

CRIMTRAC AGENCY

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

CrimTrac's Inter-Governmental Agreement required the agency to deliver four new systems to improve information sharing for police, which are now well established:

- the National Automated Fingerprint Identification System
- the National Criminal Investigation DNA Database
- the Australian National Child Offender Register, and
- the National Police Reference System.

CrimTrac will continue to maintain and enhance these four systems and has positioned itself to meet Recital E of the Inter-Governmental Agreement: identifying and responding to emerging information-sharing requirements for effective policing, and law enforcement more generally.

Technology is moving at breathtaking speed and the need to provide operational police, and broader law enforcement, with accurate, timely and consistent information has never been greater. In delivering against its outcome – access to information that supports law enforcement agencies through collaborative national information systems and services – CrimTrac will provide leadership in generating national approaches to information-sharing solutions, for a safer Australia.

CrimTrac aligns its plans with Directions in Australia New Zealand Policing, the policing strategy of the Ministerial Council for Police and Emergency Management – Police, and in particular Direction 2 – Anticipation, Innovation and Responsiveness in Policing and Direction 3 – Collaborative Policing.

CrimTrac's strategy recognises:

- the challenges the agency faces through the federated nature of policing responsibilities in Australia and attempts to establish the basis to work optimally within those parameters
- that the technical challenges in integrating information from disparate systems are often not as difficult to resolve as the diverse legal and policy frameworks that underpin the technical solutions, and
- the increasingly sophisticated information-sharing needs generated by the ever-growing responsibilities shouldered by police officers across the country, particularly during a period where the law enforcement and national security threats have coalesced.

CrimTrac is an excellent example of the Commonwealth, states and territories working together in harnessing information-sharing technology to assist in crime prevention, detection and reduction.

1.2 AGENCY RESOURCE STATEMENT

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

Table 1.1: Agency resource statement—Budget estimates for 2009–10 as at Budget, May 2009

	Estimate of prior year amounts available in 2009–10 (\$'000)	+ Proposed at Budget 2009–10 (\$'000)	=	Total estimate 2009–10 (\$'000)	Actual available appropriation 2008–09 (\$'000)
ORDINARY ANNUAL SERVICES					
Departmental					
Departmental appropriation	–	6,308 ¹		6,308	6,123
Total ordinary annual services	–	6,308		6,308	6,123
OTHER SERVICES					
Administered expenses					
Specific payments to states, ACT, NT and local government					
Outcome 1 (from special account)	–	–		–	4,405
Total administered expenses	–	–		–	4,405
Total available annual appropriations	–	6,308		6,308	10,528
Total appropriations excluding special accounts	–	6,308		6,308	10,528
SPECIAL ACCOUNTS					
Opening balance	88,649 ²	–		88,649	93,749
Appropriation receipts	–	6,308 ¹		6,308	6,123
Non-appropriation receipts to special accounts	–	46,510		46,510	48,179
Total special accounts	88,649	52,818		141,467	148,051
Total resourcing	88,649	52,818		141,467	148,051
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	–	6,308		6,308	6,123
Total net resourcing for agency	88,649	52,818		141,467	148,051

CrimTrac has self-funded the 2008–09 administered item from its special account.

CrimTrac receives an annual appropriation for interest equivalency only.

All revenue is attributed to the special account.

All figures are GST exclusive.

CAC Act = *Commonwealth Authorities and Companies Act 1997*.

1. Appropriation Bill (No. 1) 2009–10.

2. Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.2.

1.3 BUDGET MEASURES

CrimTrac does not have any new Budget measures.

1.4 TRANSITION FROM OUTCOMES AND OUTPUTS TO OUTCOMES AND PROGRAMS

From the 2009–10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. Figure 2 outlines the transition from the 2008–09 Budget year, which was presented in administered items, outputs and output groups, to the program reporting framework used for the 2009–10 Budget. The table also captures revisions made to CrimTrac’s outcome statement under the Operation Sunlight Outcome Statements Review.

