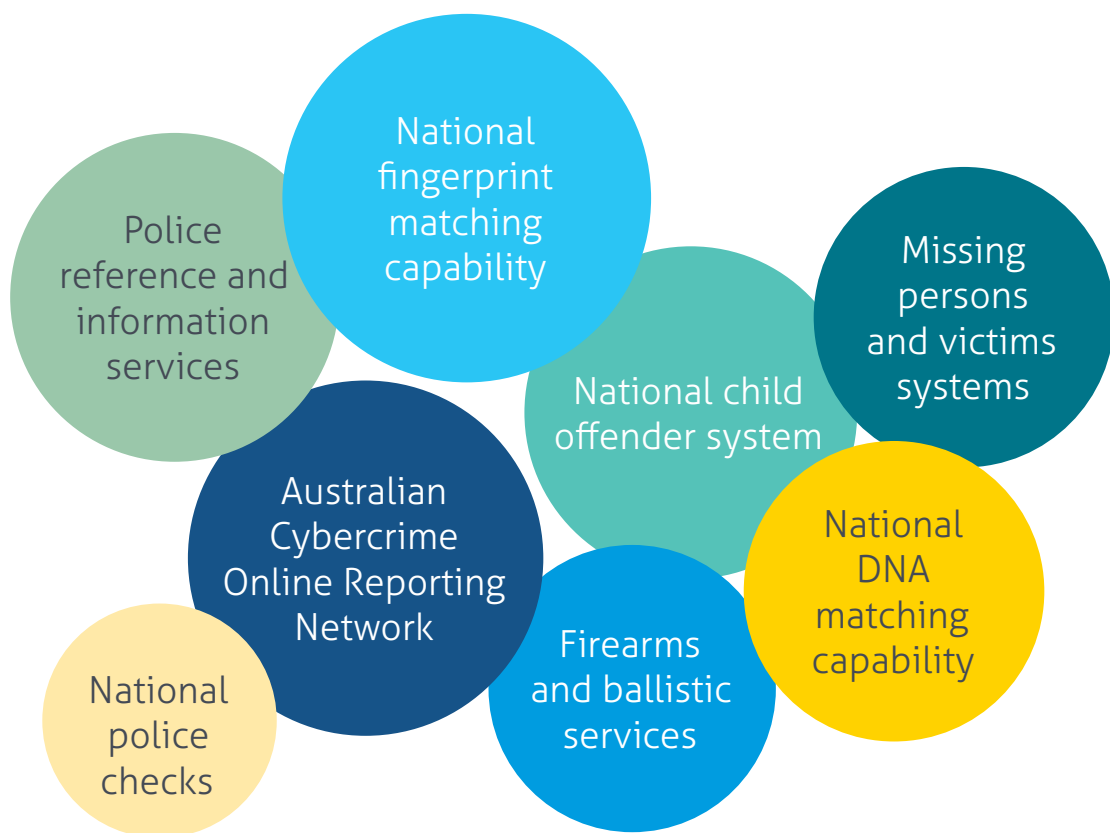# |C|R|I|M|T|R|A|C|

Annual Report
2014–2015

Our role

We are the national information-sharing service for Australia's police, wider law enforcement and national security agencies.

Our responsibilities

National fingerprint matching capability

Police reference and information services

Missing persons and victims systems

National child offender system

Australian Cybercrime Online Reporting Network

National DNA matching capability

National police checks

Firearms and ballistic services

Our police partners

CrimTrac is a partnership between state, territory and federal police agencies and the Commonwealth Attorney-General's Department.

Australian Federal Police

New South Wales Police Force

Northern Territory Police

Queensland Police Service

South Australia Police

Tasmania Police

Victoria Police

Western Australia Police

Australian Capital Territory Policing

2014–15 At a glance

National Automated Fingerprint Identification System

6.7 MILLION PRINT SETS *of* **3.9 MILLION PEOPLE**

Over 2 million searches in 14–15

National Criminal Investigation DNA Database

OVER **80 THOUSAND PROFILES**

added to the database in 14–15

With over 25 000 previously unrelated crimes linked

National Child Offender System

Helping police protect children

Holds sensitive information and is available

24/7

99.8% of the time

National Firearms Identification Database

OVER **16 THOUSAND TYPES OF FIREARMS**

Total of 13 623 searches in 14–15

National Police Reference System

38 MILLION SEARCHES THIS YEAR

Currently holds over 7 million photos

National Police Checking Service

3.9 MILLION CHECKS IN 14−15

33 new accredited agencies

National Firearms Licensing and Registration System

OVER **1.9 MILLION LICENCE** records

AND **5 MILLION FIREARMS** records

Australian Cybercrime Online Reporting Network

192 THOUSAND VISITORS TO THE WEBSITE DURING 14−15
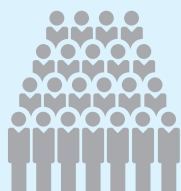
Over 25 000 reports in 14−15

Australian Ballistic Information Network

76 CRIME SCENE TO CRIME SCENE MATCHES IN 14−15

Over 56 000 unique ABIN records

207 EMPLOYEES

49.8% MALE 50.2% FEMALE

87.5% full time 12.5% part time

3 GRADUATES COMPLETED THE ICT GRADUATE PROGRAM IN DECEMBER 2014

1 new graduate commenced in 2015

Letter of transmittal

The Hon Michael Keenan MP
Minister for Justice
Parliament House
Canberra ACT 2600

Dear Minister

I am pleased to present the CrimTrac annual report for 1 July 2014 to 30 June 2015, prepared in accordance with section 70 of the *Public Service Act 1999*.

The Act requires me to provide you with a report to present to the Parliament. Our report complies with the requirements for annual reports for departments, executive agencies and bodies under section 46 of the *Public Governance, Performance and Accountability Act 2014*.

I certify that I am satisfied that CrimTrac has in place appropriate fraud risk assessment and fraud control plans, fraud prevention, detection, investigation, reporting and data collection procedures and processes, in accordance with the Australian Government Fraud Control Guidelines.

Ms Nicole Rose PSM
Chief Executive Officer
CrimTrac

2 October 2015

Contents

About this report

This report was prepared in accordance with the guidelines issued by the Department of Prime Minister and Cabinet, under Section 70 of the *Public Service Act 1999* and Section 46 of the *Public Governance, Performance and Accountability Act 2014*. It contains information on our organisation, administration and performance for 2014–15.

Part 1: Agency overview

Includes information on our role and organisational structure, and introduces our senior executive.

