosgrove presenting at an AFP recruit graduation ceremony for the Federal Police Development Program

Training delivery and support

During 2018-19, AFP staff undertook 1269 training activities across the country. This training covered all aspects of the AFP's functions, including a range of flagship products. One of these flagship products is the Management of Serious Crime Program (MOSC) and its derivatives: the International MOSC (IMOSC) hosted at JCLEC, and the Commonwealth Agencies MOSC Program. In 2018-19, the AFP delivered the 15th IMOSC at JCLEC in Semarang and the second Commonwealth Agencies MOSC.



IMOSC course delivered at Jakarta, Indonesia

L&D delivers the Team Leader Development Program (TLDP) to both emerging and current team leaders in the AFP. The TLDP remains one of L&D's most popular programs. It is delivered using a diverse range of methodologies including discussion, an executive leadership panel, action learning centres, reflective practice writing, online learning, simulated training and a project in the workplace. In 2018-19, the TLDP was delivered to 117 members, including all the sergeants promoted in the current financial year, and a flexible and specific program for part-time employees.

The AFP prioritised leadership training during this reporting period. In addition to the TLDP, a new Criminal Investigations course for Superintendent-level members was developed and delivered. A new team leader program for more experienced team leaders will be piloted in the second half of 2019. L&D, in consultation with the AIPM, delivered the 12-month Future Leaders Program for newly promoted EL2/Superintendent-level members. Since its inception in the 2017-18 financial year, it has been delivered to 47 members and has become a benchmark program. During 2018-19, L&D, in collaboration with the new AFP Leadership Centre, also administered a suite of bespoke ‘Leadership Uplift’ programs designed to complement existing leadership training.

The Detective Training Program (DTP) has further evolved its blended delivery model, which now includes online learning, the Investigative Interviewing Program, two residential phases, an assessment centre and on-the-job training in the workplace.

The DTP also provides a range of simulated and experiential learning activities to test the investigative mindset of investigators, challenge their decision-making and ensure they are role models in investigative teams. The first Stage One DTP was delivered at the Sydney Airport Office in August 2018. This flexible approach to delivery increases the opportunities for regionally-based AFP members. L&D is exploring options to deliver the DTP to other state-based offices in 2019. In addition to the DTP, the Investigators Development Continuum was strengthened during 2018-19 by the additions of cyber, counter-terrorism, fraud and victim-based crime specialisations.

Interagency training support

L&D continues to support the delivery of the Australian Border Force Investigations Program at the AFP College by awarding a Certificate IV in Government Investigations—one of eight national qualifications the AFP can award as the only registered training organisation in the Home Affairs portfolio. In 2018-19, the AFP awarded 19 Certificate IV Government Investigations qualifications. This qualification continues to be highly valued, with several agencies requesting delivery during the reporting period. It further enhances the AFP's reputation as a leader in developing and delivering training in the field of investigations. The AFP continues to work with its intelligence agency partners to jointly deliver critical intelligence training. This training enhances the capability and capacity of the AFP and its partners.

L&D continued to provide support to international partners through the delivery of high-quality training programs. This support was highlighted in March 2019, when expert L&D members travelled to Singapore to assist the Singapore Police Force to develop the governance, training package and related strategies required to introduce digitally recorded interviews.

Technology Enhanced Learning

The Technology Enhanced Learning team was created in mid 2018 with a focus on the enhancement of innovative learning solutions within L&D, including the development and integration of learning methods such as gamification, virtual reality, augmented reality, and technology-supported immersion simulation training. In October 2018, the team delivered a successful pilot to Recruit Training in the form of a gamified search warrant training tool utilising video game mechanics to achieve a statistically valid improvement to the confidence and skills of recruits. The team has also recently acquired a mobile technology platform which will deliver a mobile option to support L&D's current immersive simulation training capability. This platform can be used to create a high-fidelity environment where participants make decisions and solve problems in real time.

Investigations Standards and Practice

The Investigations Standards and Practice (ISP) team develops standards, better practice guides and instructional material for investigators, promoting national consistency and excellence in investigations. In 2018-19, ISP produced planning documentation for investigators, including the search warrant better practice guide and

the short form investigation plan. ISP continues to work on practice issues, in particular managing investigations more effectively and efficiently and dealing with disclosure.

ISP has matured its investigative audit and review model, building investigative capability by gathering data and reporting regularly on lessons learned from AFP investigations and trial outcomes. ISP also continued to build a suite of materials which support the professional development of AFP members. ISP professional development sessions are facilitated in the workplace by the Regional Investigative Advisors (RIAs). The RIAs provide real-time support to investigators in the regional offices and provide input to the Investigators Toolkit, promoting national consistency and best practice. They also conduct thematic reviews of investigative practice to identify individual and organisational learnings. In 2018-19, over 67 formal professional development sessions were delivered or facilitated by the RIAs. The sessions covered topics as diverse as search warrant execution, interviewing and desktop scenarios.

Operational Safety Practice

The Operational Safety Practice (OSP) team coordinates, delivers, evaluates and manages the various curricula for a number of training programs, to ensure the AFP meets its obligations under the AFP Commissioner's order on operational safety. OSP is also responsible for coordinating and training the AFP's many part-time operational safety trainers, who supplement the L&D workforce to deliver operational safety training for sworn members. In 2018-19, the AFP delivered 563 operational safety assessments. OSP also contributes to national bodies including the Australia New Zealand Policing Advisory Agency and the Australia-New Zealand Counter-Terrorism Committee.



Participants at public order management training

Financial management

Procurement

The AFP applies the Commonwealth Procurement Rules when procuring goods and services, including consultancies. The rules are applied to activities through the Commissioner's Financial Instructions with supporting guidelines.

The AFP has a centralised procurement and contracting team that actively promotes and focuses on compliance. In 2018–19, the AFP conducted a number of tender processes, including for a capability support services panel, an information discovery application solution, law enforcement equipment, canine supplies, and equipment for the Forensics team.

Information on the value of contracts, including consultancies, is available at www.tenders.gov.au. The Senate Order on departmental and agency contracts is available on the AFP's website via a link to AusTender.

In 2018–19, the AFP entered into six contracts of \$100 000 or more which did not provide for the Auditor-General to have access to the contractor's premises. These contracts are detailed in Table 5.3.

Table 5.3 Contracts without Auditor-General access, 2018–19

Name of vendor	Purpose of contract	Value of contract	Reason
Cogent Energy Pty Ltd	Supply of electricity	\$117 822	The AFP accepted the vendor terms
Tru Energy Pty Ltd	Supply of electricity	\$223 456	The AFP accepted the vendor terms
Trustee for the BJM Canberra Trust	Provision of car parking	\$457 600	The AFP accepted the vendor terms
ERM Power Retail Pty Ltd	Supply of electricity	\$802 149	The AFP accepted the vendor terms
Brisbane Airport Corporation Pty Ltd	Supply of electricity	\$122 333	The AFP accepted the vendor terms
Electricity Generation and Retail Corp	Supply of electricity	\$141 745	The AFP accepted the vendor terms

Consultancies

During 2018–19, 37 new consultancy contracts were entered into involving total actual expenditure of \$1.65 million. In addition, 17 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$0.369 million.

Table 5.4 Number of and expenditure on consultants, 2018–19

	Total
No. of new contracts entered into during the period	37
Total actual expenditure during the period on new contracts (inc. GST)	\$1 652 921
No. of ongoing contracts engaging consultants that were entered into during a previous period	17
Total actual expenditure during the period on ongoing contracts (inc. GST)	\$369 598

Annual reports contain information about actual expenditure on contracts for consultancies; information on the value of individual contracts and consultancies is available on the AusTender website.

Prior to engaging consultants, the AFP takes into account the skills and resources required for the task, the skills available internally and the cost-effectiveness of engaging external expertise. The decisions to engage consultants were made in accordance with the PGPA Act, Commonwealth Procurement Rules and relevant internal policies.

Exempt contracts

During 2018–19, the AFP did not publish on AusTender the details of 40 contracts, with a total value of \$24 133 521, as the details would disclose exempt matters under the FOI Act.

Procurement initiative to support small business

The AFP supports small business participation in the Australian Government procurement market. Small and medium enterprises and small enterprise participation statistics are available on the Department of Finance's website at www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts.

The AFP's procurement practices support small business enterprises by promoting, where possible, use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200 000, encouraging the use of credit card payments for procurements valued under \$10 000 and setting the default terms of payment for small business through the accounts payable system to seven calendar days.

The AFP recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Department of Employment, Skills, Small and Family Business website, www.employment.gov.au/pay-time-survey-results.

Discretionary grants

Information on grants that the AFP awarded during the period 1 July 2018 to 30 June 2019 is available at www.grants.gov.au.

6 Financial statements





INDEPENDENT AUDITOR'S REPORT

To the Minister for Home Affairs

Opinion

In my opinion, the financial statements of the Australian Federal Police ('the Entity') for the year ended 30 June 2019:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2019 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following statements as at 30 June 2019 and for the year then ended:

- Statement by the Commissioner and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The Accountable Authority is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2019 but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Commissioner is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Commissioner is also responsible for such internal control as the Commissioner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commissioner is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Clea Lewis

Executive Director

Delegate of the Auditor-General

Canberra

11 October 2019

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Statement by the Commissioner and the Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2019 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Federal Police (AFP) will be able to pay its debts as and when they fall due.

Reece P Kershaw APM
Commissioner

11 October 2019

Darren Box
Chief Financial Officer

11 October 2019

Primary statements

Statement of comprehensive income

for the period ended 30 June 2019

	Notes	Actual 2019 \$'000	Actual 2018 ¹ \$'000	Original Budget ² \$'000	Variance ³ \$'000
NET COST OF SERVICES					
Expenses					
Employee benefits	1.1A	924,083	880,036	882,994	41,089
Suppliers	1.1B	475,338	463,594	452,983	22,355
Depreciation and amortisation	2.2A	93,459	83,819	109,543	(16,084)
Finance costs		565	541	-	565
Write-down and impairment of other assets	1.1C	8,593	2,743	-	8,593
Grants		3,197	1,679	-	3,197
Other expenses		910	837	-	910
Total expenses		1,506,145	1,433,249	1,445,520	60,625
Own-source income					
Own-source revenue					
Sale of goods and rendering of services		284,066	273,693	282,446	1,620
Other revenue		1,514	1,361	241	1,273
Total own-source revenue	1.2A	285,580	275,054	282,687	2,893
Gains					
Resources received free of charge	1.2B	6,114	5,916	5,555	559
Gains from sale of assets	1.2B	952	900	-	952
Other gains	1.2B	797	3,241	-	797
Total gains		7,863	10,057	5,555	2,308
Total own-source income		293,443	285,111	288,242	5,201
Net cost of services					
Revenue from government					
Deficit attributable to the Australian Government	4.1A	(1,212,702)	(1,148,138)	(1,157,278)	(55,424)
		1,103,344	1,016,001	1,051,233	52,111
		(109,358)	(132,137)	(106,045)	(3,313)
Other comprehensive income					
Items not subject to subsequent reclassification to net cost of services					
Revaluation of property, plant and equipment ⁴		-	717	-	-
Items subject to subsequent reclassification to net cost of services					
Total other comprehensive income		-	717	-	-
Total comprehensive loss attributable to the Australian Government		(109,358)	(131,420)	(106,045)	(3,313)

The above statement should be read in conjunction with the accompanying notes.

¹ Adjusted 2017-18 figures. Refer to Note 3.4.

² The original budget is from the 2018-19 Portfolio Budget Statement (PBS) (unaudited).

³ The variance between the actual and original budgeted amount for 2018-19. Explanation of major variances are presented in Note 5.1.

⁴ Amounts impacting the revaluation reserve in the prior year reflect timing delays in processing entries for 30 June 2017.

Primary statements

Statement of financial position

as at 30 June 2019		Actual 2019 \$'000	Actual 2018 ¹ \$'000	Original Budget ² \$'000	Variance ³ \$'000
	Notes				
ASSETS					
Financial assets					
Cash and cash equivalents	2.1A	21,467	15,595	8,701	12,766
Trade and other receivables	2.1B	287,315	279,463	224,564	62,751
Accrued revenue		5,570	6,421	5,070	500
Total financial assets		314,352	301,479	238,335	76,017
Non-financial assets					
Land and buildings	2.2A	364,372	336,469	390,246	(25,874)
Property, plant and equipment	2.2A	180,014	217,839	160,800	19,214
Intangibles	2.2A	82,083	63,808	91,362	(9,279)
Inventories		6,399	6,092	5,653	746
Prepayments		29,478	23,980	24,297	5,181
Total non-financial assets		662,346	648,188	672,358	(10,012)
Total assets		976,698	949,667	910,693	66,005
LIABILITIES					
Payables					
Suppliers	2.3A	100,927	120,655	70,847	30,080
Other payables	2.3B	18,586	26,134	18,433	153
Total payables		119,513	146,789	89,280	30,233
Provisions					
Employee provisions	3.1	397,594	363,535	303,747	93,847
Other provisions	2.4	31,499	31,425	32,563	(1,064)
Total provisions		429,093	394,960	336,310	92,783
Total liabilities		548,606	541,749	425,590	123,016
Net assets		428,092	407,918	485,103	(57,011)
EQUITY					
Contributed equity		1,330,782	1,201,250	1,317,784	12,998
Reserves		124,471	124,471	123,754	717
Accumulated deficit		(1,027,161)	(917,803)	(956,435)	(70,726)
Total equity		428,092	407,918	485,103	(57,011)

The above statement should be read in conjunction with the accompanying notes.