Figure 2: Transition table

2008–09 Budget year	2009–10 Budget year
Outcome 1: Coordinated national policing information systems for a safer Australia	Outcome 1: Access to information that supports law enforcement agencies through collaborative national information systems and services
Output Group 1.1: Facilitation of the delivery of high quality national policing information services	Program 1.1: National law enforcement information systems and services

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Agencies deliver programs, which are the government actions taken to deliver the stated outcomes. Agencies are required to identify the programs that contribute to government outcomes over the Budget and forward years.

CrimTrac’s outcome is described below together with its related program, specifying the performance indicators and targets used to assess and monitor the performance of CrimTrac in achieving government outcomes.

Outcome 1: Access to information that supports law enforcement agencies through collaborative national information systems and services

Outcome 1 strategy

CrimTrac will take a leadership role in generating national approaches to information-sharing solutions for law enforcement agencies. Toward achievement of the outcome CrimTrac will:

- maintain and enhance existing systems, including a major upgrade to the National Automated Fingerprint Identification System
- strengthen its 'business as usual' capacity and capability, including:
 - the completion of a new system to support the national criminal history record checking process
 - an IT service continuity project to ensure the continuous availability of CrimTrac's data holdings, with the implementation of a new data centre, equipment and services
 - improved audit logging and reporting
- identify and prioritise development opportunities, including:
 - enhancements to the National Police Reference System
 - a business case on facial recognition capability
 - a feasibility study on National Case Management
- complete the agency funding review, and
- enable staff to be responsive, innovative and accountable.

CrimTrac recognises its relationship and interdependency with law enforcement agencies in delivering its services.

The agency depends on:

- the provision of accurate, consistent and complete policing information as agreed
- jurisdictions' resolving differences in legislation and policy to enable full realisation of benefits
- jurisdictional commitment to national solutions for information management and sharing:
 - business change managers in jurisdictions
 - better awareness of CrimTrac services
 - commitment of resources to build national solutions, and
- cooperative research with agencies and industry.

Outcome 1 budgeted expenses and resources

Table 2.1 provides an overview of the total expenses for Outcome 1, by program.

Table 2.1: Budgeted expenses and resources for Outcome 1

	2008–09 Estimated actual expenses (\$'000)	2009–10 Estimated expenses (\$'000)
Outcome 1: Access to information that supports law enforcement agencies through collaborative national information systems and services		
Program 1.1: National law enforcement information systems and services		
Administered expenses		
Special accounts	4,405	–
Departmental expenses		
Special accounts	47,820	48,808
Total expenses for Outcome 1	52,225	48,808
	2008–09	2009–10
Average staffing level (number)	164	192

Funds have been transferred from departmental to administered in 2008–09 for the specific purpose payment.

Contributions to Outcome 1

Program 1.1: National law enforcement information systems and services

Program objective

CrimTrac will enhance Australian policing and law enforcement through the provision of high-quality information services that meet the needs of the law enforcement community.

Program 1.1 expenses					
(\$'000)	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Special account expenses					
National Policing Information Systems and Services—FMA Acts 20 (D)	47,820	48,808	50,274	51,131	51,125
Total program expenses	47,820	48,808	50,274	51,131	51,125

Program 1.1 deliverables

To achieve the program objective, CrimTrac will:

- maintain and enhance existing systems, including a major upgrade to the National Automated Fingerprint Identification System
- strengthen 'business as usual' capacity and capability, including:
 - the completion of a new system to support the national criminal history record checking process
 - an IT service continuity project to ensure the continuous availability of CrimTrac's data holdings, with the implementation of a new data centre, equipment and services
 - improved audit logging and reporting
- identify and prioritise development opportunities, including:
 - enhancements to the National Police Reference System
 - a business case on facial recognition capability
 - a feasibility study on National Case Management, and
- complete the agency funding review.