Part 2: Report on performance

Reports on our performance against our programme of work, including achievements against deliverables and key performance indicators. It also includes information on our major projects.

Part 3: Management and accountability

Discusses governance arrangements including audit, fraud, security and risk management arrangements, and provides information to satisfy the reporting requirements of a range of Commonwealth legislation and Australian Government policies.

Part 4: People management

Includes information on our people management, including workforce demographics.

Part 5: Financial information

Contains the complete set of our audited financial statements, including audited financial statements prepared in accordance with the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*.

Part 6: References

Provides a list of tables and figures within the report, a glossary, acronyms, a compliance index, and an alphabetical index.

Part
/01
Agency overview

CEO review

I was honoured to be appointed Chief Executive Officer of CrimTrac this year, following the tenure of Doug Smith APM. I acknowledge Mr Smith for his service and leadership over the past four years. CrimTrac has developed into a truly national agency with an innovative and collaborative approach. Our job now is to build on this strong capacity to continue delivering national information-sharing solutions that support police in their work.

In stepping into the role of CEO, I recognise that the work of CrimTrac has never been so important. Every day, police across Australia work tirelessly to keep our communities safe. We support their fight against crime by delivering national solutions that help police to prevent, detect and reduce crime in our community. Our services provide essential information to help protect our police officers, the community, and contribute to making our country a safe and secure place.

Strategic direction

This year we launched the *CrimTrac Strategic Plan 2015–2020* to guide the agency and Board of Management over the coming years. The strategic plan reinforces our commitment to meeting the information needs of the Australian policing community, focusing on four priority areas, 'people, partnerships, productivity and innovation'.

Australian Cybercrime Online Reporting Network

The multijurisdictional nature of cybercrime presents significant practical difficulties for law enforcement agencies. As such, the Australian Cybercrime Online Reporting Network (ACORN) was launched as the first national online-crime reporting capability in Australia. It was delivered as a joint project between the Attorney-General's Department, the Australian Crime Commission, CrimTrac and all Australian police agencies, working together to combat cybercrime.

Through the ACORN, police will develop an enhanced understanding of how cyber criminals are targeting Australians. This will grow clearer over time as more reports are received, enabling police to develop improved tactical and strategic responses. Ultimately, police will use this information to make Australia a harder target for cyber criminals.

Australian Ballistic Information Network

The Australian Ballistic Information Network (ABIN) will support police in addressing violent gun-crime in Australia. It will enable police to share data on guns used in crimes, and provides a quick way to match firearm information against a national dataset.

This will significantly affect the way Australian police agencies investigate gun-related crime, by linking ballistic evidence from crimes involving firearms both locally and nationally. This will also provide a national picture of criminal use of firearms in Australia, enhancing the capability of Australian police to investigate firearm-related crime and target violent offenders in our community.

National Domestic Violence Order Information Sharing System

Domestic violence orders (DVOs) are a key way police can protect and empower victims and improve outcomes in domestic and family violence situations. Yet, there is no system in place to share information on DVOs nationally.

CrimTrac is investigating a technical solution to allow police and courts in different jurisdictions to share information about domestic violence orders (DVO) and related family court orders. This aims to address the lack of coordination and information sharing across systems, law enforcement agencies, justice stakeholders and between jurisdictions in Australia.

Looking ahead

There are some exciting opportunities ahead for CrimTrac and I strongly believe that we will develop further as an integral part of Australia's policing and law enforcement environment.

We are committed to working cooperatively with our partners to introduce effective tools to assist the fight against crime. We will continue to strengthen our relationship with Australia's police to deliver on the Australian Government's commitments, to enhance the quality and agility of our services to police, and to position ourselves to address future challenges.

I will continue working with the Board of Management to achieve the best outcomes for all police agencies. My vision is for the Board to operate in an environment that allows for rigorous, open, and honest debate, innovative and strategic thinking and to provide clear advice and direction to CrimTrac.

Finally, I thank CrimTrac staff for welcoming me into the agency. I appreciate the support and interest that you have shown, and I firmly believe this collective team has led to our achievements throughout the year. Thank you.

Nicole Rose PSM
Chief Executive Officer
CrimTrac

Vision

To work collaboratively to provide essential information services to police and law enforcement agencies for a safer community and a safer Australia.

Mission

To enhance Australian policing and law enforcement with an emphasis on information-based policing facilitated through rapid access to detailed, current and accurate police and law enforcement information.

About us

Our role and function

We provide the national tools police need to share information across state and territory borders. We do this by bringing together essential law enforcement information from around the country and making it accessible to all Australian police and wider law enforcement agencies.

We work as a collaborative partnership between the Commonwealth, states and territories and consult closely to understand operational requirements.

Our services enhance police effectiveness and efficiency, by providing quick access to the information they need to prevent, detect and reduce crime. In this way, we contribute to combatting crime in Australia and help to make our communities safer and more secure.

Our services

Our services help police solve serious crimes such as murder and assault, find missing persons, identify disaster victims, identify firearms, and resolve volume crimes such as car and property theft.

Our services include:

- police reference and information services
- national fingerprint matching capability
- national DNA matching capability
- national child offender services
- firearms and ballistic services
- national cybercrime reporting network
- missing persons and victims system
- national police checks.

Our performance

We measure our performance against the deliverables and key performance indicators in our Portfolio Budget Statement. See details on page 11, *Part 2: Report on performance*.

Our financial results

Our revenue for the year was $74.8 million and our expenses were $74.2 million, providing an operating surplus of $0.6 million. The majority of our expenditure was on supplier and employee expenses. See details on page 75, *Part 5: Financial information*.

Our portfolio and accountability

CrimTrac is an Executive Agency within the Commonwealth Attorney-General's portfolio.

This reporting year, we were subject to the *Public Service Act 1999* and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The PGPA Act replaced the *Financial Management and Accountability Act 1997* from 1 July 2014.

We have introduced measures to support greater transparency and accountability in reporting and to meet the requirements of the PGPA Act. See details on page 53, *Part 3: Management and accountability*.

We are accountable to the Commonwealth Parliament, the Minister for Justice and our Board of Management, which comprises Australia's police commissioners, the ACT Chief Police Officer and a Deputy Secretary of the Attorney-General's Department.

Our minister

At 30 June 2015, Minister for Justice, the Hon Michael Keenan MP, had Commonwealth responsibility for CrimTrac.

Our governance

CrimTrac was established under an Inter-Governmental Agreement (IGA) between the Commonwealth and each state and territory. In July 2000, the Commonwealth Minister for Justice and all state and territory police ministers signed the IGA.