¹ Adjusted 2017-18 figures. Refer to Note 3.4.

² The original budget is from the 2018-19 Portfolio Budget Statement (PBS) (unaudited).

³ The variance between the actual and original budgeted amount for 2018-19. Explanation of major variances are presented in Note 5.1.

Primary statements

Statement of changes in equity

for the year ended 30 June 2019

	Actual 2019 \$'000	Actual 2018 ¹ \$'000	Original Budget ² \$'000	Variance ³ \$'000
CONTRIBUTED EQUITY				
Opening balance carried forward from previous period	1,201,250	1,055,504	1,188,932	12,318
Transactions with owners				
<i>Distributions to owners</i>				
Returns of contributed equity	-	(4,091)	-	-
<i>Contributions by owners</i>				
Equity injection - appropriations	70,909	75,323	70,229	680
Departmental capital budget	58,623	74,514	58,623	-
Total transactions with owners	129,532	145,746	128,852	680
Closing balance as at 30 June	1,330,782	1,201,250	1,317,784	12,998
RETAINED EARNINGS				
Opening balance				
Opening balance carried forward from previous period	(917,803)	(747,156)	-	-
Adjustment for prior year restatement	-	(38,510)	-	-
Adjusted opening balance	(917,803)	(785,666)	(850,390)	(67,413)
Comprehensive income				
(Deficit) for the period	(109,358)	(132,137)	(106,045)	(3,313)
Total comprehensive income	(109,358)	(132,137)	(106,045)	(3,313)
Closing balance as at 30 June	(1,027,161)	(917,803)	(956,435)	(70,726)
ASSET REVALUATION RESERVE				
Opening balance carried forward from previous period	124,471	123,754	123,754	717
Comprehensive income				
Other comprehensive income	-	717	-	-
Total comprehensive income	-	717	-	-
Closing balance as at 30 June	124,471	124,471	123,754	717
TOTAL EQUITY	428,092	407,918	485,103	(57,011)

The above statement should be read in conjunction with the accompanying notes.

¹ Adjusted 2017-18 figures. Refer to Note 3.4.

² The original budget is from the 2018-19 Portfolio Budget Statement (PBS) (unaudited).

³ The variance between the actual and original budgeted amount for 2018-19. Explanation of major variances are presented in Note 5.1.

Accounting policyEquity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Primary statements

Cash flow statement

for the period ended 30 June 2019		Actual	Actual	Original	
Notes	2019	2018	Budget ¹	Variance ²	
	\$'000	\$'000	\$'000	\$'000	
Operating activities					
<i>Cash received</i>					
Appropriations	1,403,641	1,300,468	1,299,503	104,138	
Sales of goods and rendering of services	285,884	274,304	280,975	4,909	
Net GST received	37,532	41,416	33,264	4,268	
Other	2,588	31,551	241	2,347	
Total cash received	1,729,645	1,647,739	1,613,983	115,662	
<i>Cash used</i>					
Employees	904,083	872,232	878,911	25,172	
Suppliers	517,036	487,480	450,840	66,196	
Section 74 receipts transferred to Official public account (OPA)	285,403	286,747	280,734	4,669	
Grant payments	3,197	1,679	-	3,197	
Total cash used	1,709,719	1,648,138	1,610,485	99,234	
Net cash from/ (used by) operating activities	19,926	(399)	3,498	16,428	
Investing activities					
<i>Cash received</i>					
Proceeds from sale of property, plant and equipment	1,119	957	-	1,119	
Total cash received	1,119	957	-	1,119	
<i>Cash used</i>					
Purchase of property, plant and equipment	26,675	100,107	154,262	(127,587)	
Purchase of land and buildings	67,341	24,443	-	67,341	
Purchase of intangibles	30,148	34,461	-	30,148	
Total cash used	124,164	159,011	154,262	(30,098)	
Net cash (used by) investing activities	(123,045)	(158,054)	(154,262)	31,217	
Financing activities					
<i>Cash received</i>					
Contributed equity	59,136	98,241	150,764	(91,628)	
Departmental capital budget funding	49,855	58,105	-	49,855	
Total cash received	108,991	156,346	150,764	(41,773)	
Net cash from financing activities	108,991	156,346	150,764	(41,773)	
Net increase in cash held	5,872	(2,107)	-	5,872	
Cash and cash equivalents at the beginning of the period	15,595	17,702	8,701	6,894	
Cash and cash equivalents at the end of the period	21,467	15,595	8,701	12,766	2.1A

The above statement should be read in conjunction with the accompanying notes.

¹ The original budget is from the 2018-19 Portfolio Budget Statement (PBS) (unaudited).

² The variance between the actual and original budgeted amount for 2018-19. Explanation of major variances are presented in Note 5.1.

Administered primary schedules

Administered schedule of comprehensive income

for the year ended 30 June 2019		Actual	Actual	Original	
	2019	2018	Budget ¹	Variance	
	\$'000	\$'000	\$'000	\$'000	
NET COST OF SERVICES					
Expenses					
Consultants and contractors	250	212	-	-	
General and office	2,818	766	-	-	
Grants	-	293	-	-	
Impairment loss on financial instruments	17	-	-	-	
Infrastructure for other jurisdictions	750	750	-	-	
Operational expenses	130	212	-	-	
Police equipment for other jurisdictions ²	3,347	10,549	-	-	
Training	5,891	2,153	-	-	
Travel	1,263	1,138	-	-	
Total expenses	14,466	16,073	11,735	2,731	
Income					
Non-taxation revenue					
Court fees, fines and penalties	193	331	-	-	
Exhibits and seizures	319	90	-	-	
Other income	7	4	-	-	
Total non-taxation revenue	519	425	-	519	
Net cost of services	13,947	15,648	11,735	2,212	
Total comprehensive deficit	(13,947)	(15,648)	(11,735)	(2,212)	

The above schedule should be read in conjunction with the accompanying notes.

¹ The original budget is from the 2018-19 Portfolio Budget Statement (PBS) (unaudited).

² Police equipment for other jurisdictions is for amounts gifted to international police jurisdictions which are not cost recovered.

Administered primary schedules

Administered schedule of assets and liabilities

as at 30 June 2019	Actual 2019 \$'000	Actual 2018 \$'000	Original Budget ¹ \$'000	Variance \$'000
ASSETS				
Financial assets				
Cash and cash equivalents	-	644	-	-
Receivable - GST from Australian Taxation Office	4	17	-	4
Receivable - Other	34	114	-	34
Receivable - court fees, fines and penalties	1,343	1,370	113	1,230
Less: impairment allowance (court fees, fines and penalties)	(1,307)	(1,290)	-	(1,307)
Total financial assets	74	855	113	(39)
Non-financial assets				
Prepayments	-	112	-	-
Total non-financial assets	-	112	-	-
Total assets administered on behalf of government	74	967	113	(39)
Liabilities				
Payables				
Suppliers ²	572	1,310	463	109
Other payables	565	-	-	565
Total liabilities administered on behalf of government	1,137	1,310	463	674
Net liabilities	(1,063)	(343)	(350)	(713)

The above schedule should be read in conjunction with the accompanying notes. All assets and liabilities are related to Outcome 1.

¹ The original budget is from the 2018-19 Portfolio Budget Statement (PBS) (unaudited).

² Settlement is usually made within 7 days.

Administered reconciliation schedule

for the year ended 30 June 2019	Actual 2019 \$'000	Actual 2018 \$'000
Opening net liabilities as at 1 July	(343)	(986)
Net cost of services		
Income	519	425
Expenses	(14,466)	(16,073)
Total net cost of services	(13,947)	(15,648)
Transfers (to)/from Australian Government		
Appropriation transfers through OPA:		
Annual appropriations	15,387	20,318
Transfers to OPA	(2,160)	(4,028)
Total transfers (to)/from Australian Government	13,227	16,290
Closing net liabilities as at 30 June	(1,063)	(343)

The above schedule should be read in conjunction with the accompanying notes.

Administered primary schedules

Administered cash flow statement

for the year ended 30 June 2019	Actual 2019 \$'000	Actual 2018 \$'000	Original Budget ¹ \$'000	Variance \$'000
Operating activities				
<i>Cash received</i>				
Court fees, fines and penalties	898	244	-	898
Exhibits and seizures	319	90	-	319
Other - income	7	4	-	7
Net GST received	288	-	13	275
Total cash received	1,512	338	13	1,499
<i>Cash used</i>				
Suppliers	15,107	15,973	11,845	3,262
GST paid	275	11	13	262
Total cash used	15,382	15,984	11,858	3,524
Net cash flows from / (used by) operating activities	(13,870)	(15,646)	(11,845)	(2,025)
Net (decrease) in cash held by the Commonwealth	(13,870)	(15,646)	(11,845)	(2,025)
Cash at the beginning of the reporting period	644	-	-	644
<i>Cash from Official Public Account</i>				
Appropriations	15,387	20,318	11,845	3,542
<i>Cash to Official Public Account</i>				
Appropriations	(2,159)	(4,024)	-	(2,159)
GST	(1)	(4)	-	(1)
Cash at the end of the reporting period	-	644	-	-

The above schedule should be read in conjunction with accompanying notes. All assets and liabilities are related to Outcome 1.

¹ The original budget is from the 2018-19 Portfolio Budget Statement (PBS) (unaudited). The budget statement information has been reclassified and presented on a consistent basis with the corresponding financial statement.

Overview

Objectives of the Australian Federal Police

The AFP is an Australian Government controlled not-for-profit entity. As Australia's national policing agency, the AFP is a key member of the Australian law enforcement and national security community, leading policing efforts to keep Australians and Australian interests safe, both at home and overseas. This is delivered through the following outcomes:

Outcome 1: Reduced criminal and security threats to Australia's collective economic and societal interests through cooperative policing services

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government

The continued existence of the AFP in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the entity's administration and programs.

AFP's activities contributing toward these outcomes are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the entity in its own right.

Administered activities involve the management or oversight by the entity, on behalf of the Government, of items controlled or incurred by the Government. AFP conducts administered activities on behalf of the Government supporting the objectives of Outcome 1, including international programs.

Basis of preparation of the financial statements

The financial statements are general-purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- *Public Governance Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*; and
- Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FRR, assets and liabilities are recognised in the statement of financial position when and only when it is probable that future economic benefits will flow to the AFP or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the statement of comprehensive income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Significant accounting judgements and estimates

The AFP has made estimates and judgements with respect to the methods used to assess the fair value of assets and the calculation of employee provisions. All assets and liabilities are held at fair value. These estimates and judgements are outlined at the relevant note.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting period.

Overview (con't)

New Australian Accounting Standards

Adoption of new Australian Accounting Standards requirements

All new and revised standards and interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on the AFP's financial statements.

No accounting standard has been adopted earlier than the application date as stated in the standard.

AASB 9 Financial Instruments was effective 1 July 2018. Receivables that were previously classified as *loans and receivables* under AASB 139 are now classified as *Amortised Cost* under AASB 9. There was no remeasurement impact upon application of the new standard.

Taxation

The AFP is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST).

Revenues, expenses, assets and liabilities are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

Reporting of administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards. Administered items are presented on shaded blue background.

Administered cash transfers to and from the Official Public Account

Revenue collected by the AFP for use by the government rather than the AFP is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under parliamentary appropriation on behalf of the government. These transfers to and from the OPA are adjustments to the administered cash held by the AFP on behalf of the government and reported as such in the administered cash flow statement and in the administered reconciliation schedule.

Events after the reporting period

Departmental

No significant events have occurred since the reporting date requiring disclosure in the financial statements.

Administered

No significant events have occurred since the reporting date requiring disclosure in the financial statements.

Notes to and forming part of the financial statements

Note 1.1: Expenses**Note 1.1A: Employee benefits expense**

	2019 \$'000	2018 ¹ \$'000
Wages and salaries	621,508	608,365
Superannuation:		
Defined contribution plans	56,682	51,823
Defined benefit plans	65,482	68,494
Leave and other entitlements	165,320	131,944
Separation and redundancies	2,685	7,924
Other employee expenses	12,406	11,486
Total employee benefits expense	924,083	880,036

¹ Adjusted 2017-18 figures. Refer to Note 3.4.**Note 1.1A: Accounting policy**

The AFP's employees are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or a nominated superannuation fund. The CSS and PSS are defined benefit plans for the Australian Government. All other superannuation funds are accumulation plans.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes. The AFP makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the government. The AFP accounts for the contributions as if they were contributions to defined contribution plans.