Program 1.1 key performance indicators

CrimTrac's key performance indicators focus on the agency's ability to provide law enforcement agencies with rapid access to detailed, current and accurate information. The agency's progress in achieving the program objective will be measured according to the following indicators:

- Opportunities to improve information sharing are identified.
- Systems and services provide greater access to information.
- Agreed system enhancements are completed to schedule and budget.
- Systems are highly available.
- System outages are within agreed limits.
- 95% of criminal history checks are completed within 10 working days.
- 95% of urgent criminal history checks are completed within five working days.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements that provide a comprehensive snapshot of agency finances for the Budget year 2009-10.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

CrimTrac has no administered funds.

3.1.2 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for the special accounts used by CrimTrac.

Table 3.1.2: Estimates of special account cash flows and balances

		Opening balance 2009–10	Receipts 2009–10	Payments 2009–10	Closing balance 2009–10
	Outcome	2008–09 (\$'000)	2008–09 (\$'000)	2008–09 (\$'000)	2008–09 (\$'000)
National Policing Information Systems and Services—FMA Act s 20 (A)	1	–	–	–	–
	1	–	4,405	4,405	–
National Policing Information Systems and Services—FMA Act s 20 (D)	1	88,649	52,818	65,718	75,749
	1	93,749	54,302	59,402	88,649
Other Trust Moneys Account— FMA Act s 20 (D)		–	–	–	–
		–	–	–	–
Total special accounts					
2009–10 Budget estimate		88,649	52,818	65,718	75,749
2008–09 Estimated actual		93,749	58,707	63,807	88,649

(A) = Administered.

(D) = Departmental.

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

3.1.3 Australian Government Indigenous Expenditure

CrimTrac has no Indigenous-specific expenses.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There is no significant difference between the agency resourcing and financial statements.

3.2.2 Analysis of budgeted financial statements

The analysis in this section is based on the 2009–10 estimates compared with the 2009–10 estimates in the 2008–09 Portfolio Budget Statements.

Departmental

Income statement

Employee expenses increased by \$2.017m as a result of a cost saving measure to replace contractor positions with permanent employees, and to meet the demands of a fully delivered police reference system.

Depreciation decreased by \$0.822m as a result of the movement of expected capitalisation dates, including the upgrade to the National Automated Fingerprint Identification System.

Departmental appropriations total \$6.308m and represent interest supplementation on the expected cash balance in the Official Public Account. Interest earnings decrease in 2010–11 as a result of the decrease in the cash rate, combined with an adjustment in 2009–10 for higher estimated actual earnings for 2008–09. This is consistent with the movement in estimated capital expenditure for 2008–09.

Rendering of services revenue decreased by \$2.877m, which reflects a decline in the number of national criminal history checks being undertaken.

Other revenue includes rental income from the sub-lease of former office space.

Other gains are resources received free of charge for services provided by the Australian National Audit Office in conducting the annual financial statements audit.

Balance sheet

The difference between the previously published estimates and the revised estimates includes the effect of the revised estimated 2008–09 income statement.

The cash balance represents the accumulation of depreciation and amortisation funding for the upgrade and replacement of assets and the accumulation of surpluses as indicated on the income statement. Accumulated funds have been budgeted for reinvestment in both tangible and intangible assets. The 2009–10 Budget includes projects that were not approved at the time of preparing the 2008–09 Portfolio Budget Statements and hence the revised estimate for 2009–10 includes a movement from cash to assets.

Statement of cash flows

Movements in cash are due to the movements in the income statement for appropriations, employees and suppliers, as well as the purchase of new assets and the replacement of existing equipment.

CrimTrac's capital expenditure in 2009–10 has increased by \$24.979m from the previous published estimate due to the inclusion of \$7.663m in information technology assets and \$11.267m on software development for three major projects, in addition to estimated routine replacement expenditure. There is a correlated decrease in the revised estimate for 2008–09 of \$14.477m.