The IGA supports CrimTrac as a truly national body. It underpins the development of national information-sharing services for police and provides the framework for partnership between CrimTrac and Australia's police agencies.

Our organisation structure

Our Executive

Our Executive is responsible for the high-level management of the agency. Our Executive consists of our Chief Executive Officer, Chief Operating Officer and Chief Information Officer.

Chief Executive Officer | Nicole Rose PSM

The Commonwealth Minister for Justice appoints our Chief Executive Officer (CEO) on the recommendation of the CrimTrac Board of Management. Our CEO is responsible to the Minister and the Board for delivering CrimTrac services in accordance with the Inter-Governmental Agreement that established our agency.

Nicole Rose commenced as the CEO of CrimTrac on 13 April 2015. Prior to joining CrimTrac, she was the Director of the Office of the NSW Police Commissioner for eight years. Ms Rose has also worked in several NSW public sector departments including the NSW Premier's Department, the Ministry for Police, and the Serious Offenders Review Council within the Department of Corrective Services. While at the Ministry of Police, Ms Rose was instrumental in the establishment and operation of the NSW Innocence Panel. The first of its kind in Australia, this high-level committee reviews forensic evidence in criminal convictions where advances in DNA technology might possibly be used as new evidence.

Ms Rose has tertiary qualifications in Business and Management and recently completed the Vincent Fairfax Fellowship in Ethical Leadership at Melbourne University. In 2013, Ms Rose was awarded the Public Service Medal for services to policing.

Chief Operating Officer | Nicole Mayo

Our Chief Operating Officer (COO) develops our strategic objectives and long-term planning activities, and manages the corporate services that underpin our agency. This includes responsibility for human resources, legal and procurement, finance, business innovation and development, communications, governance and strategy.

Ms Mayo was appointed as CrimTrac's COO in July 2013. Ms Mayo's career spans more than 20 years in the legal profession, both in private practice and the public sector, in the Australian Capital Territory and Commonwealth public service. She brings extensive experience working within a complex multi-jurisdictional and legislative environment, requiring strong leadership and problem-solving skills. She has a Bachelor of Laws and holds an unrestricted Government Practising Certificate.

Chief Information Officer | Lee Walton

Our Chief Information Officer (CIO) leads the delivery of national information-sharing services to meet the needs of Australia's police agencies. This includes managing the implementation of business and information and communications technology (ICT) solutions for CrimTrac.

Mr Walton was appointed CIO in January 2013. He has more than 30 years' experience working across government in both Australia and the United Kingdom. His extensive experience in the ICT sector includes 12 years with Defence Signals Directorate, where he held senior positions in project management, ICT reform and as Chief Engineer. Mr Walton has a First Class Honours engineering degree and is a Chartered Engineer and registered project manager.

Figure 1.1: Our organisation structure as at 30 June 2015
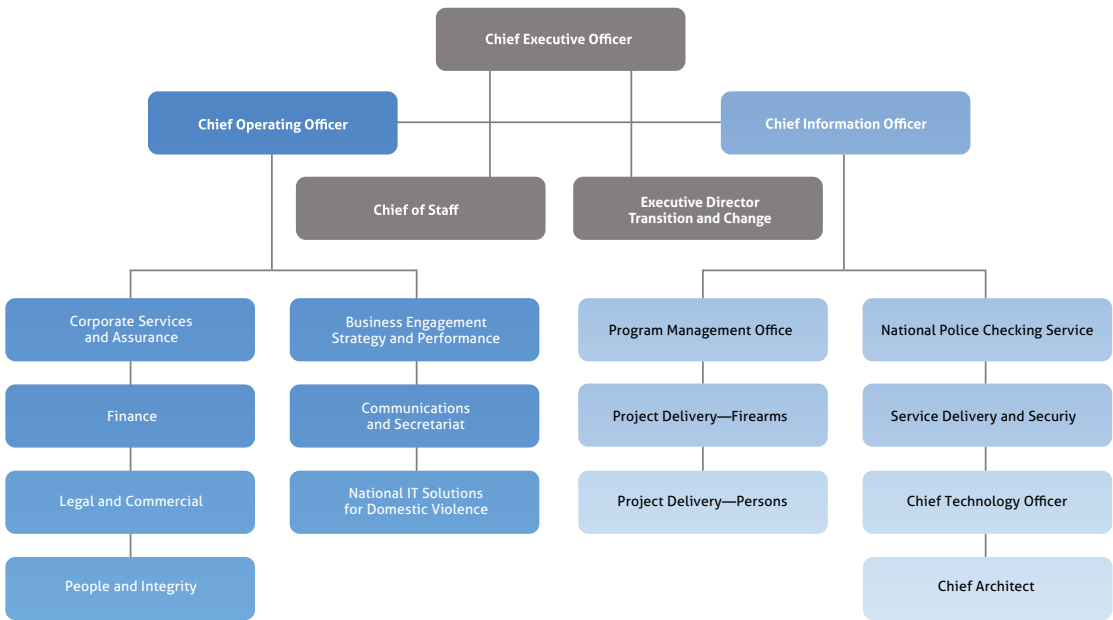
Strategic landscape

We are committed to meeting the information needs of the Australian police community, with a strategic focus on governance and information-sharing into the future.

CrimTrac Strategic Plan 2015–2020

During the year, we launched our *CrimTrac Strategic Plan 2015–2020*.

The plan sets our agency's direction and influences the way we approach and deliver our work.

It sets a pathway for working collaboratively to provide essential information services to police and law enforcement agencies, for safer communities and a safer Australia.

The plan identifies how we will deliver improved capability to our police partner agencies by focusing on the priority areas of People, Partnerships, Productivity and Innovation.

Through our plan we aim to remain in step with the strategic direction of our police partner agencies.

Figure 1.2: Our Strategic Plan priority areas
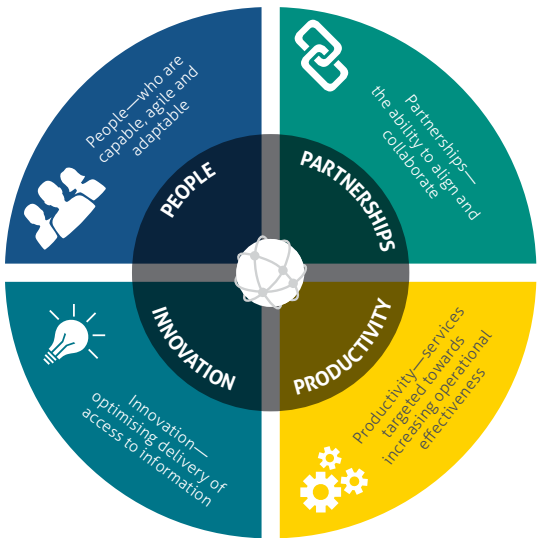
CrimTrac ICT Blueprint 2014–2018

Our *CrimTrac ICT Blueprint 2014–2018* guides our ICT direction into the future as we invest in innovative information-sharing solutions. This important vision for our ICT capability was developed in line with our Strategic Plan.