Note 1.1B: Supplier expenses

	2019 \$'000	2018 \$'000
Supplier expenses – goods and services		
Operational	50,759	44,969
Consultant and contractor services	52,787	58,756
Staff and recruitment	45,176	41,653
Communications and IT	53,639	48,630
Building and accommodation	38,619	40,172
Travel	36,761	37,847
General and office	26,845	29,003
Training	11,924	13,466
Vehicle expenses	2,761	2,751
Postage and freight	2,232	2,589
Total supplier expenses – goods and services	321,503	319,836

Notes to and forming part of the financial statements

Note 1.1: Expenses (cont.)**Note 1.1B: Supplier expenses (cont.)**

	2019 \$'000	2018 \$'000
Supplier expenses – other		
Operating lease rentals in connection with external parties:		
Minimum lease payments	110,740	105,579
Contingent rent expenses	327	251
Workers compensation expenses	42,757	37,924
Other supplier expenses	11	4
Total supplier expenses - other	153,835	143,758
Total supplier expenses	475,338	463,594

Note 1.1B: Accounting policy

Recognition and measurement of operating lease payments

Payments are expensed on the basis which is representative of the pattern of benefits derived from the leased assets. Lease incentives are recognised as other payables and amortised over the period of the lease on a straight line basis.

Leasing commitments*Operating lease commitments*

The AFP leases a number of properties and motor vehicles under operating leases. The majority of leases are in their initial term, with an option to renew after that date. Property lease payments increase annually in accordance with the relevant lease agreement, which is either fixed rate or CPI.

	2019 \$'000	2018 \$'000
As at 30 June, the future minimum lease payments under non-cancellable leases were as follows:		
Less than one year	110,019	99,248
Between one and five years	288,187	293,378
More than five years	117,351	166,491
Total operating lease commitments	515,557	559,117

Note 1.1C: Write-down and impairment of assets

	2019 \$'000	2018 \$'000
Impairment from trade and other receivables	264	77
Impairment of buildings	728	1,473
Impairment of property, plant and equipment ¹	6,806	506
Impairment of intangibles	795	687
Total write-down and impairment of assets	8,593	2,743

¹ Includes adjustment to asset thresholds of \$6.274m as at 30 June 2019.**Note 1.1D: Regulatory charging summary**

The AFP undertakes national police checks that are cost-recovered, as outlined in Schedule 2 of the *Australian Federal Police Regulations 1979*. Expenses and income associated with this activity is outlined below.

	2019 \$'000	2018 \$'000
Expenses – departmental	20,223	19,305
Revenue – departmental	26,838	25,912

Notes to and forming part of the financial statements

Note 1.2: Own-source revenue and gains**Note 1.2A: Revenue**

	2019 \$'000	2018 \$'000
Sale of goods	104	39
Rendering of services:		
Police services	240,832	232,643
Other services	43,130	41,011
Other revenue	1,514	1,361
Total revenue	285,580	275,054

Note 1.2A: Accounting policy

Revenue from the rendering of services is recognised by reference to the stage of completion of contracts at the reporting date.

The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to the AFP.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Note 1.2B: Gains

	2019 \$'000	2018 \$'000
Resources received free of charge	6,114	5,916
Sales of assets:		
Proceeds from sales of assets	1,119	957
Carrying value of assets sold	(167)	(57)
Other gains	797	3,241
Total gains	7,863	10,057

Note 1.2B: Accounting policyResources Received Free of Charge

Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge includes Australian National Audit Office audit fees of \$0.255m (2018: \$0.245m) for AFP's financial statements and \$5.859m (2018: \$5.624m) for ACT Policing facilities and legal services received free of charge from the ACT Government.

Contributions of assets at no cost of acquisition, or for nominal consideration, are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another government entity as a consequence of a restructuring of administrative arrangements.

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

Notes to and forming part of the financial statements

Note 2.1: Financial assets**Note 2.1A: Cash and cash equivalents**

	2019 \$'000	2018 \$'000
Cash in special accounts	3,494	4,655
Cash on hand	101	99
Cash at bank	11,372	10,841
Cash - held by the OPA ¹	6,500	-
Total cash and cash equivalents	21,467	15,595

¹ Special account funds held by the OPA are now reported as cash rather than appropriation receivable.

The closing balance of Cash in special accounts does not include amounts held in trust : \$43.088m in 2019 and \$39.549m in 2018. See note 4.3 Special Accounts for more information.

Note 2.1B: Trade and other receivables

	2019 \$'000	2018 \$'000
Goods and services receivable		
- goods and services receivable	11,920	16,857
Total goods and services receivables	11,920	16,857
Appropriation receivable		
- for ordinary services	193,094	201,487
- for equity projects	67,583	47,043
- for special accounts ¹		6,500
Total appropriations receivables	260,677	255,030
Other receivables		
- GST receivable from the Australian Taxation Office	5,155	7,686
- Comcare	9,506	374
- other	823	66
Total other receivables	15,484	8,126
Total trade and other receivables (gross)	288,081	280,013
Less impairment loss allowance	(766)	(550)
Total trade and other receivables (net)	287,315	279,463

¹ Special account funds held by the OPA are now reported as cash rather than appropriation receivable.

Note 2.1B: Accounting policy

All trade receivables are expected to be recovered in less than 12 months. Credit terms for goods and services are 30 days (2018: 30 days). Receivables are held for the purpose of collecting contractual cash flows and measured at amortised cost using the effective interest method adjusted for any loss allowance.

Financial assets are assessed for impairment at the end of each reporting period based on *Expected Credit Losses*, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses.

Note 2.2: Non-financial assets

Note 2.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land \$'000	Buildings \$'000	Leasehold improve- ments \$'000	Total land and buildings \$'000	Other property, plant and equipment \$'000	Intangible assets - computer software \$'000	Total non- financial assets \$'000
As at 1 July 2018							
Gross book value	2,400	138,100	229,362	369,862	258,349	138,976	767,187
Accumulated depreciation and amortisation	-	(4,860)	(28,533)	(33,393)	(40,510)	(75,168)	(149,071)
Net book value, 1 July 2018	2,400	133,240	200,829	336,469	217,839	63,808	618,116
Additions:							
Purchased or internally developed	-	3,672	35,900	39,572	42,017	28,639	110,228
Assets not previously recognised	-	-	-	-	34	46	80
Revaluations recognised in other comprehensive income	-	-	-	-	-	-	-
Write-down and impairment recognised in net cost of services ¹	-	(537)	(191)	(728)	(6,806)	(795)	(8,329)
Depreciation/amortisation	-	(5,004)	(33,511)	(38,515)	(45,172)	(9,772)	(93,459)
Reclassifications	-	12,167	15,407	27,574	(27,731)	157	-
Disposals:							
Other	-	-	-	-	(167)	-	(167)
Net book value, 30 June 2019	2,400	143,538	218,434	364,372	180,014	82,083	626,469
Net book value as of 30 June 2019 represented by:							
Gross book value	2,400	153,388	280,392	436,180	255,649	160,793	852,622
Accumulated depreciation and amortisation	-	(9,850)	(61,958)	(71,808)	(75,635)	(78,710)	(226,153)
Net book value, 30 June 2019	2,400	143,538	218,434	364,372	180,014	82,083	626,469

¹ Includes adjustment to asset thresholds of \$6.274m as at 30 June 2019.

The carrying amount of computer software included purchase of software of \$31.8m and internally generated software of \$50.1m.

Capital commitments

The AFP has entered into contracts to purchase equipment, intangibles, leasehold fit-outs and buildings that are currently under construction. Some contracts contain a termination clause as part of the contract, the value of these contracts for 2019: \$35.041m (2018:\$29.607m). At 30 June, the AFP intends to fully exercise these contracts.

	2019 \$'000	2018 \$'000
As at 30 June, the future minimum payments under non-cancellable contracts were:		
Less than one year	38,186	42,737
Between one and five years	6,976	1,548
More than five years	-	-
Total capital commitments	45,162	44,285

Note 2.2B: Accounting policy

Assets under construction (AUC)

AUC are included in all asset classes in Note 2.2A except for Land. Assets under construction (AUC) are initially recorded at acquisition cost. They include expenditure to date on various capital projects carried as AUC. AUC projects are reviewed annually for indicators of impairment and all AUC older than 12 months at reporting date is externally revalued to fair value. Prior to rollout into service, the accumulated AUC balance is reviewed to ensure accurate capitalisation of built and purchased assets.

Note 2.2: Non-financial assets (con't)

Note 2.2B: Accounting policy (con't)

Make good

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to make good provisions in property leases taken up by the AFP where there exists an obligation to restore the property to its original condition. These costs are included in the value of the AFP's leasehold improvements with a corresponding provision for the make good recognised.

Asset recognition thresholds

Assets are recorded at cost on acquisition, except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Asset class	Threshold
Land and buildings	\$5,000
Property, plant and equipment	\$2,000 - \$5,000
Intangibles - purchased	\$10,000
Intangibles - internally developed	\$25,000

All asset purchases below these thresholds are expensed in the year of acquisition. Where assets cost less than the threshold and form part of a group of similar items which are significant in total, they are recognised as assets. Asset thresholds for AFP (ex. APG and AIPM) have been updated to a capitalisation threshold of \$5,000 at 30 June 2019.

Revaluations

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The AFP has adopted a 3 year revaluation cycle. The AFP tests the valuation model as an internal management review at least once every 12 months to ensure there are no material differences. The last formal revaluation occurred at 30 June 2017.

Valuations were conducted by registered and independent valuers at 30 June 2017 by Australian Valuation Services. f Revaluations were conducted on all tangible assets, including those under construction.

The AFP tests the valuation model as an internal management review at least once every 12 months to ensure there are no material differences.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation surplus except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Key judgement

The valuation basis for each class of assets is as follows:

- land – fair value based on market value of similar properties
- buildings and leasehold improvements – depreciated replacement cost due to no active market for custom-built assets
- other property, plant and equipment – measured at market selling price for assets unless a market does not exist. In these circumstances depreciated replacement cost is applied.

Where possible, a market approach was used through examination of similar assets. Revaluations were conducted on the following basis:

Asset class	Valuation technique
Land	Market valuation
Buildings	Depreciation replacement cost
Leasehold improvements	Depreciation replacement cost
Property, plant & equipment	Depreciation replacement cost and market valuation

Note 2.2: Non-financial assets (con't)

Note 2.2B: Accounting policy (cont')

Impairment and derecognition

All assets were assessed for impairment at 30 June 2019. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount. Where assets were no longer used by the AFP, these have been written down during the financial year.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use.

The AFP's intangibles comprise of internally developed and externally acquired software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Depreciation and amortisation expense

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to AFP using the straight-line method of depreciation. Depreciation and amortisation rates have been applied to each class of asset based on the following useful lives:

Buildings on freehold land	10 to 40 years
Buildings on leasehold land	4 to 60 years
Leasehold improvements	15 years or lease term
Other property, plant and equipment	1 to 30 years
Software assets	2 to 20 years

Useful lives, residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future, reporting periods, as appropriate.

Software is amortised on a straight-line basis over its estimated useful life. The useful life of AFP's software is 2 to 20 years.

Inventories

Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition. Inventory held by the AFP includes uniforms and goods held for distribution.

Note 2.3: Payables

Note 2.3A: Supplier payables

	2019	2018
	\$'000	\$'000
Trade creditors and accruals	75,448	92,513
Operating lease rentals	25,479	28,142
Total supplier payable	100,927	120,655

Note 2.3B: Other payables

	2019	2018 ¹
	\$'000	\$'000
Wages and salaries	10,603	9,220
Superannuation	989	898
Separations and redundancies	-	3,301
Unearned income	6,967	12,697
Other payables	27	18
Total other payables	18,586	26,134

¹ Adjusted 2017-18 figures. Refer to Note 3.4 for the adjustment and accounting policy in relation to the overtime payable.

Note 2.3: Accounting policy

Recognition and measurement of supplier and other payables: payables are carried at the amount owing to parties for goods and services provided, which is usually the invoice amount. Settlement is usually made within 7 days (2018: 7 days).

Note 2.4: Other provisions

	Provision for restoration obligations	Provision for settlements	Provision for relocations	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018	24,188	3,500	3,737	31,425
Additional provisions made	606	-	2,827	3,433
Amounts used	-	-	(1,339)	(1,339)
Provisions not realised	(576)	-	(2,009)	(2,585)
Revaluation	-	-	-	-
Unwinding of discount	565	-	-	565
Total as at 30 June 2019	24,783	3,500	3,216	31,499

Note 2.4A: Accounting policy

Provisions

Provisions are recognised when the AFP has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the unwinding of the discount or change in the discount rates is recognised in the Statement of comprehensive income.