Statement of changes in equity

Equity has been adjusted for the 2008–09 estimated actual results and the movements in the 2009–10 net result.

Administered

The administered payment in 2008–09 is the final payment to the states and territories toward a national information sharing project.

3.2.3 Budgeted financial statements tables

Departmental

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

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
EXPENSES					
Employee benefits	16,841	19,543	21,703	22,299	22,653
Suppliers	23,650	19,136	15,847	16,390	15,762
Depreciation and amortisation	7,323	10,129	12,724	12,442	12,710
Losses from asset sales	6	–	–	–	–
Total expenses	47,820	48,808	50,274	51,131	51,125
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	47,134	46,298	46,480	46,806	46,932
Other revenue	875	388	777	777	777
Total revenue	48,009	46,686	47,257	47,583	47,709
Gains					
Sale of assets	8	–	–	–	–
Other gains	105	105	105	105	105
Total gains	113	105	105	105	105
Total own-source income	48,122	46,791	47,362	47,688	47,814
Net cost of (contribution by) services	302	(2,017)	(2,912)	(3,443)	(3,311)
Appropriation revenue	6,123	6,308	3,522	3,546	3,611
Surplus (deficit)	6,425	4,291	610	103	300
Surplus (deficit) attributable to the Australian Government	6,425	4,291	610	103	300

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
ASSETS					
Financial assets					
Cash and cash equivalents	618	618	618	618	618
Trade and other receivables	95,858	83,140	90,803	89,817	99,206
Total financial assets	96,476	83,758	91,421	90,435	99,824
Non-financial assets					
Land and buildings	6,157	5,683	5,371	5,064	4,762
Infrastructure, plant and equipment	5,838	13,323	10,500	8,656	6,276
Intangibles	15,851	26,824	23,806	27,831	22,062
Other	494	494	494	494	494
Total non-financial assets	28,340	46,324	40,171	42,045	33,594
Total assets	124,816	130,082	131,592	132,480	133,418
LIABILITIES					
Provisions					
Employees	5,025	5,878	6,709	7,489	8,102
Total provisions	5,025	5,878	6,709	7,489	8,102
Payables					
Suppliers	2,063	2,185	2,254	2,259	2,284
Other	1,691	1,691	1,691	1,691	1,691
Total payables	3,754	3,876	3,945	3,950	3,975
Total liabilities	8,779	9,754	10,654	11,439	12,077
Net assets	116,037	120,328	120,938	121,041	121,341
EQUITY*					
Parent entity interest					
Contributed equity	–	–	–	–	–
Reserves	1,301	1,301	1,301	1,301	1,301
Retained surpluses or accumulated deficits	119,141	119,027	119,637	119,740	120,040
Transfer to administered expenses	(4,405)	–	–	–	–
Total parent entity interest	116,037	120,328	120,938	121,041	121,341
Total equity	116,037	120,328	120,938	121,041	121,341
Current assets	96,970	84,252	91,915	90,929	100,318
Non-current assets	27,846	45,830	39,677	41,551	33,100
Current liabilities	8,275	9,231	10,062	10,780	11,366
Non-current liabilities	504	523	592	659	711