Figure 1.3: Our ICT Blueprint priority areas

ICT Blueprint focus areas

1 Implement national information exchange standards

2 Decouple CrimTrac systems from police systems

3 Make links between disparate information sets

4 Enrich CrimTrac information assets

5 Provide analytical tools

6 Provide the means to access information 'anywhere, anytime and from any device'

7 Become an ICT service broker to police

Our ICT Blueprint is based on feedback from our police partner agencies. It establishes a new informationsharing model that:

- meets the needs for sharing additional data in the future
- helps us remove technology barriers between existing systems
- creates an integrated information environment
- provides a technical environment for future developments.

Through our ICT Blueprint, we will continue to assess new ideas and opportunities, and take advantage of new technologies to deliver cost effective and efficient solutions that help police to do their work and keep our community safe.

CrimTrac Corporate Plan 2015–2019

This reporting period we developed our *CrimTrac Corporate Plan 2015–2019*, as required by the PGPA Act.

Our Corporate Plan details our strategic objectives, performance measures and targets, derived from our Inter Governmental Agreement and Memorandum of Understanding.

To be released in 2015–16, our new Corporate Plan sets out our purpose, significant activities, operating environment, planned performance and evaluations, capability and risk oversight and management.

Our obligations under the PGPA Act include:

- preparing budget estimates
- measuring, assessing and keeping records on CrimTrac's performance
- preparing annual performance statements.

Part

/02

Report on performance

Portfolio Budget Statement 2014–15 excerpt

Outcome 1

Access to information that supports law enforcement agencies through collaborative national information systems and services.

Programme 1.1

National law enforcement information systems and services.

Programme 1.1 objective

CrimTrac will enhance Australian policing and law enforcement with an emphasis on information-based policing, facilitated through rapid access to detailed, current and accurate policing and law enforcement information.

Programme 1.1 deliverables

To achieve the programme objective, CrimTrac will:

- operate, maintain and enhance existing national critical policing information infrastructure, systems and services, including the:
  - » National Automated Fingerprint Identification System
  - » National Criminal Investigation DNA Database
  - » National Child Offender System
  - » National Police Reference System
  - » National Police Checking Service
  - » National Firearm Licensing and Registration System.

In addition to the above, CrimTrac will:

- implement new information-sharing capabilities for policing and law enforcement, including the following national systems:
  - » Australian Cybercrime Online Reporting Network
  - » Australian Ballistics Identification Network.
- continue to strengthen internal capacity and capability
- identify, assess and prioritise capability development opportunities that support our partners and the national strategic intent, including:
  - » firearms and ballistics information
  - » cybercrime reporting
  - » child protection
  - » biometrics.
- support the international exchange of policing and law enforcement information.

> **We report on our programme of work, including our performance against our outcome, objective, deliverables and key performance indicators, as set out in our Portfolio Budget Statement.**

Programme 1.1 key performance indicators

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

• availability of fingerprint systems (excluding scheduled outages)

• availability of police reference and child offender systems (excluding scheduled outages)

• availability of police checking, vehicles of interest, DNA database, names index and firearms licence systems (excluding scheduled outages)

• percentage of criminal history checks with non-disclosable histories completed within five working days.

Programme of work

Our annual programme of work is summarised in our Work Plan 2014–15. In line with our Portfolio Budget Statement, this includes ongoing/business as usual work to deliver, maintain and enhance existing national critical information infrastructure. Based on our 'Plan', 'Build', 'Run' model, our Work Plan also includes initiatives to identify, assess and prioritise capability development opportunities that support our partners and the national strategic intent. To achieve this, we use sophisticated project analysis and market research to explore new projects and technology platforms.

CrimTrac Work Plan 2014–15

	Ongoing/Business as usual	Implement approved initiatives
Biometrics	Deliver national biometric services capability through the support of the following systems: • National Criminal Investigation DNA Database (NCIDD) • National Automated Fingerprint Identification System (NAFIS)	• National DNA Investigative Capability (NDIC) • National Missing Persons and Victim System (NMPVS) • NAFIS Capacity Upgrade
Child protection	Deliver national child protection services capability through the support of the following systems: • National Child Offender System (NCOS) • Child Exploitation Tracking System (CETS)	• National Child Offender System (NCOS) Data Provision and Consumption
Incident and investigation management	Deliver national police reference services capability through the support of the following systems: • National Police Reference System (NPRS) • National Vehicles of Interest (NVOI) • National Names Index (NNI)	• Bridging Visa Information in NPRS • NPRS Role-Based Filtering • NSS Improved Search Capability (NISC)
Cybercrime reporting	• Australian Cybercrime Online Reporting Network (ACORN)	• ACORN Enhancement
Firearms and ballistics information	Deliver national firearm services capability to police partners through the support of the following systems: • National Firearms Licensing and Registration System (NFLRS) • National Firearms Identification Database (NFID) • Australian Ballistic Information Network (ABIN)	• National Firearms Interface (NFI)
Domestic violence		• National Domestic Violence Order Information Sharing System (NDVOISS)

Our services help police to prevent, detect and reduce crime in our community.

Performance summary

As required, this report reviews our performance against the outcome strategy, deliverables and key performance indicators (KPIs) in our 2014–15 Portfolio Budget Statement.