Provision for restoration obligations

The provision for restoration obligations relates to leased accommodation where the AFP is required to restore the premises upon termination of the lease. The original estimates for future costs associated with restoration obligations are determined by independent valuation and discounted to their present value. The original provisions are adjusted for changes in expected future cost and the discount rate.

The AFP has 43 (2018: 41) agreements for leases of premises which have provisions requiring the AFP to restore the premises to their original condition at the conclusion of the lease. The AFP has made a provision to reflect the present value of this obligation.

Provision for legal settlement

The AFP provision for legal settlements includes legal claims made against the AFP which the AFP believes it will have to settle.

Provision for relocations

Staff relocations are payments which staff are entitled to for relocating but are yet to fully claim.

Note 3.1: Employee provisions

	2019 \$'000	2018 ¹ \$'000
Leave	329,771	300,451
Underpayment of superannuation	58,622	55,094
Unpaid overtime	9,151	7,940
Other	50	50
Total employee provisions	397,594	363,535
Breakdown of employee provisions		
- amount of employee provisions expected to be settled in less than 12 months	157,339	142,657
- amount of employee provisions expected to be settled in more than 12 months	240,255	220,878
Total employee provisions	397,594	363,535

¹ Adjusted 2017-18 figures. Refer to Note 3.4 for the adjustment and accounting policy in relation to the superannuation provision and Note 4.4

Note 3.1: Accounting policy

Recognition and measurement of employee benefits

Employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if there is a present legal obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Leave

The leave liabilities are annual and long service leave. The liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the AFP's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

An actuary review is performed every 3 years. A formal actuarial review was conducted as at 30 June 2019.

Employee provision

Employee provisions due within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Employee provisions which are expected to be settled beyond 12 months (commonly long service leave), are discounted to present value using market yields on the 10-year government bond rate.

Superannuation

The AFP's employees are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or a nominated superannuation fund. The CSS and PSS are defined benefit plans for the Australian Government. All other superannuation funds are accumulation plans.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes. The AFP makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the government. The AFP accounts for the contributions as if they were contributions to defined contribution plans.

Key estimate:

Employee provisions which are expected to be settled beyond 12 months required management judgement and independent actuarial assessment of key assumptions, including, but not limited to:

- future salaries and wages increases;
- future on-cost rates; and
- period of service and attrition; and
- discounted to present value using market yields on 10 year government bonds.

Note 3.2: Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the AFP. The AFP has determined the key management personnel to be the members of the Executive Leadership Committee, including any member whom has acted for 30 days or more continuous. Key management personnel remuneration is reported in the table below. Included are those who have acted in any of the above mentioned roles deemed as key management personnel or who have departed prior to reporting date.

	2019 \$'000	2018 \$'000
Short-term employee benefits	2,463	2,811
Post-employment benefits	394	455
Other long-term employee benefits	64	290
Termination benefits	-	-
Total key management personnel remuneration expenses¹	2,921	3,556

The total number of key management personnel included in the above table is 9 including 2 acting in management positions (2018: 11 including 2 acting in management positions).

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

1 key management personnel is included in the Home Affairs KMP remuneration tables, and has been excluded from AFP figures to avoid duplication.

Note 3.3: Related Party Disclosures

The AFP is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel including the Portfolio Minister and Executive, and other Australian Government entities.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the AFP, it has been determined that there are no related party transactions to be separately disclosed.

Note 3.4: Prior year restatement

Provision

The prior period error relates to unpaid employee entitlements, primarily superannuation. An estimate of the associated cost has been recognised in the opening balances for 2017-18 to the extent applicable to earlier years.

	Reported 2017-18 \$'000	Correction \$'000	Restated 2017-18 \$'000
Employee Benefits expense	877,165	2,871	880,036
Employee Provision	322,154	41,381	363,535
Opening Equity	(747,156)	(38,510)	(785,666)
Closing Equity	(876,422)	(41,381)	(917,803)

The provision is based on management's assessment of the range of potential outcomes taking into account independent advice. The estimate is subject to uncertainty such that the final outcome may be lower or higher than the amount reported as at 30 June 2019, as there are several eligibility criteria to be assessed when unpaid entitlements are calculated for each affected employee.

Following clarification on inclusion of entitlements to superannuation previously disclosed as contingent liabilities, the provision has been increased from the error recognised in the prior year.

Note 4.1: Appropriations

Note 4.1A: Revenue from government

	2019 \$'000	2018 \$'000
Departmental appropriations	1,103,344	1,016,001
Total revenue from government	1,103,344	1,016,001

Note 4.1A: Accounting policy

Revenue from government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue from government when the AFP gains control of the appropriation, 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.

Note 4.1B: Annual and unspent appropriations

	2019 \$'000	2018 \$'000
Annual Appropriations		
Opening unspent appropriation balance	285,488	312,470
Annual appropriation - operating ¹	1,100,464	1,017,013
Annual appropriation - capital budget ²	58,623	74,514
Annual appropriation - equity injection	70,909	75,323
PGPA Act Section 74 receipts	281,947	286,747
Total appropriation available	1,797,431	1,766,067
Appropriation applied (current and prior years)	1,523,999	1,480,579
Closing unspent appropriation balance	273,432	285,488
Balance comprises appropriations as follows:		
Appropriation Act (No. 1) – Capital Budget (DCB) – Non Operating – 2015–16 ¹	-	7,076
Appropriation Act (No. 1) 2015–16 ¹	-	7,780
Appropriation Act (No. 2) 2015–16 ¹	-	7,000
Appropriation Act (No. 2) 2016–17	-	18,279
Appropriation Act (No. 4) 2016–17	-	1,500
Appropriation Act (No. 1) 2017–18 ¹	160	201,559
Appropriation Act (No. 1) – Capital Budget (DCB) – Non Operating – 2017–18 ¹	4,091	4,091
Appropriation Act (No. 2) – Equity Injection – 2017–18	8,881	14,038
Appropriation Act (No. 4) – Equity Injection – 2017–18	2,874	13,227
Appropriation Act (No. 1) 2018-19	140,895	-
Appropriation Act (No. 1) – Capital Budget (DCB) – Non Operating – 2018–19 ¹	8,768	-
Appropriation Act (No. 2) 2018-19	46,554	-
Appropriation Act (No. 3) 2018-19	49,231	-
Appropriation Act (No. 4) 2018-19	507	-
Appropriation – Cash on hand / at bank	11,471	10,938
Total unspent appropriation	273,432	285,488

All amounts are GST exclusive

1. The following amounts are included in unspent annual appropriations, as the amounts have not been formally reduced (by law). They have been reduced by permanent quarantine under section 51 of the PGPA Act which constitutes a permanent loss of control. They are included in this note, however do not form part of the appropriation receivable balance at note 2.1B.

- \$0.160m – Appropriation Act (No.1) 2017–18
- \$4.091m – Appropriation Act (No.1) Capital Budget (DCB) 2017–18

2. Departmental Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

3. The following prior year balances have lapsed:

- \$7.076m - Appropriation Act (No. 1 DCB) 2015-16
- \$7.780m - Appropriation Act (No. 1) 2015–16
- \$7.000m - Appropriation Act (No. 2) 2015–16

At 30 June 2019 the AFP recognised revenue and a receivable 'existing programs' at Note 2.1B of \$1.146m for a no win / no loss arrangement to cover additional FBT expense related to living away from home allowance and \$1.821m funding to be received in 2019-20, recognised in 2018-19. This met the formal recognition criteria under section 51 of the PGPA Act; however, as the appropriation had not been formally appropriated by law, it is not represented in this note (2018: receivable of \$0.088m).

Note 4.1C: Annual and unspent administered appropriations

	2019 \$'000	2018 \$'000
Opening unspent appropriation balance	4,423	4,612
Annual appropriation - operating ¹	15,958	16,077
Total available appropriation	20,381	20,689
Appropriation applied (current and prior years)	16,946	16,266
Closing unspent appropriation balance	3,435	4,423
Balance comprises appropriations as follows:		
Appropriation Act (No. 1) 2015–16	-	2,941
Appropriation Act (No. 1) 2016–17	-	383
Appropriation Act (No. 1) 2017–18	7	455
Appropriation Act (No. 1) 2018-19	395	-
Appropriation Act (No. 3) 2018-19	2,173	-
Appropriation – Cash on hand / at bank	860	644
Total unspent appropriation - ordinary annual services	3,435	4,423

All amounts are GST exclusive.

1. There have been no permanent reductions to current year appropriations however, during the prior year, appropriations were reduced (by permanent quarantine) due to decisions of government:

- \$0.007m – Administered Appropriation Act (No.1) 2017–18
- \$2.941m – Administered Appropriation Act (No.1) 2015–16
- \$0.383m – Administered Appropriation Act (No.1) 2016–17

Note 4.2: Net cash appropriation arrangements

From 2010–11, the government introduced net cash appropriation arrangements whereby revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are appropriated in the period when cash payment for capital expenditure is required.

	2019 \$'000	2018 \$'000
Total comprehensive income (loss) less depreciation/amortisation expenses ¹	(18,704)	(51,130)
Movement in revaluation reserve	-	717
Depreciation/amortisation expenses not funded through revenue appropriation ¹	(90,654)	(81,007)
Total comprehensive income (loss) - per the Statement of comprehensive income	(109,358)	(131,420)

1. The comprehensive income (loss) per the Statement of comprehensive income is (\$19.428m) (2018: (\$45.448m)). The depreciation/amortisation expense per the Statement of comprehensive income is \$93.459m (2018: \$83.819m). The amount presented above for these two items has been reduced by \$2.641m (2018: \$2.812m), representing the depreciation/amortisation expense funded by the ACT Government for Outcome 2.

Note 4.3: Special accounts

The AFP has one special account that contains the receipt of monies temporarily held in trust or otherwise for the benefit of a person other than the Commonwealth, for the payment of monies in connection with services performed on behalf of other governments and non-agency bodies and for expenditure related to providing secretariat support in relation to the detection and prevention of money laundering in the Asia-Pacific region and carrying out activities that are incidental to this purpose.

Services for other entities and trust moneys account (SOETM) ¹	2019 \$'000	2018 \$'000
Balance brought forward from previous year	50,706	64,104
Increases		
Appropriation credited to special account	2,921	1,490
Departmental receipts (AIPM ² and APG ³)	8,931	12,109
Other receipts	31,928	39,357
Total increases	43,780	52,956
Decreases		
Departmental payments (AIPM and APG)	(13,013)	(13,255)
Other payments	(28,389)	(53,099)
Total decreases	(41,402)	(66,354)
Balance carried to next year and represented by:	53,084	50,706
Cash – held by the agency	3,496	4,657
Cash – held by the agency on trust	43,088	39,549
Monies – held by the OPA	6,500	6,500
Total balance carried to the next year	53,084	50,706

All amounts are GST exclusive.

1. Appropriation: Public Governance, Performance and Accountability Act

Establishing Instrument: *Financial Management and Accountability (Establishment of Special Account for Australian Federal Police) Determination 2011/03*. Date established: 17 May 2011.

2. Accounting for the Australian Institute of Police Management (AIPM)

The purpose of the AIPM is to provide executive development and education services to Australasian police forces. The AIPM is hosted by the AFP. It also reports on its performance to a Board of Control that is comprised of police Commissioners from Australia and New Zealand.

3. Accounting for the Asia – Pacific Group (APG) on Money Laundering

The purpose of the APG on Money Laundering is to facilitate the adoption, implementation and enforcement of internationally accepted anti-money-laundering and anti-terrorist-financing standards. The APG is hosted by the AFP. It also reports on its performance to the members of the APG.

The AIPM and APG operate within the corporate governance framework of the AFP and the AFP's policies apply in all aspects of the AIPM and APG's functions. All staff members are staff members of the AFP. The AIPM is partly funded from AFP annual departmental appropriations. The AFP has effective control of the AIPM and APG and therefore AIPM and APG transactions are consolidated into the financial statements of the AFP.

AIPM and APG transactions are contained within the special account, 'Services for other entities and trust moneys account', in addition to being consolidated within the AFP financial statements. As a special account, AIPM and APG funds can only be used for the purpose specified.

Note 4.4: Contingent liabilities and contingent assets

Contingent liabilities and assets are not recognised in the Statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

The AFP has contingent liabilities in respect of legal claims. The amounts are still under negotiation, the remainder are unquantifiable at 30 June.

The AFP had no administered contingent liabilities or contingent assets at 30 June 2019 (2018: nil).

Unquantifiable contingencies

The AFP has unquantifiable contingencies in relation to a potential underpayment of employee costs resulting from interpretations of Enterprise Agreements and other employee arrangements. The quantum is indeterminate as the obligation is not considered probable.

If a matter prosecuted by the AFP is defended successfully, the court may order that the AFP meet certain costs incurred by the defence.

Any contingencies that may arise relating to compensation matters are covered by AFP's insurance providers Comcare and Comcover.