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

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
OPERATING ACTIVITIES					
Cash received					
Goods and services	46,953	46,116	46,480	46,806	46,932
Appropriations	6,123	6,308	3,522	3,546	3,611
Other	875	388	777	777	777
Total cash received	53,951	52,812	50,779	51,129	51,320
Cash used					
Employees	15,655	18,690	20,872	21,519	22,040
Suppliers	23,935	18,909	15,673	16,280	15,632
Total cash used	39,590	37,599	36,545	37,799	37,672
Net cash from (used by) operating activities	14,361	15,213	14,234	13,330	13,648
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	8	–	–	–	–
Total cash received	8	–	–	–	–
Cash used					
Purchase of property, plant and equipment	11,054	10,998	1,400	2,370	1,839
Purchase of intangibles	3,667	17,121	5,171	11,946	2,420
Total cash used	14,721	28,119	6,571	14,316	4,259
Net cash from (used by) investing activities	(14,713)	(28,119)	(6,571)	(14,316)	(4,259)
FINANCING ACTIVITIES					
Cash received					
Net transfers from Official Public Account	4,757	12,906	–	986	–
Total cash received	4,757	12,906	–	986	–
Cash used					
Net transfers to Official Public Account	4,405	–	7,663	–	9,389
Total cash used	4,405	12,906	7,663	–	9,389
Net cash from (used by) financing activities	352	–	(7,663)	986	(9,389)
Net increase (decrease) in cash held	–	–	–	–	–
Cash at beginning of reporting period	618	618	618	618	618
Cash at end of reporting period	618	618	618	618	618

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity—summary of movement (Budget year 2009–10)

	Retained earnings (\$'000)	Asset revaluation reserve (\$'000)	Total equity (\$'000)
Opening balance as at 1 July 2009			
Balance carried forward from previous period	114,736	1,301	116,037
Income and expenses			
Surplus (deficit) for the period	4,291	–	4,291
Total income and expenses	4,291	–	4,291
Estimated closing balance as at 30 June 2010	119,027	1,301	120,328

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
CAPITAL APPROPRIATIONS					
Total capital appropriations	–	–	–	–	–
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources	14,721	28,119	6,571	14,316	4,259
TOTAL	14,721	28,119	6,571	14,316	4,259

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of departmental asset movements (2009–10)

	Buildings (\$'000)	Other infrastructure, plant & equipment (\$'000)	Intangibles (\$'000)	Total (\$'000)
As at 1 July 2009				
Gross book value	7,572	10,391	38,812	56,775
Accumulated depreciation/amortisation	1,415	4,559	22,961	28,935
Opening net book balance	6,157	5,832	15,851	27,840
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase or internally developed	–	10,998	17,121	28,119
Sub-total	–	10,998	17,121	28,119
Other movements				
Depreciation/amortisation expense	474	3,507	6,148	10,129
As at 30 June 2010				
Gross book value	7,572	21,389	55,933	84,894
Accumulated depreciation/amortisation	1,889	8,066	29,109	39,064
Closing net book balance	5,683	13,323	26,824	45,830

Prepared on Australian Accounting Standards basis.

Administered

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Total income administered on behalf of government	–	–	–	–	–
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
National policing information systems	4,405	–	–	–	–
Total expenses administered on behalf of government	4,405	–	–	–	–

**Table 3.2.9: Schedule of budgeted administered cash flows
(for the period ended 30 June)**

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
OPERATING ACTIVITIES					
Other	4,405	–	–	–	–
Total cash used	4,405	–	–	–	–
Net cash from (used by) operating activities	(4,405)	–	–	–	–
Net increase (decrease) in cash held	(4,405)	–	–	–	–
Cash at beginning of reporting period	–	–	–	–	–
Cash from Official Public Account <i>Special account</i>	4,405	–	–	–	–
Cash at end of reporting period	–	–	–	–	–

3.2.4 Notes to the financial statements

Departmental

Basis of accounting

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

Revenue from government

Amounts appropriated are recognised as revenue and appropriations receivable are recognised at their nominal amounts.

Employee expenses

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

Supplier expenses

Supplier expenses consist of administrative costs, consultant and contractor costs, workers' compensation and insurance, information technology expenditure, travel expenses and property operating expenses.

Cash

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

Assets

Assets comprise cash, receivables, leasehold improvements, equipment and intangibles. All assets are held at fair value other than software which is held at cost. Receivables include cash held in the Official Public Account.

Liabilities

Liabilities comprise employee salary and leave entitlements and amounts owed to creditors.

Administered

The administered item in 2008-09 has been funded from the special account and is the final payment to the states and territories toward a national information sharing project.