KPI—Availability of fingerprint system (excluding scheduled outages)

System	Target	Actual	Achieved
National Automated Fingerprint Identification System	99%	99.7%	Y

KPI—Availability of police reference and child offender systems (excluding scheduled outages)

System	Target	Actual	Achieved
National Police Reference System	99.5%	99.7%	Y
National Child Offender System	99.5%	99.8%	Y
Child Exploitation Tracking System	99.5%	99.8%	Y

KPI—Availability of police checking, vehicles of interest, DNA database, names index and firearms systems (excluding scheduled outages)

System	Target	Actual	Achieved
National Police Checking Service	99%	99.9%	Y
National Vehicles of Interest	99%	99.5%	Y
National Criminal Investigation DNA Database	99%	99.8%	Y
National Names Index	99%	99.5%	Y
National Firearms Licensing and Registration System	99%	99.5%	Y
National Firearms Identification Database	99%	99.8%	Y
Australian Ballistic Information Network	99%	99.9%	Y

KPI—Percentage of criminal history checks with non-disclosable histories completed within five working days

System	Target	Actual	Achieved
National Police Checking Service—initial clear completed within five days	97%	100%	Y

We work to ensure that police across Australia have the tools they need to keep our streets safe. This year we achieved high service standards, exceeding availability performance targets across all systems.

We delivered reliable and stable systems that support police in their work, and we have undertaken appropriate upgrades to ensure continuity of services to police. An example of this was delivering a capacity upgrade to the National Automated Fingerprint Identification System (NAFIS), which improved performance and availability of the NAFIS throughout the reporting period.

Police use of our systems continues to grow, with increased numbers of searches across most systems. This shows that police continue to rely on our services to help prevent, detect and reduce crime in our community. The only system that declined in overall use is the National Names Index, as reliance on superseding systems, such as the National Police Reference System, increased.

Our National Police Checking Service continues to deliver a valuable service to the community, helping to ensure the integrity of individuals placed in a position of trust. The service expanded throughout the year with 33 new organisations accredited to use the service. More than 3.96 million checks were conducted throughout the year; a 5.88 per cent increase on the previous year.

This year, we expanded the services we deliver to police through launching two new systems—the Australian Ballistic Information Network (ABIN) and the Australian Cybercrime Online Reporting Network (ACORN).

- The ABIN helps police electronically match ballistic evidence to the weapon used in a crime. The system has already delivered benefits with more than 14 000 bullets and 42 000 cartridge casings entered into the database. This resulted in 76 hits, linking various crimes and firearms across Australia, providing a valuable investigative tool for police.
- The ACORN is our first public facing system, enabling members of the public to report cybercrime incidents securely. This information helps police gather valuable data and develop improved responses to cybercrime. More than 25 000 reports were made to the ACORN this year, with 57 per cent referred to police for further investigation.

We are dedicated to meeting the information needs of Australian police into the future. We are undertaking key projects to deliver additional information-sharing services to police. These include the National Missing Persons and Victims System (NMPVS) and the National DNA Investigative Capability (NDIC), both scheduled for delivery in 2015–16.

- The NMPVS will enable police to undertake national searches on long-term missing persons, unidentified human remains, and disaster victim identification.
- The NDIC will implement a more sophisticated DNA-matching capability for police with new solutions for kinship matching and familial searching capabilities.

We continue to take advantage of new technologies to deliver solutions that help police keep our community safe. Looking ahead, we are undertaking vital projects—scheduled for delivery in 2016 and beyond—to further enhance police capability. These include the National Firearms Interface (NFI) and the National Domestic Violence Order Information Sharing System (NDVOISS).

- The NFI will enhance capability for police to share firearms data, leading to increased police and public safety. This will complement our existing suite of firearms services.
- Through the NDVOISS project, we will design, develop and test a prototype information-sharing system for domestic violence orders (DVOs). In 2017, we will present options to all Australian governments for how a national DVO information-sharing capability could be implemented.

Biometrics services

Police across Australia use the National Automated Fingerprint Identification System (NAFIS) and National Criminal Investigation DNA Database (NCIDD) to help solve crime and keep our country safe.

National Automated Fingerprint Identification System

6.7 MILLION print sets of **3.9 MILLION** people

24/7 availability **99.7%** of the time

199 035 people added to the database

64 THOUSAND finger and palm prints of people identified from crime scenes

The National Automated Fingerprint Identification System (NAFIS) is a finger and palm print database and matching system, which we have operated since 2001. The NAFIS includes:

- tenprint data—finger and palm print images taken in controlled situations, usually by police or immigration authorities, along with corresponding basic biographic information
- latent data—unsolved finger and palm print impressions recovered from crime scenes.

Police agencies use this system to help solve crime and identify individuals by establishing a person's identity from fingerprint and palm impressions. The system is also used by the Department of Immigration and Border Protection to support Australia's migration programme.

The NAFIS enables near real-time upload of prints from crime scenes, making it possible for police to identify a suspect in minutes.

Key performance indicator: Availability of fingerprint system (excluding scheduled outages)

The NAFIS is available 24 hours a day, seven days a week for a total of 168 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide business support for NAFIS during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours.

> Helping solve crime by matching crime scene fingerprints — often with real-time uploads that enable police to identify suspects in minutes.

Table 2.1: NAFIS availability target

	Target KPI	2012–13	2013–14	2014–15
Availability	99.0%	99.4%	98.8%	99.7%

This year we exceeded our availability target, with the NAFIS available 99.7 per cent of the time. After falling short of the target last year, we increased availability through the NAFIS Capacity Upgrade project, helping us deliver timely results to NAFIS users this year.

Table 2.2: NAFIS records and searches

	2011–12	2012–13	2013–14	2014–15	% increase on previous year
Crime scene searches (finger and palm)	367 751	408 899	420 188	441 773	5.13%
Crime scene prints identified	52 673	58 693	60 398	63 971	5.92%
Latent finger print searches	264 537	295 293	306 133	323 590	5.70%
Latent finger prints identified	37 546	42 188	43 691	46 376	6.15%
Latent palm searches	103 214	113 606	114 055	117 823	3.30%
Latent palm prints identified	15 127	16 505	16 707	17 595	5.32%
Tenprint to tenprint searches	428 831	482 813	519 156	528 438	1.79%
Livescan initiated tenprint to tenprint searches	246 959	261 966	290 109	296 242	2.11%

During 2014–15, there was a steady increase in the use of the NAFIS system, with both tenprint and latent searches continuing to rise. This indicates that police and other law enforcement agencies across Australia continued to use the NAFIS as a key system that supports their work.

The total number of crime scene prints (including finger and palm prints) identified through the NAFIS increased by more than five per cent on last year. This increase highlights the value the NAFIS continues to provide to police, by helping solve crimes.

NAFIS enhancements

This year we upgraded the NAFIS to the new MetaMorpho Biometric Search Services, introducing new matches and a new coding algorithm. This enabled increased throughput and better matching accuracy.

The National Portable Biometric Interface (NPBI) allows a police officer on the street to capture a person's fingerprints and rapidly connect to NAFIS to identify the person (within 90 seconds). In September 2014 we implemented a second release of the NPBI, which upgraded the interface to a more reliable platform.