If a matter is being litigated by the AFP and assets are restrained under the *Proceeds of Crime Act 1987* or the *Proceeds of Crime Act 2002*, the AFP gives an undertaking against potential damages caused to the person(s) whose assets have been restrained. If the proceeds of crime action is unsuccessful, damages may be awarded against the AFP. In addition, cost orders may be made against the AFP if a proceeds of crime action is unsuccessful. Costs awarded are met from the AFP or client organisations' annual appropriations. Damages may be covered by Comcover where Comcover assesses that the liability is covered by the AFP's insurance policy.

Although costs and damages may be awarded against the AFP from time to time, the AFP is unable to declare an estimate of liabilities not recognised nor undertakings due to the uncertainty of the outcome of matters but, more particularly, due to the sensitivity of the information related to matters still before the courts.

Note 4.5: Aggregate assets and liabilities

	2019 \$'000	2018 \$'000
Assets expected to be recovered in:		
No more than 12 months	345,587	330,120
More than 12 months	631,111	619,547
Total assets	976,698	949,667
Liabilities expected to be settled in:		
No more than 12 months	283,231	295,589
More than 12 months	265,375	246,160
Total liabilities	548,606	541,749

All administered assets and liabilities are expected to be settled in no more than 12 months.

Note 5.1: Budget reporting and major budget variances

The statement of comprehensive income, the statement of financial position and the cash flow statement provide a comparison of the original budget as presented in the 2018-19 Portfolio Budget Statements (PBS) to the 2018-19 actual outcome. No comparison has been provided for the statement of changes in equity as major changes between the PBS and the actual outcome are explained by movements in the statement of comprehensive income and the statement of financial position.

Note 5.1A: Departmental major budget variances for 2019

(i) **Employee benefits (statement of comprehensive income) and (cash flow statement)**

Employee benefit expenses were \$924.083m, \$41.089m higher than the budget estimate of \$882.994m. The variance is due to an additional \$7.695m provided in Additional Estimates, higher than budgeted increase of \$22m to employee provisions relating to bond rate and actuarial review and additional provision for recognition of provision for unpaid employee on costs relating to superannuation on certain allowances.

(ii) **Revenue from government (statement of comprehensive income) and (cash flow statement)**

Revenue from government was \$1,103.344m, \$52.111m higher than the budget estimate of \$1,051.233m. Departmental appropriation was increased to reflect additional funding provided at Additional Estimates of \$49.231m, budget adjustments of \$1.821m and \$1.058m for no win no loss adjustments.

(iii) **Trade and other receivables (statement of financial position)**

Trade and other receivables were \$287.315m, \$62.751m higher than the budget estimate of \$224.564m. This is due to an additional \$15.175m provided in Additional Estimates and \$30m increase in payables which has impacted Appropriation Receivable.

(iv) **Land and buildings (statement of financial position) and (cash flow statement)**

Land and buildings were \$364.372m, \$25.874m lower than the budget estimate of \$390.246m. The variance is due to delays in capital projects, particularly in projects for Perth and Sydney office.

(v) **Suppliers payable (statement of financial position) and (cash flow statement)**

Suppliers payable were \$100.927m, \$30.080m higher than the budget estimate of \$70.847m. The variance is due to significant project expenses accrued at the end of the year including for capital projects in progress compared to what was budgeted.

(vi) **Employee provisions (statement of financial position) and (cash flow statement)**

Employee provisions were \$397.594m, \$93.847m higher than the budget estimate of \$303.747m. The variance is due to \$25.721m from additional estimates, and \$22m from actuarial reassessment (including bond rate movements). The increase includes the impact of enterprise agreement pay rises, higher than anticipated staffing levels and the recognition of additional provision for unpaid employee on costs relating to superannuation on certain allowances.

7 Appendixes

Table A1 Alleged conduct breaches¹ recorded by category, 2015–16 to 2018–19

	2015–16	2016–17	2017–18	2018–19
All AFP				
Category 1	149	105	96	117
Category 2	444	316	323	259
Category 3	246	333	183	197
Category 4	69	87	80	80
Total	908	841	682	653
Outcome 1				
Category 1	49	38	30	35
Category 2	313	196	180	190
Category 3	191	278	135	148
Category 4	59	78	61	64
Total Outcome 1	612	590	406	437
Outcome 2				
Category 1	71	100	66	82
Category 2	155	131	143	69
Category 3	80	55	48	49
Category 4	15	10	19	16
Total Outcome 2	321	296	276	216

¹ Conduct breaches are individual issues identified within a complaint. Multiple breaches may be applied when two or more complaint issues are identified from information supplied by a complainant or when two or more members are subject to a complaint.

Note: Part V of the *Australian Federal Police Act 1979* (Cth) (the AFP Act) defines the categories of conduct for AFP appointees. Category 1 is the least serious category and relates mainly to customer service breaches. Category 2 is minor misconduct and category 3 is serious misconduct. Category 4 complaints relate to corruption as defined by the *Law Enforcement Integrity Act 2006* (Cth). These matters are deemed to be either significant or non-significant corruption and are referred to the Australian Commission for Law Enforcement Integrity (ACLEI). Category 4 complaints may be investigated by:

- ACLEI
- the AFP
- an ACLEI/AFP joint investigation team
- the AFP with ACLEI oversight or management.

Table A2 Alleged conduct breaches recorded by source, 2018–19

Source	Number of alleged conduct breaches	Percentage
Anonymous member of the public	24	4%
Member of the public	219	34%
Another AFP member	381	58%
Self-reported	29	4%
Total	653	100%

Table A3 Finalised conduct breaches by category, 2018–19

	Established	Not established	Withdrawn	Discretion not to proceed ¹	Total finalised
All AFP					
Category 1	5	75	1	18	99
Category 2	159	120	0	54	333
Category 3	161	169	4	49	383
Category 4	2	41	0	50	93
Total	327	405	5	171	908
Percentage	36%	45%	1%	19%	
Outcome 1					
Category 1	1	19	1	11	32
Category 2	139	68	0	31	238
Category 3	142	136	4	43	325
Category 4	2	31	0	42	75
Total Outcome 1	284	254	5	127	670
Percentage	42%	38%	1%	19%	
Outcome 2					
Category 1	4	56	0	7	67
Category 2	20	52	0	23	95
Category 3	19	33	0	6	58
Category 4	0	10	0	8	18
Total Outcome 2	43	151	0	44	238
Percentage	18%	63%	0%	18%	

¹ Section 40TF of the AFP Act sets out the circumstances under which the Commissioner may decide to take no further action in relation to a conduct issue. These circumstances include when appropriate action has already been taken, further investigation is determined to be unwarranted or the alleged issue took place more than 12 months before reporting.

Note: This table includes matters reported before 1 July 2018 and finalised during 2018–19.

Table A4 Established conduct breaches by type, 2018–19

Type	Number	Percentage
Assault	4	1.2%
CO3 ¹ fail secure ammunition/accoutrements	6	1.8%
CO3 ¹ non-serious nature	6	1.8%
CO3 ¹ serious nature	2	0.6%
Conflict of interest	4	1.2%
Criminal misconduct	7	2.1%
Discourtesy	1	0.3%
Driving misconduct	3	0.9%
Drug misconduct	3	0.9%
Due care / diligence failure	15	4.6%
Fail to comply with direction	2	0.6%
Fail to comply with procedure	47	14.4%
Fail to declare association	6	1.8%
Fail to record and report	9	2.8%
Failure of security practices role/duty	2	0.6%
False information/statement	9	2.8%
False time recording	1	0.3%
Fraud (including Commonwealth)	2	0.6%
Harassment	1	0.3%
Inadequate investigation	5	1.5%
Inadequate service	4	1.2%
Inappropriate behaviour/conduct	24	7.3%
Inappropriate behaviour/conduct serious	16	4.9%
Inappropriate use of AFP resources	3	0.9%
Information access	21	6.4%
Information misuse	2	0.6%
Information release	19	5.8%
Intimidation	4	1.2%
Misuse of AFP identification	1	0.3%
Misuse of authority	6	1.8%
Misuse of credit card	48	14.7%
Neglect of duty	1	0.3%
Not specified ²	14	4.3%
Prescribed concentration of alcohol	4	1.2%

Type	Number	Percentage
Property accounting failure	1	0.3%
Property holding failure	1	0.3%
Secondary employment	6	1.8%
Sexual assault	1	0.3%
Theft	1	0.3%
Unauthorised discharge firearm	1	0.3%
Unauthorised discharge taser	6	1.8%
Unwarranted attention (towards non-AFP)	1	0.3%
Violence—family and domestic	7	2.1%
Total established	327	100%

1 Commissioner's order on operational safety (CO3).

2 'Not specified' established breaches relate to complaints created prior to the field that records additional breach information.

Table A5 Prohibited drug tests conducted, 2016–17 to 2018–19

Category	2016–17	2017–18	2018–19
Mandatory applicant testing	307	781	451
Mandatory targeted testing	2453	2533	2994
Mandatory investigation and certain incident ¹ testing	14	7	8
Total	2774	3321	3453

1 The term 'certain incident' relates to an incident where a person is killed or seriously injured in an incident involving a motor vehicle or while in police custody, or a person is killed or seriously injured by a firearm discharging or physical force.

Table A6 Age of on-hand¹ complaints being carried forward to 2018–19 (ongoing as at 30 June 2019)

	Year of origin						Total carried forward
	June 2014 or earlier	2014–15	2015–16	2016–17	2017–18	2018–19	
All AFP							
Category 1			1	0	0	15	16
Category 2			0	1	2	23	26
Category 3		0	0	1	16	67	84
Category 4	2	1	4	5	11	53	76
Total AFP	2	1	5	7	29	158	202

1 This table includes complaints where the investigation has started but not been completed.

Table A7 Run time¹ for resolution of complaints finalised

	2017-18			2018-19		
	Average run time	Number finalised		Average run time	Number finalised	
All AFP	Days	Complaints	Breaches	Days	Complaints	Breaches
Category 1	102	56	100	122	60	99
Category 2	136	217	435	112	142	333
Category 3	299	186	345	266	143	383
Category 4	511	44	45	569	70	93
Total AFP		503	922		415	908

1 Run time is defined from the date the complaint is assigned to an investigation team to completion of the investigation.

Table A8 Total harmful workplace behaviour referrals to Safe Place or the Confidant Network and alleged conduct breaches reported to Professional Standards, 2018-19

Category	Safe Place	Confidant Network	Professional Standards	Total
Sexual assault	1	0	3	4
Sexual harassment	10	2	6	18
Act of indecency	2	0	0	2
Bullying	47	11	7	65
Assault	0	1	6	7
Other ¹	13	84	15	112
Total received	73	98	37	208
Total finalised²	166³	83	40	289

- 1 'Other' includes procedural fairness, vilification, other workplace harm, management action, victimisation, welfare, discrimination and general grievances. For the Confidant Network this also includes integrity issues.
- 2 Includes matters received prior to 1 July 2018.
- 3 Safe Place works with the client to effectively resolve matters in line with the client's concerns. Matters have been finalised through a number of methods:
- referring allegations of sexual assault or sexual harassment for investigation to the Safe Place Response Team
 - referring the matter to the workplace for management action including performance management awareness-raising and appropriate treatment
 - working with the client to have the matter referred for formal investigation under Part V of the AFP Act and/or workplace investigation in accordance with current complaint management practices through Professional Standards
 - resolving the matter through restorative storytelling
 - resolving the matter to the client's satisfaction informally, with the information being recorded and without action being taken.

Matters may be referred to the most appropriate business area when the issue is not within the Safe Place mandate; this includes Human Resources, Wellbeing Services, the Welfare Network or Industrial Relations.

Table A9 Combined harmful workplace behaviour referrals to Safe Place and the Confidant Network and alleged conduct breaches reported to Professional Standards, 2016-17 to 2018-19

Category	2016-17 ¹	2017-18	2018-19	Total
Sexual assault referrals	12	3	4	19
Sexual harassment	28	21	18	67
Act of indecency	0	0	2	2
Bullying	204	155	65	424
Assault referrals	7	1	7	15
Other ²	241	133	112	486
Total received	492	313	208	1013

- 1 Safe Place was established on 22 August 2016.
- 2 'Other' includes procedural fairness, vilification, other workplace harm, management action, victimisation, welfare, and general grievances. For the Confidant Network this also includes integrity issues.

Appendix B ADVERTISING AND MARKET RESEARCH

Table B1 Media costs during 2018-19

Category	Vendor	Amount (\$)
Campaign	Nation Creative	19 922
Campaign	Productology Pty Ltd	84 735
Market research	Loneragan Research Pty Ltd	36 364
Market research	Orima Research Pty Ltd	181 982
Non-campaign	Blaze Advertising	15 955
Non-campaign	Brandnet	18 626
Non-campaign	Dentsu Mitchell Media Australia	32 331
Non-campaign	Mediabrand Australia Pty Ltd	21 744
Non-campaign	Trustee for Total Colour Group	16 732
Total		428 390

Note: No advertising campaigns were conducted by the AFP in 2018-19.

Table C1 Ongoing employees by location, 2018–19

	Male			Female			Indeterminate			Total
	Full time	Part time ¹	Total male	Full time	Part time ¹	Total female	Full time	Part time ¹	Total	
NSW	647	7	654	210	36	246	0	0	0	900
Qld	329	2	331	122	19	141	1	0	1	473
SA	94	0	94	24	11	35	0	0	0	129
Tas	3	0	3	2	0	2	0	0	0	5
Vic	454	8	462	154	49	203	0	0	0	665
WA	224	3	227	61	9	70	1	0	1	298
ACT	2042	31	2073	1380	267	1647	1	0	1	3721
NT	67	0	67	19	1	20	0	0	0	87
Commonwealth territories	12	0	12	5	0	5	0	0	0	17
Overseas	141	0	141	72	0	72	0	0	0	213
Total	4013	51	4064	2049	392	2441	3	0	3	6508

¹ Casual employees are included in part-time figures.

Table C2 Non-ongoing employees by location, 2018–19

	Male			Female			Indeterminate			Total
	Full time	Part time ¹	Total male	Full time	Part time ¹	Total female	Full time	Part time ¹	Total	
NSW	11	0	11	11	3	14	0	0	0	25
Qld	0	0	0	5	0	5	0	0	0	5
SA	0	0	0	1	0	1	0	0	0	1
Tas	0	0	0	0	0	0	0	0	0	0
Vic	3	0	3	4	0	4	0	0	0	7
WA	0	0	0	2	1	3	0	0	0	3
ACT	36	8	44	50	10	60	0	0	0	104
NT	0	0	0	0	1	1	0	0	0	1
Commonwealth territories	2	3	5	1	0	1	0	0	0	6
Overseas	3	0	3	0	0	0	0	0	0	3
Total	55	11	66	74	15	89	0	0	0	155

¹ Casual employees are included in part-time figures.

Table C3 Ongoing employees by location, 2017–18

	Male			Female			Indeterminate			Total
	Full time	Part time ¹	Total male	Full time	Part time ¹	Total female	Full time	Part time ¹	Total	
NSW	688	7	695	207	41	248	0	0	0	943
Qld	315	1	316	105	23	128	0	0	0	444
SA	90	0	90	25	11	36	0	0	0	126
Tas	2	0	2	2	1	3	0	0	0	5
Vic	447	9	456	150	50	200	0	0	0	656
WA	228	4	232	49	10	59	0	0	0	291
ACT	2092	26	2118	1371	287	1658	1	0	1	3777
NT	60	0	60	18	0	18	0	0	0	78
Commonwealth territories	12	0	12	7	0	7	0	0	0	19
Overseas	172	0	172	71	0	71	0	0	0	243
Total	4106	47	4153	2005	423	2428	1	0	1	6582

¹ Casual employees are included in part-time figures.

Table C4 Non-ongoing employees by location, 2017–18

	Male			Female			Indeterminate			Total
	Full time	Part time ¹	Total male	Full time	Part time ¹	Total female	Full time	Part time ¹	Total	
NSW	9	0	9	12	1	13	0	0	0	22
Qld	0	0	0	3	0	3	0	0	0	3
SA	0	0	0	1	0	1	0	0	0	1
Tas	0	0	0	0	0	0	0	0	0	0
Vic	4	0	4	5	1	6	0	0	0	10
WA	0	0	0	1	1	2	0	0	0	2
ACT	29	7	36	50	9	59	0	0	0	95
NT	0	0	0	0	1	1	0	0	0	1
Commonwealth territories	2	4	6	1	0	1	0	0	0	7
Overseas	5	0	5	0	0	0	0	0	0	5
Total	49	11	60	73	13	86	0	0	0	146

¹ Casual employees are included in part-time figures.

Table C5 AFP workforce composition, 30 June 2019 (headcount)

Sworn status	Casual	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Tech specialist	Exec level	SES	Statutory office holder	Base salary group	
														Total	Total
Police officer															
Female	-	-	75	99	185	204	40	118	3	1	34	13	1	773	
Male	-	-	98	309	620	763	100	425	33	-	100	26	4	2478	
Indeterminate	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
Subtotal	0	0	173	408	805	967	140	543	36	1	134	39	5	3251	
Protective service officer															
Female	-	-	69	27	11	1	2	3	1	-	-	-	-	114	
Male	-	-	133	340	56	28	44	10	6	-	1	-	-	618	
Indeterminate	-	-	-	1	-	-	-	-	-	-	-	-	-	1	
Subtotal	0	0	202	368	67	29	46	13	7	0	1	0	0	733	
Professional staff															
Female	3	2	38	325	408	232	259	238	69	1	45	13	-	1633	
Male	7	1	20	189	170	113	216	154	71	15	55	15	-	1026	
Indeterminate	-	-	-	2	-	-	-	-	-	-	-	-	-	2	
Subtotal	10	3	58	516	578	345	475	392	140	16	100	28	0	2661	
Asia-Pacific Group: Professional staff															
Female	-	-	-	1	2	2	-	3	-	-	2	-	-	10	
Male	-	-	-	-	-	1	-	3	-	-	2	2	-	8	
Indeterminate	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
Subtotal	0	0	0	1	2	3	0	6	0	0	4	2	0	18	
Total	10	3	433	1293	1452	1344	661	954	183	17	239	69	5	6663	

Table C6 Remuneration for key management personnel

Name	Position title ¹	Short-term benefits			Post-employment benefits		Other long-term benefits			Total remuneration ⁷
		Base salary ²	Bonuses	Other benefits and allowances ³	Superannuation contributions ⁴	Termination benefits ⁵	Long-service leave ⁵	Other long-term benefits		
Andrew Colvin	Commissioner	615 429	-	3 841	92 689	-	15 638	-	-	727 597
Leanne Close	Deputy Commissioner National Security	354 486	-	17 899	64 444	-	8 744	-	-	445 573
Ramzi Jabbar	Deputy Commissioner Capability	351 963	-	13 725	62 484	-	8 744	-	-	436 916
Neil Gaughan	Deputy Commissioner Operations	313 742	-	3 841	54 071	-	7 618	-	-	379 272
Suzanne Bird	Chief Operating Officer	307 559	-	25 175	48 874	-	7 993	-	-	389 601
Raymond Johnson	Chief Police Officer ⁸	178 163	-	12 265	30 814	-	4 343	-	-	225 585
Simon Walsh	Deputy Commissioner Capability ⁹	104 730	-	3 770	14 506	-	2 442	-	-	125 448
Justine Saunders	Chief Police Officer ¹⁰	93 845	-	9 945	18 750	-	6 980	-	-	129 520
David Stewart	Deputy Commissioner Capability ¹¹	49 347	-	4 139	7 258	-	1 086	-	-	61 830
Total		2 369 264	-	94 600	393 890	-	63 588	-	-	2 921 342

¹ The AFP has determined the key management personnel (KMP) to be the Commissioner, Deputy Commissioners, Chief Police Officer, and Chief Operating Officer, and any other members of the AFP Executive Board. Included are individuals who have acted in a KMP role for a continuous period of 30 days or more, or departed prior to reporting date.

² Karl Kent (Deputy Commissioner Transnational Serious and Organised Crime) is included in the Home Affairs KMP remuneration tables, and has been excluded from AFP figures to avoid duplication.

³ Base salary includes salary paid and accrued, annual leave accrued and higher duties allowances.

⁴ Other benefits and allowances includes non-monetary benefits included in the Fringe Benefits Tax (FBT) Return for the year ended 31 March 2019 such as the provision of car parking. It also includes a health and fitness allowance, and associated FBT.

⁵ For individuals in a defined contribution scheme (for example Public Sector Superannuation accumulation plan (PSSap) and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined

benefit scheme (for example Public Sector Superannuation Scheme (PSS) and Commonwealth Superannuation Scheme (CSS)), superannuation includes the relevant Notional Employer Contribution Rate and the Employer Productivity Superannuation Contribution.

⁶ Long service leave comprises the amount of leave accrued.

⁷ Termination benefits are payments that may be made in relation to the termination of a KMP position.

⁸ Total remuneration is calculated on an accrual basis in accordance with Australian Accounting Standards Board (AASB) 119 Employee Benefits with the exception of superannuation and non-monetary benefits. This means that there are differences between remuneration determined by the Remuneration Tribunal and the remuneration disclosed in the table.

⁹ Commenced KMP role in November 2018.

¹⁰ Includes remuneration while acting in KMP role.

¹¹ Ceased KMP role in October 2018.

¹² Includes remuneration while acting in KMP role.

Table C7 Remuneration for senior executives

Total remuneration bands	Number of senior executives	Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary ²	Average bonuses	Average other benefits and allowances ³		Average long service leave ⁵	Average other long-term benefits		
\$0-\$220 000	47	70 417	-	4 059	13 303	1 950	-	3 983	93 711
\$220 001-\$245 000	12	183 324	-	14 291	32 135	4 903	-	-	234 654
\$245 001-\$270 000	14	204 679	-	10 816	37 795	5 224	-	-	258 513
\$270 001-\$295 000	23	222 878	-	11 441	39 478	5 476	-	-	279 273
\$295 001-\$320 000	8	241 209	-	11 392	42 398	5 805	-	-	300 804
\$320 001-\$345 000	5	260 400	-	21 011	47 067	6 825	-	-	335 304
\$345 001-\$370 000	5	271 977	-	34 591	46 176	6 520	-	-	359 264
\$370 001-\$395 000	1	307 433	-	3 841	51 924	7 119	-	-	370 318
\$420 001-\$445 000	1	298 595	-	9 1828	41 750	7 119	-	-	439 292

1 Senior executives comprises AFP employees declared Band 1, 2 or 3 senior executives in accordance with section 25 of the AFP Act 1979 who are not substantive KMP. Included are individuals who have acted in an SES role for a continuous period of 30 days or more.

2 Base salary includes salary paid and accrued, annual leave accrued and higher duties allowances.

3 Other benefits and allowances includes overseas living allowances, non-monetary benefits included in the Fringe Benefits Tax (FBT) return for the year ended 31 March 2019 such as the provision of car parking, accommodation and utilities whilst posted overseas, and associated FBT. Employees posted overseas reside in Commonwealth leased or owned residences at the expense of the AFP and the benefit value is not received by the individual as direct remuneration.

4 For individuals in a defined contribution scheme (for example PSSap and super choice), superannuation includes superannuation contribution amounts. For individuals in a defined benefit scheme (for example PSS and CSS), superannuation includes the relevant Notional Employer Contribution Rate and the Employer Productivity Superannuation Contribution.

5 Long service leave comprises the amount of leave accrued.

6 Termination benefits are payments that may be made in relation to the termination of a senior executive position.

7 Total remuneration is calculated on an accrual basis in accordance with AASB 119 Employee Benefits with the exception of superannuation and non-monetary benefits.

Table C8 Remuneration for other highly paid staff

Total remuneration bands	Number of other highly paid staff ¹	Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances		Average long service leave	Average other long-term benefits		
\$220 001-\$245 000	124	189 764	-	6 595	30 774	4 184	-	715	232 032
\$245 001-\$270 000	43	208 149	-	10 632	30 157	4 031	-	-	252 969
\$270 001-\$295 000	5	232 457	-	23 635	23 329	2 924	-	-	282 345
\$295 001-\$320 000	2	229 397	-	52 817	23 589	2 716	-	-	308 519
\$345 001-\$370 000	2	117 199	-	78 750	18 413	3 208	-	130 215	347 785
\$395 001-\$420 000	1	199 049	-	15 352	32 100	4 441	-	155 999	406 941

1 Other highly paid staff include staff who are neither KMP nor substantive senior executives and whose total remuneration for the reporting period exceeds \$220 000.

Table D1 Agency resource statement, 2018-19

		Actual available appropriation for 2018-19 ¹	Payments made 2018-19	Balance remaining 2018-19
		\$'000	\$'000	\$'000
		(a)	(b)	(a)-(b)
Ordinary annual services²				
Departmental appropriation ³		1 671 194	1 457 863	213 331
Total		1 671 194	1 457 863	213 331
Administered expenses				
Outcome 1 ⁴		20 381	16 946	3 435
Total		20 381	16 946	3 435
Total ordinary annual services	A	1 691 575	1 474 809	216 766
Other services⁵				
Departmental non-operating				
Equity injections		124 952	66 136	58 816
Total other services	B	124 952	66 136	58 816
Total available annual appropriations		1 816 527	1 540 945	–
Total available annual appropriations excluding special accounts		1 816 527	1 540 945	–
Special appropriation limited by amount				
<i>Public Governance, Performance and Accountability Act 2013 (PGPA Act) (section 77)</i>		–	10	–
Total special appropriations	C	–	10	–
Special accounts				
Opening balance ⁶		11 156	–	–
Appropriation receipts ⁷		2 921	–	–
Non-appropriation receipts to special accounts		8 931	–	–
Payments made		–	13 013	–
Total special accounts	D	23 008	13 013	9 995
Total resourcing and payments (A+B+C+D)		1 839 535	1 553 968	–
Less appropriations drawn from annual or special appropriations above and credited to special accounts		(11 852)	(11 852)	–
Total net resourcing and payments		1 827 683	1 542 116	285 577

1 Actual available appropriation excludes amounts permanently quarantined under section 51 of the PGPA Act.
 2 Appropriation Bill (No. 1) 2018-19. This includes prior-year departmental appropriations available and section 74 relevant agency receipts.