The NAFIS Workstation Refresh Project was also delivered this year, rolling out new hardware for all NAFIS workstations across the country.

National Criminal Investigation DNA Database

Over **31** **THOUSAND** crime scene DNA samples linked to profiles on the database

25 **THOUSAND** previously unrelated crimes linked

Over **80** **THOUSAND** profiles added to the database in 2014–15

24/7 availability **99.8%** of the time
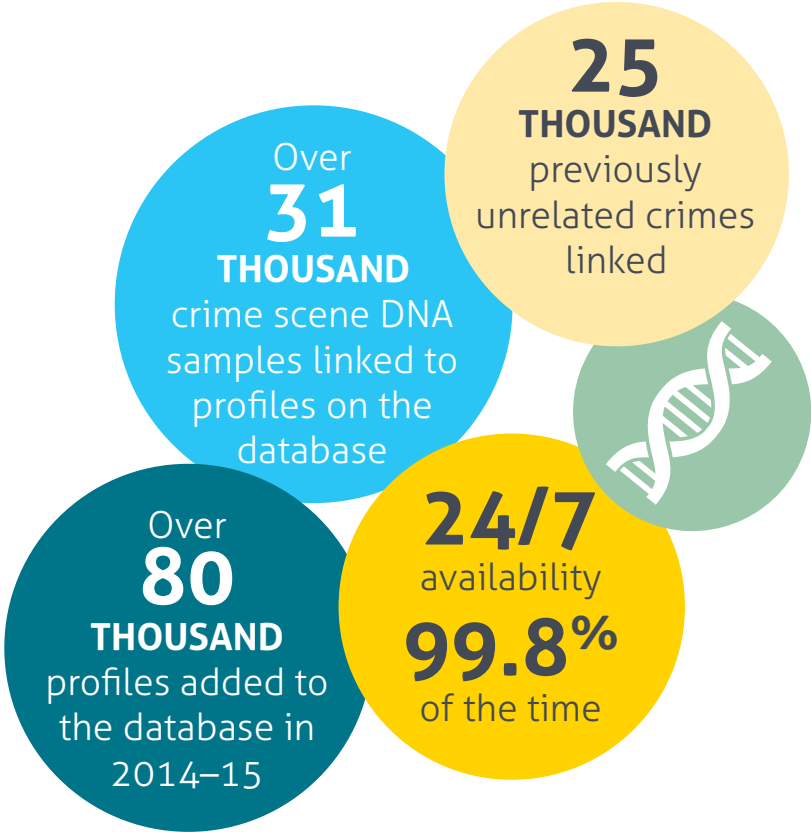
The National Criminal Investigation DNA Database (NCIDD) has been in operation since 2001. More than 917 000 DNA profiles have been uploaded to date. The NCIDD helps police solve crimes by linking DNA profiles from a crime scene with convicted offenders throughout Australia. It also allows police to match profiles from two or more unsolved crime scenes, linking seemingly unrelated police investigations.

Police use DNA evidence to inform or support investigations. DNA evidence has helped implicate criminals in serious offences and is helping to solve many volume crimes such as theft. It has also established the innocence of people who might otherwise have been suspects.

The NCIDD contains DNA profiles from samples Australian police have collected from crime scenes, convicted offenders, suspects, items belonging to missing persons, and unknown deceased persons.

Key performance indicator: Availability of police checking, vehicles of interest, DNA database, names, index and firearms license system (excluding schedule outages)

The NCIDD is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide business support for NCIDD during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours.

Table 2.3: NCIDD availability target

	Target KPI	2012–13	2013–14	2014–15
Availability	99.0%	99.7%	99.9%	99.8%

This year we exceeded the availability target, with the NCIDD available to police 99.8 per cent of the time. The NCIDD remains a highly available, reliable and stable system for police use.

Table 2.4: NCIDD records and searches

	2011–12	2012–13	2013–14	2014–15	% increase on previous year
Total number of records	678 441	749 601	837 798	917 947	9.57%
Total number of crime scene to crime scene links	9 768	9 702	72 462	25 037	-65.45%
Total number of crime scene to person links	18 088	18 568	68 036	31 648	-53.48%

This year the NCIDD continued to support police and provide a valuable investigative tool. The total number of records on the NCIDD increased by almost 10 per cent on last year.

The number of crime scene and person links spiked in 2013–14 due to the NSW Police Force expanding the links to include intra-jurisdictional links. The figures for 2014–15 include the back capture of New South Wales inter-jurisdictional links.

In addition, a NSW legislative change implemented in September 2014 enabled NSW crime scene DNA profiles to be matched against crime scenes nationally. This national sharing of DNA information is expected to result in increased use and outcomes of the NCIDD into the future.

Biometric projects

National Automated Fingerprint Identification System Capacity Upgrade

Police agencies have invested in new technologies that enable real-time fingerprint matching, including forensic registers, digital photography and tablet computers at crime scenes. This has driven increased demand for the NAFIS. However, due to this increased demand, police have experienced some delays in obtaining matches through the NAFIS.

This year we completed the NAFIS Capacity Upgrade project. We began the project in July 2013 with the aim of upgrading the core system to allow for greater capacity and improved system availability by increasing fingerprint matching capacity and reducing wait times for police.

KEY FACTS: NAFIS CAPACITY UPGRADE	
Outcome	Performance improvements to the NAFIS platform, which will lead to improved matching of fingerprints and reduced response times for latent searches. This will support operations to 2017.
Scheduled delivery	July 2015
Budget	$5.330 million
Status	• Software version and capacity upgrade was successfully completed on 30 April 2015. • Quality control score thresholds and processing thresholds have been adjusted to reflect similar rates prior to the upgrade.

National DNA Investigative Capability

This year we invited tenders for the National DNA Investigative Capability (NDIC) project. This project will identify and implement a more sophisticated capability for police through new solutions for kinship matching and familial searching capabilities. These new capabilities will improve current DNA matching capabilities across Australia.

The current DNA matching capability is designed to protect privacy, and any enhancements must also meet strict privacy requirements.

KEY FACTS: NATIONAL DNA INVESTIGATIVE CAPABILITY	
Outcome	A more sophisticated DNA investigative capability for police, including kinship matching and familial searching.
Scheduled delivery	Quarter 4, 2015–16
Budget	$1.855 million (includes $0.179 million contingency)
Status	• Australian police agencies were engaged to agree on detailed business requirements. • We conducted an open market tender and shortlisted preferred suppliers.