3 Includes an amount of \$58.623m in 2018-19 for the departmental capital budget. For accounting purposes this amount has been designated as 'contributions by owners'.
 4 Appropriation Bill (No. 1) 2018-19. This also includes prior-year administered appropriations.
 5 Appropriation Bill (No. 2) 2018-19. This includes available equity appropriations from previous years.
 6 Opening balance for departmental special accounts (less 'special public money' held in the Services for Other Entities and Trust Moneys Special Account).
 7 Appropriation receipts from annual appropriations for 2018-19 included above.

Table D2 Expenses for Outcome 1

Outcome 1: Reduced criminal and security threats to Australia's collective economic and societal interests through cooperative policing services	Budget ¹ 2018-19	Actual expenses 2018-19	Variation 2018-19
	\$'000	\$'000	\$'000
	(a)	(b)	(a)-(b)
Program 1.1: Federal Policing and National Security			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	1020	988	32
Special Appropriations			
<i>Public Governance, Performance and Accountability Act 2013</i> (section 77)	–	10	(10)
Departmental expenses			
Departmental appropriation ²	1031209	1030343	866
Special accounts	13901	13013	888
Expenses not requiring appropriation in the budget year ³	104215	89134	15081
Total for Program 1.1	1150345	1133488	16857
Program 1.2: International Police Assistance			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	14988	13478	1510
Departmental expenses			
Departmental appropriation ²	194730	193743	987
Expenses not requiring appropriation in the budget year ³	2022	1940	82
Total for Program 1.2	211740	209161	2579
Outcome 1 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	16008	14466	1542
Special Appropriations			
Special Appropriations	–	10	(10)
Departmental expenses			
Departmental appropriation	1225939	1224086	1853
Special accounts	13901	13013	888
Expenses not requiring appropriation in the budget year	106237	91074	15163
Total expenses for Outcome 1	1362085	1342649	19436
		2017-18	2018-19
Average staffing level (number)		5318	5388

1 Full-year budget, including any subsequent adjustment made to the 2018-19 Budget.

- 2 Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (section 74)'.
3 Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses, resources received free of charge and write-down and impairment of assets.

Table D3 Expenses for Outcome 2

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government	Budget ¹ 2018-19	Actual expenses 2018-19	Variation 2018-19
	\$'000	\$'000	\$'000
	(a)	(b)	(a)-(b)
Program 2.1: ACT Community Policing			
Departmental expenses			
Departmental appropriation ²	165338	169031	(3693)
Expenses not requiring appropriation in the budget year ³	8537	8500	37
Total expenses for Outcome 2	173875	177531	(3656)
		2017-18	2018-19
Average staffing level (number)		932	978

- 1 Full-year budget, including any subsequent adjustment made to the 2018-19 Budget.
2 Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (section 74)'.
3 Expenses not requiring appropriation in the budget year is made up of depreciation and amortisation expenses and resources received free of charge.

Table E1 Entity resource statement subset summary, 2018–19

	Actual available appropriation—current year	Payments made	Balance remaining
	(a)	(b)	(a)–(b)
	\$'000	\$'000	\$'000
Departmental			
Annual appropriations—ordinary annual services	1 671 194	1 457 863	213 331
Annual appropriations—other services—non-operating	124 952	66 136	58 816
Total departmental annual appropriations	1 796 146	1 523 999	272 147
Departmental special appropriations	–	–	–
Total special appropriations	–	–	–
Special accounts	23 008	13 013	9 995
Total special accounts	23 008	13 013	9 995
less departmental appropriations drawn from annual/special appropriations and credited to special accounts	(11 852)	(11 852)	–
Total departmental resourcing (A)	1 819 154	1 537 012	282 142
Administered			
Annual appropriations—ordinary annual services	20 381	16 946	3 435
Annual appropriations—other services—non-operating	–	–	–
Annual appropriations—other services—specific payments to states, ACT, NT and local government	–	–	–
Annual appropriations—other services—new administered expenses	–	–	–
Total administered annual appropriations	20 381	16 946	3 435
Administered special appropriations	–	10	–
Total administered special appropriations	–	10	–
Special accounts	–	–	–
Total special accounts receipts	–	–	–
less administered appropriations drawn from annual/special appropriations and credited to special accounts	–	–	–
less payments to corporate entities from annual/special appropriations	–	–	–
Total administered resourcing (B)	8 529	5 104	3 435
Total resourcing and payments for entity X (A+B)	1 827 683	1 542 116	285 577

Table E2 Statement of comprehensive income, 2018–19

	30 June 2019	30 June 2018	Budget 30 June 2019
	\$'000	\$'000	\$'000
Net cost of services			
Expenses			
Employee benefits expense	924 084	880 036	882 994
Supplier expense	475 338	463 594	452 983
Depreciation and amortisation expense	93 459	83 819	109 543
Other expenses	13 265	5 800	–
Total expenses	1 506 146	1 433 249	1 445 520
Income			
Total own-source income	293 443	285 111	288 242
Net cost of services			
Net cost of services	(1 212 703)	(1 148 138)	(1 157 278)
Revenue from government			
Revenue from government	1 103 344	1 016 001	1 051 233
Surplus/(deficit) after tax			
Surplus/(deficit) after tax	(109 359)	(132 137)	(106 045)
Other comprehensive income/(loss)	–	717	–
Total comprehensive income/(loss)	(109 359)	(131 420)	(106 045)

Table E3 Statement of financial position, 2018-19

	30 June 2019	30 June 2018	Budget 30 June 2019
	\$'000	\$'000	\$'000
Assets			
Total financial assets	314 352	301 479	238 335
Total non-financial assets	662 346	648 188	672 358
Total assets	976 698	949 667	910 693
Liabilities			
Total payables	119 513	146 789	89 280
Total provisions	429 093	394 960	336 310
Total liabilities	548 606	541 749	425 590
Net assets	428 092	407 918	485 103
Equity			
Total equity	428 092	407 918	485 103

Table E4 Statement of changes in equity, 2018-19

	30 June 2019	30 June 2018	Budget 30 June 2019
	\$'000	\$'000	\$'000
Opening balance			
Balance carried forward from previous period	407 918	432 102	462 296
Adjusted opening balance	407 918	393 592	462 296
Changes in equity			
Total transactions with owners	129 532	145 746	128 852
Total comprehensive income	(109 359)	(131 420)	(106 045)
Closing balance as at 30 June	428 092	407 918	485 103

Table E5 Cash flow statement, 2018-19

	30 June 2019	30 June 2018	Budget 30 June 2019
	\$'000	\$'000	\$'000
Operating activities			
Total cash received (operating activities)	1 729 645	1 647 739	1 613 983
Total cash used (operating activities)	1 709 719	1 648 138	1 610 485
Net cash from operating activities	19 926	(399)	3 498
Investing activities			
Total cash received (investing activities)	1 119	957	–
Total cash used (investing activities)	124 164	159 011	154 262
Net cash from investing activities	(123 045)	(158 054)	(154 262)
Purchase of land and buildings	67 341	24 443	–
Purchase of property, plant and equipment	26 675	100 107	154 262
Purchase of intangibles	30 148	34 461	–
Financing activities			
Total cash received (financing activities)	108 991	156 346	150 764
Total cash used (financing activities)	–	–	–
Net cash from financing activities	108 991	156 346	150 764
Cash at the end of the reporting period			
Cash at the end of the reporting period	21 467	15 595	8 701

Table E6 Notes to the financial statements (departmental), 2018-19

	30 June 2019	30 June 2018	Budget 30 June 2019
	\$'000	\$'000	\$'000
Current assets	345 587	330 120	–
Current liabilities	283 231	295 589	–

Table E7 Administered statement of comprehensive income, 2018-19

	30 June 2019	30 June 2018	Budget 30 June 2019
	\$'000	\$'000	\$'000
Net cost of services			
Total expenses administered on behalf of the government	14 466	16 073	11 735
Total income administered on behalf of the government	519	425	-
Net cost of services	(13 947)	(15 648)	(11 735)
Net contribution by services	-	-	-
Other comprehensive income			
Total other comprehensive income/ (loss)	-	-	-
Total comprehensive income/ (loss)	(13 947)	(15 648)	(11 735)

Table E8 Administered schedule of assets and liabilities, 2018-19

	30 June 2019	30 June 2018	Budget 30 June 2019
	\$'000	\$'000	\$'000
Assets			
Total financial assets	74	855	113
Total non-financial assets	-	112	-
Total assets	74	967	113
Liabilities			
Total payables	1 137	1 310	463
Total provisions	565	-	-
Total liabilities	1 137	1 310	463
Net assets	(1 063)	(343)	(350)

Table E9 Administered reconciliation schedule, 2018-19

	30 June 2019	30 June 2018	Budget 30 June 2019
	\$'000	\$'000	\$'000
Opening assets less liabilities	(343)	(986)	-
Closing assets less liabilities	(1 063)	(343)	-

Table E10 Administered cash flow statement, 2018-19

	30 June 2019	30 June 2018	Budget 30 June 2019
	\$'000	\$'000	\$'000
Operating activities			
Total cash received (operating activities)	-	-	-
Total cash used (operating activities)	-	-	-
Net cash from operating activities	(13 870)	(15 646)	(11 845)
Investing activities			
Total cash received (investing activities)	-	-	-
Total cash used (investing activities)	-	-	-
Net cash from investing activities	-	-	-
Financing activities			
Total cash received (financing activities)	-	-	-
Total cash used (financing activities)	-	-	-
Net cash from financing activities	-	-	-
Transfers to/from official public account			
Total cash from official public account	15 387	20 318	11 845
Total cash to official public account	2 160	4 028	-
Cash at the end of the reporting period	-	644	-

Appendix F LIST OF ANNUAL REPORT REQUIREMENTS

Below is the table set out in Schedule 2 of the Public Governance, Performance and Accountability (PGPA) Rule. Section 17A(d) requires this table be included in entities' annual reports as an aid of access.

PGPA Rule Reference	Part of Report / Description	Requirement	Page
17AD(g)	Letter of transmittal		
17AI	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report	Mandatory	iii
17AD(h)	Aids to access		
17A(a)	Table of contents	Mandatory	v
17A(b)	Alphabetical index	Mandatory	209
17A(c)	Glossary of abbreviations and acronyms	Mandatory	208
17A(d)	List of requirements	Mandatory	188
17A(e)	Details of contact officer	Mandatory	ii
17A(f)	Entity's website address	Mandatory	ii
17A(g)	Electronic address of report	Mandatory	ii
17AD(a)	Review by accountable authority		
17AD(a)	A review by the accountable authority of the entity	Mandatory	2
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	A description of the role and functions of the entity	Mandatory	10
17AE(1)(a)(ii)	A description of the organisational structure of the entity	Mandatory	12
17AE(1)(a)(iii)	A description of the outcomes and programmes administered by the entity	Mandatory	10
17AE(1)(a)(iv)	A description of the purposes of the entity as included in corporate plan	Mandatory	10
17AE(1)(aa)(i)	Name of the accountable authority or each member of the accountable authority	Mandatory	ii
17AE(1)(aa)(ii)	Position title of the accountable authority or each member of the accountable authority	Mandatory	ii
17AE(1)(aa)(iii)	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory	ii
17AE(1)(b)	An outline of the structure of the portfolio of the entity	Portfolio departments – mandatory	n.a.
17AE(2)	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change	If applicable, mandatory	n.a.

PGPA Rule Reference	Part of Report / Description	Requirement	Page
17AD(c)	Report on the performance of the entity		
	Annual performance statements		
17AD(c)(i); 16F	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule	Mandatory	20
17AD(c)(ii)	Report on financial performance		
17AF(1)(a)	A discussion and analysis of the entity's financial performance	Mandatory	51
17AF(1)(b)	A table summarising the total resources and total payments of the entity	Mandatory	178
17AF(2)	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results	If applicable, mandatory	n.a.
17AD(d)	Management and accountability		
	Corporate governance		
17AG(2)(a)	Information on compliance with section 10 (fraud systems)	Mandatory	112
17AG(2)(b)(i)	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared	Mandatory	iii
17AG(2)(b)(ii)	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place	Mandatory	iii
17AG(2)(b)(iii)	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity	Mandatory	iii
17AG(2)(c)	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance	Mandatory	108
17AG(2)(d) – (e)	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non compliance with Finance law and action taken to remedy non compliance	If applicable, mandatory	n.a.
	External scrutiny		
17AG(3)	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny	Mandatory	115
17AG(3)(a)	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity	If applicable, mandatory	115
17AG(3)(b)	Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman	If applicable, mandatory	115
17AG(3)(c)	Information on any capability reviews on the entity that were released during the period	If applicable, mandatory	n.a.