National Missing Persons and Victim System

This year we developed the National Missing Persons and Victim System (NMPVS) to be launched in early 2015–16.

This initiative provides police and other law enforcement agencies with the ability to undertake national searches on long-term missing persons, unidentified human remains, and disaster victim identification.

This national solution will help police in each state and territory to share and match information on missing persons, which was previously limited by the use of localised systems in each jurisdiction.

The NMPVS will also be made available to forensic specialists who work with Australian police and New Zealand police.

KEY FACTS: NATIONAL MISSING PERSONS AND VICTIM SYSTEM	
Outcome	A national automated capability for police to match long-term missing person and unidentified human remains information. It will also allow easier access to shared information in the event of a major disaster.
Scheduled delivery	Quarter 1, 2015–16
Budget	$0.531 million
Status	The Police Consultative Group on Missing Persons and the Australian New Zealand Policing Advisory Agency (ANZPAA) Disaster Victim Identification Committee, are developing national operating procedures and carrying out respective legal assessments. The NMPVS is on schedule to be operational nationally in the first quarter of 2015–16.

"Helping police protect children."

Child protection

Police use our child protection solutions to help identify and manage offenders against children, helping to protect children at risk.

National Child Offender System

24/7 availability
99.8% of the time

We do not report on statistics or type of information held

Holds sensitive information
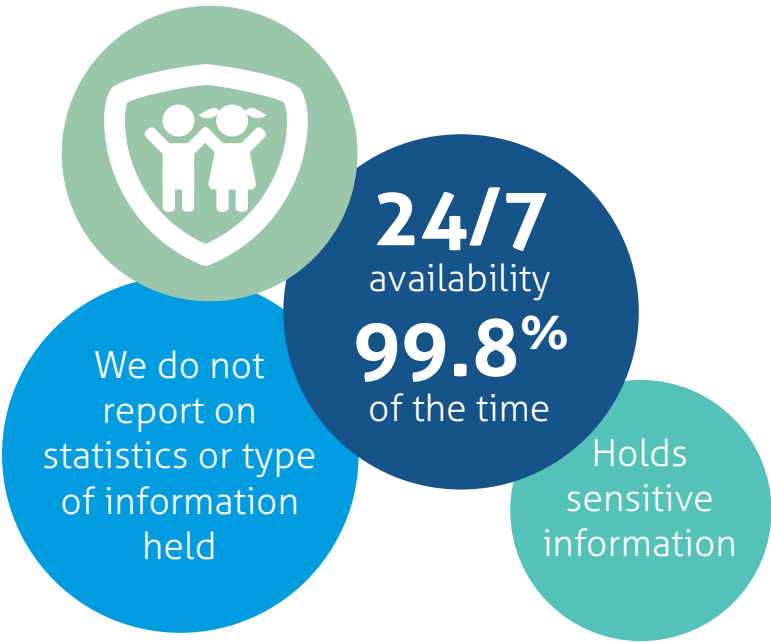
The National Child Offender System (NCOS) is a web-based application that allows Australian police to record and share child offender information. It directly enables police in each state and territory to manage key information to meet their requirements under respective child protection legislation.

Key performance indicator: Availability of police reference and child offender systems (excluding scheduled outages)

NCOS is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide business support to NCOS during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours.

Table 2.5: NCOS availability target

	Target KPI	2012–13	2013–14	2014–15
Availability	99.5%	99.7%	99.7%	99.8%

During 2014–15, we continued to maintain the NCOS system and make improvements to ensure continuity of service to police partner agencies. This helped us exceed the target of 99.5 per cent system availability to Australian police.

We are only the custodian of the NCOS and cannot access the information it contains. Therefore we cannot provide any information, including statistics, about the contents of the database.

Child Exploitation Tracking System

The Child Exploitation Tracking System (CETS) is a joint venture between CrimTrac and the Australian Federal Police. This national service helps police link seized child exploitation material with previously identified images.

Key performance indicator: Availability of police reference and child offender systems (excluding scheduled outages)

CETS is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide business support for CETS during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours.

Table 2.6: CETS availability target

	Target KPI	2012–13	2013–14	2014–15
Availability	99.5%	99.7%	99.7%	99.8%

During 2014–15, the CETS solution was rolled out for our police partners nationally. We procured hardware, and the Australian Federal Police implemented tools and provided training and business process support. The CETS has delivered high continuity of service to police agencies, exceeding the availability performance target of 99.5 per cent.

Due to the sensitive nature of information held, we do not report any information, including statistics, about the contents of the CETS.

Child protection projects

National Child Offender System Data Provision and Consumption

The NCOS Data Provision and Consumption project will deliver a national solution that removes the need for police to manually re-enter data between local child offender systems and the NCOS. This manual entry approach is error prone and resource intensive for police agencies.

The solution will enable all police agencies to upload and share offender case information more easily, enriching and ensuring currency of the data stored in the NCOS. The project is also enhancing consumption services to enable easier and more automated exporting of NCOS data, for use within police agencies.

This year we engaged with all police agencies to agree on requirements and completed the design of the NCOS Data Provision and Consumption project.

KEY FACTS: NCOS DATA PROVISION AND CONSUMPTION	
Outcome	The capability for police to more easily share child offender case information, upload data in real time and export offender data from the NCOS for policing purposes.
Scheduled delivery	• Release 1—Priority NCOS enhancements—delivered Quarter 3, 2014–15. • Release 2—Provision services—Quarter 3, 2015–16. • Release 3—Consumption services—Quarter 4, 2015–16.
Budget	$0.922 million
Status	• Release 1 has been delivered. • We engaged with all police agencies to agree on requirements. • We made priority enhancements, to the NCOS system in March 2015. • Provision service designs are complete and build is ready to commence.

Firearms and ballistics

Our firearms solutions are valuable tools for police to solve firearm-related crime and to prevent gun crime in Australia.