PGPA Rule Reference	Part of Report / Description	Requirement	Page
	Management of human resources		
17AG(4)(a)	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	Mandatory	121
17AG(4)(aa)	Statistics on the entity's employees on an ongoing and non ongoing basis, including the following: (a) statistics on full time employees (b) statistics on part time employees (c) statistics on gender (d) statistics on staff location	Mandatory	172
17AG(4)(b)	Statistics on the entity's APS employees on an ongoing and non ongoing basis; including the following: – Statistics on staffing classification level – Statistics on full time employees – Statistics on part time employees – Statistics on gender – Statistics on staff location – Statistics on employees who identify as Indigenous	Mandatory	n.a.
17AG(4)(c)	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i>	Mandatory	123
17AG(4)(c)(i)	Information on the number of SES and non SES employees covered by agreements etc. identified in paragraph 17AG(4)(c)	Mandatory	n.a.
17AG(4)(c)(ii)	The salary ranges available for APS employees by classification level	Mandatory	n.a.
17AG(4)(c)(iii)	A description of non salary benefits provided to employees	Mandatory	n.a.
17AG(4)(d)(i)	Information on the number of employees at each classification level who received performance pay	If applicable, mandatory	n.a.
17AG(4)(d)(ii)	Information on aggregate amounts of performance pay at each classification level	If applicable, mandatory	n.a.
17AG(4)(d)(iii)	Information on the average amount of performance payment, and range of such payments, at each classification level	If applicable, mandatory	n.a.
17AG(4)(d)(iv)	Information on aggregate amount of performance payments	If applicable, mandatory	n.a.
	Assets management		
17AG(5)	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory	n.a.
	Purchasing		
17AG(6)	An assessment of entity performance against the Commonwealth Procurement Rules	Mandatory	132

PGPA Rule Reference	Part of Report / Description	Requirement	Page
	Consultants		
17AG(7)(a)	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST)	Mandatory	132
17AG(7)(b)	A statement that “ <i>During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million].</i> ”	Mandatory	132
17AG(7)(c)	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged	Mandatory	132
17AG(7)(d)	A statement that “ <i>Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.</i> ”	Mandatory	133
	Australian National Audit Office access clauses		
17AG(8)	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract	If applicable, mandatory	132
	Exempt contracts		
17AG(9)	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters	If applicable, mandatory	133
	Small business		
17AG(10)(a)	A statement that “[<i>Name of entity</i>] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.”	Mandatory	133
17AG(10)(b)	An outline of the ways in which the procurement practices of the entity support small and medium enterprises	Mandatory	133

PGPA Rule Reference	Part of Report / Description	Requirement	Page
17AG(10)(c)	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, mandatory	133
	Financial statements		
17AD(e)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act	Mandatory	135
	Executive remuneration		
17AD(da)	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule	Mandatory	175
17AD(f)	Other mandatory information		
17AH(1)(a)(i)	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, mandatory	n.a.
17AH(1)(a)(ii)	If the entity did not conduct advertising campaigns, a statement to that effect	If applicable, mandatory	171
17AH(1)(b)	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, mandatory	133
17AH(1)(c)	Outline of mechanisms of disability reporting, including reference to website for further information	Mandatory	126
17AH(1)(d)	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found	Mandatory	115
17AH(1)(e)	Correction of material errors in previous annual report	If applicable, mandatory	n.a.
17AH(2)	Information required by other legislation	Mandatory	193–207

Annex A

National Witness Protection Program annual report 2018–19

Annex A: National Witness Protection Program annual report 2018–19

Minister's introduction

I am pleased to submit the 2018–19 annual report on the operation of the National Witness Protection Program under the provisions of the *Witness Protection Act 1994* (Cth).

The report sets out the provisions of the legislation and relevant activity for the reporting period. The costs of the program are shown in the appendix to this report.

This report has been prepared to provide as much detail as possible without prejudicing the effectiveness of the security of the National Witness Protection Program.



The Hon Peter Dutton MP
Minister for Home Affairs
16 October 2019

Introduction

The *Witness Protection Act 1994* (Cth) (the Act) provides the statutory basis for the National Witness Protection Program (NWPP). It commenced operation on 18 April 1995.

The Act enables protection and assistance to be provided to witnesses who are assessed as being in danger because they have given, or have agreed to give, evidence or a statement on behalf of the Crown in criminal or certain other proceedings or because of their relationship to these persons.

General operations of the NWPP

The NWPP provides an environment in which participants are able to give evidence in criminal trials that involve a significant degree of criminality at both the Commonwealth and state levels without fear of retribution.

The majority of participants in the NWPP have been accepted into the program because of their involvement as witnesses in prosecutions relating to organised crime, large-scale importation of illegal drugs or corruption matters. One of the matters considered when deciding that a person be included in the NWPP is that there are no other viable methods of protecting the witness. Section 5 of the Act prohibits witnesses from being included in the NWPP as a reward or as a means of persuading or encouraging them to give evidence or make a statement.

In the year ending 30 June 2019, the NWPP managed 22 witness protection operations, providing protection and assistance to 38 people.

Three assessments continued over from the previous year and two assessments were commenced for inclusion into the NWPP, resulting in two people joining the NWPP and one person voluntarily declining to continue the assessment process. One operation was concluded, resulting in the departure of one participant from the NWPP.

The Commissioner made no disclosures under section 27 of the Act during the reporting period.

Integrity and accountability of the NWPP

Safeguards in the Act help to ensure that the integrity and accountability of the NWPP are maintained. AFP employees deployed to witness protection either hold or occupy designated positions that have national security clearance of Negative Vetting level 2.

NWPP employees are subject to AFP anti-corruption strategies, which include drug testing in accordance with section 40M of the *Australian Federal Police Act 1979* (Cth).

The NWPP is subject to the AFP governance instrument framework, which includes auditing of financial and performance management processes and compliance with the Act.

Complaints and reviews of decisions

The protection of information relating to participants in the NWPP is of paramount concern. Therefore, decisions made under the Act are not subject to the *Administrative Decisions (Judicial Review) Act 1977* (Cth).

AFP employees who administer the NWPP are subject to the same obligations as other members of the AFP. If a complaint is received, it will be dealt with in accordance with the *Australian Federal Police Act 1979* (Cth). Complaints against officers may also be the subject of investigation by the Commonwealth Ombudsman under the *Ombudsman Act 1976* (Cth).

In 2018–19, there was one Commonwealth Ombudsman investigation relating to the NWPP.

In 2018–19, the AFP Commissioner was not required to review any decisions made by a Deputy Commissioner to remove a person from the program involuntarily.

Performance and effectiveness of the NWPP

Section 28 of the Act protects participants' identities during court proceedings. The court can hold parts of the proceedings in private or it can make suppression orders on the publication of the evidence. Two suppression orders were required during the reporting period.

Amendment to the Act and related matters

There were no legislative amendments to the Act during the reporting period.

Complementary witness protection legislation

The purpose of section 24 of the Act is to protect the integrity of key Commonwealth documents that are needed in order for witnesses to establish new identities. All jurisdictions have enacted complementary legislation¹, which has been declared 'complementary witness protection law' under section 3 of the Act. Signed section 24 arrangements are in place in all jurisdictions except Tasmania and the Northern Territory.

Financial arrangements

The NWPP is administered and operated by the AFP. Basic administration costs and the base salaries of AFP employees involved in witness protection activities are met from within the AFP budget.

¹ New South Wales—*Witness Protection Act 1995*; Queensland—*Witness Protection Act 2000*; South Australia—*Witness Protection Act 1996*; Tasmania—*Witness Protection Act 2000*; Victoria—*Witness Protection Act 1991*; Western Australia—*Witness Protection (Western Australia) Act 1996*; Australian Capital Territory—*Witness Protection Act 1996*; and Northern Territory—*Witness Protection (Northern Territory) Act 2002*

By arrangement with the AFP, other agencies which have witnesses in the NWPP are responsible for costs, including those related to the security and subsistence needs of their witness and any operational expenses that the NWPP incurs. The AFP is responsible for costs of AFP-sponsored witnesses in the NWPP.

A table of costs for the NWPP for the previous 10 financial years is in the appendix to this report. The figures do not include the salaries and overhead costs of administering the NWPP. Figures provided are correct as at 30 June 2019.

Appendix: Expenditure

Table AA1 National Witness Protection Program expenditure, 2018-19

	Total
AFP expenditure on NWPP	\$1093 071.32
Less amounts recovered	-\$300 000.00
Total AFP expenditure on NWPP	\$793 071.32

Table AA2 Total expenditure (before costs were recovered) in previous years

Year	Expenditure before costs were recovered
1 July 2017 – 30 June 2018	\$911 186.92
1 July 2016 – 30 June 2017	\$1 000 069.17
1 July 2015 – 30 June 2016	\$883 025.10
1 July 2014 – 30 June 2015	\$712 565.61
1 July 2013 – 30 June 2014	\$688 515.13
1 July 2012 – 30 June 2013	\$1 179 698.65
1 July 2011 – 30 June 2012	\$899 942.79
1 July 2010 – 30 June 2011	\$974 316.78
1 July 2009 – 30 June 2010	\$1 245 358.72
1 July 2008 – 30 June 2009	\$1 570 620.88

Annex B

Unexplained wealth investigations and proceedings annual report 2018-19

Annex B
Unexplained wealth
investigations and
proceedings
annual report 2018-19

Annex B: Unexplained wealth investigations and proceedings annual report 2018–19

Section 179U of the *Proceeds of Crime Act 2002* (Cth)

Pursuant to section 179U of the *Proceeds of Crime Act 2002* (Cth) (POCA), the AFP provides the following information about unexplained wealth investigations and proceedings for the year ending 30 June 2019:

- a. The AFP is not currently investigating any matters of which a likely outcome may, or will, be the initiation of proceedings under Parts 2–6 of the POCA.

The final decision regarding under which part of the POCA proceedings are commenced is made after an assessment of the investigation, completion of financial analysis, related legal considerations, and advice in accordance with paragraphs 4.2 and 4.7 of the *Legal Services Directions 2017* (Cth).

- b. No new applications were made for:
 - (i) restraining orders under section 20A of the POCA
 - (ii) unexplained wealth orders.

However, the AFP continues to actively litigate three unexplained wealth matters.

- c. There is no other information relating to the administration of these regulations.

Annex C
Delayed notification search warrants
annual report 2018-19

Annex C
Delayed notification
search warrants
annual report 2018-19

Annex C: Delayed notification search warrants annual report 2018–19

Part IAAA of the *Crimes Act 1914* (Cth)

Pursuant to section 3ZZFB of the *Crimes Act 1914* (Cth), the AFP provides the following information for the year ending 30 June 2019:

- a. No applications for delayed notification search warrants were made in person by eligible officers of the agency.
- b. No applications for delayed notification search warrants were made under section 3ZZBF by eligible officers of the agency.
- c. No delayed notification search warrants were issued as a result of applications referred to in paragraphs (a) and (b) and the eligible offences to which they related.
- d. No delayed notification search warrants were executed by an eligible officer of the agency.
- e. No delayed notification search warrants were executed by an eligible officer of the agency under which:
 - (i) one or more things were seized from the warrant premises; or
 - (ii) one or more things were placed in substitution at the warrant premises for a seized thing; or
 - (iii) one or more things were returned to, or retrieved from, the warrant premises; or
 - (iv) one or more things were copied, photographed, recorded, marked, tagged, operated, printed, tested or sampled at the warrant premises.
- f. There is no other information relating to delayed notification search warrants and the administration of Part IAAA.

Abbreviations and acronyms	
ABF	Australian Border Force
ACIC	Australian Criminal Intelligence Commission
ACLEI	Australian Commission for Law Enforcement Integrity
ACT	Australian Capital Territory
AFP	Australian Federal Police
ANAO	Australian National Audit Office
CALD	culturally and linguistically diverse
Cth	Commonwealth
DHS	Department of Human Services
FBT	fringe benefits tax
FOI Act	<i>Freedom of Information Act 1982</i>
GST	goods and services tax
ICT	information and communications technology
IT	information technology
JCTT	Joint Counter Terrorism Team
L&D	Learning and Development
MDMA	3,4-methylenedioxymethamphetamine
MP	Member of Parliament
n.a.	not applicable
NSW	New South Wales
NT	Northern Territory
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
POCA	<i>Proceeds of Crime Act 2002</i>
PRS	Professional Standards
Qld	Queensland
ROI	return on investment
SA	South Australia
SES	Senior Executive Service
Tas.	Tasmania
Vic.	Victoria
VIP	Volunteers in Policing
WA	Western Australia

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