National Firearms Identification Database

More than **16** **THOUSAND** unique firearm templates

24/7 availability **99.8%** of the time

13 623 searches in 2014–15
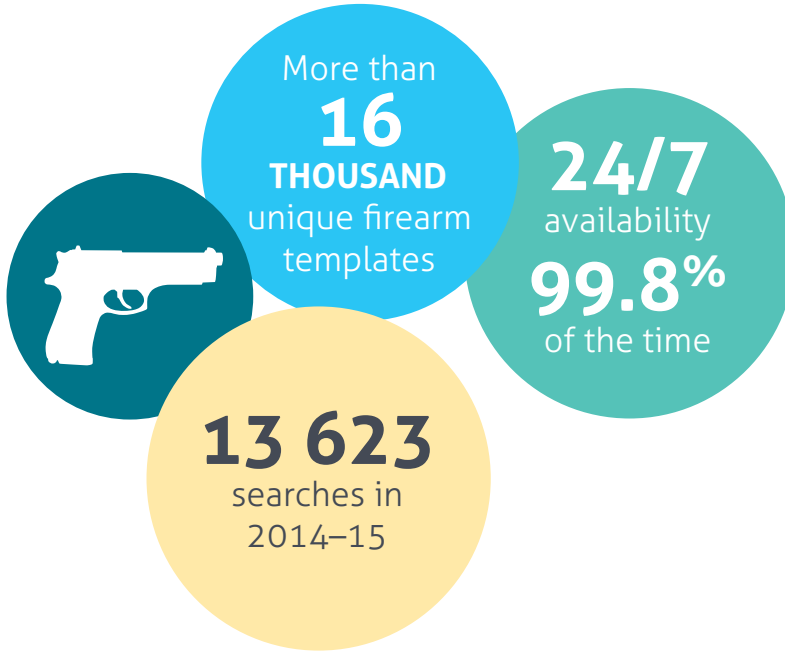
The National Firearms Identification Database (NFID) helps police to identify and describe individual firearms consistently.

The NFID is a reference tool that helps Australian police identify and record firearms in a consistent way. The database enables police to identify and characterise a firearm, using details such as make, model, calibre and capacity.

The database assists police to ensure a firearm is described consistently during its registration, during importation or during transfer of ownership and movement across state and territory borders.

Key performance indicator: Availability of police checking, vehicles of interest, DNA database, names index and firearms license systems (excluding scheduled outages)

NFID is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. CrimTrac provides business support for NFID during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours.

Helping police manage firearms and solve violent gun crime in Australia.

Table 2.7: NFID availability target

	Target KPI	2012–13	2013–14	2014–15
Availability	99.0%	99.5%	99.9%	99.8%

During 2014–15, we continued to maintain the NFID system to ensure the continuity of service to police partner agencies. The NFID remained a highly stable and reliable system, exceeding the availability target, available to police 99.8 per cent of the time.

Table 2.8: NFID records and searches

	2012–13	2013–14	2014–15	% increase on previous year
Total number of template searches	38	1 295	2 279	75.98%
Total number of detailed searches	350	10 934	13 623	24.59%

While the NFID is still a relatively new system, the number of searches has continued to grow. This demonstrates that police are increasingly using the system as a rich source of information on firearms.

The NFID currently holds approximately 13 000 templates. Work is underway to improve the NFID's data quality. During 2014–15, we added, amended or retired 550 templates to meet industry standards. The National Firearms Interface (NFI), which we will also deliver, will source its firearm identification 'information of truths' from the NFID.

National Firearms Licensing and Registration System

Over **1.9 MILLION** licences recorded

24/7 availability **99.5%** of the time

Over **5 MILLION** firearm records
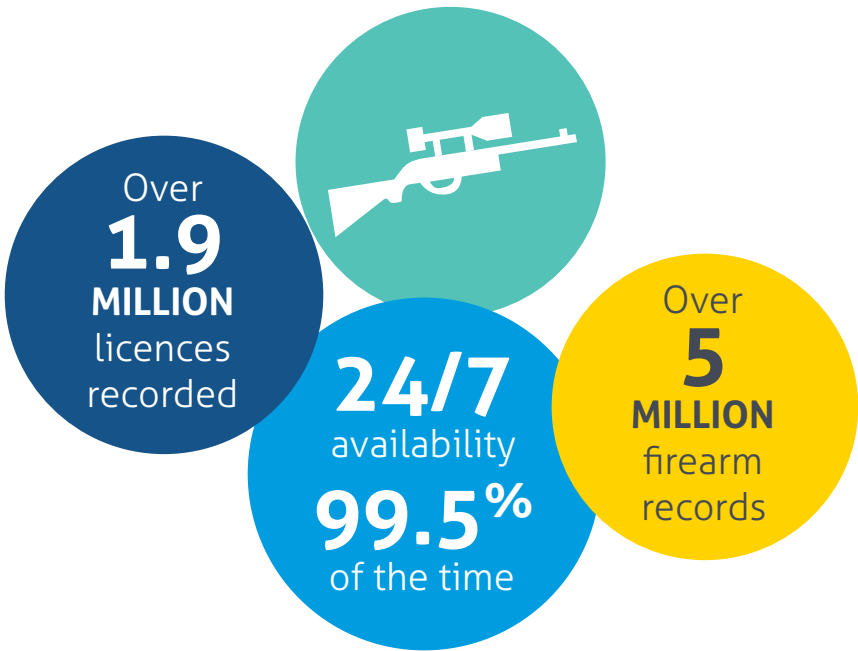
The National Firearms Licensing and Registration System (NFLRS) helps firearms registries view the licence and registration information held by other states and territories.

The NFLRS is a valuable tool used to ensure compliance with registration. It enables police to access the following information:

- firearm licence holders
- licensed firearm dealers
- registered firearms
- lost, stolen and transferred firearms.

Key performance indicator: Availability of police checking, vehicles of interest, DNA database, names index and firearms license systems (excluding scheduled outages)

NFLRS is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide business support for NFLRS during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours.

Table 2.9: NFLRS availability target

	Target KPI	2012–13	2013–14	2014–15
Availability (measured only during business support hours)	99.0%	99.7%	99.9%	99.5%

During 2014–15, we continued to support and maintain the system, exceeding the availability target, with the NFLRS available 99.5 per cent of the time.

Table 2.10: NFLRS records and searches

	2011–12	2012–13	2013–14	2014–15	% increase on previous year
Total number of firearms	4.4 million	4.6 million	3.7 million	5 087 765	37%
Total number of licences	Not available	1.7 million	1.5 million	1 912 188	27%
Total number of searches	163 000	201 000	206 000	229 261	11%

During the year, the NFLRS system continued to support the work of police agency firearms registry teams as well as operational policing. The reliance on the NFLRS is reflected in usage trends and the steady increase in the number of firearms and licences registered in this national system. In addition, our Approved External Agencies also continue to use the NFLRS as a valuable reference tool for non-police law enforcement purposes. Due to work to eventually replace the system, no specific enchancements were made to the NFLRS this financial year.

Australian Ballistic Information Network
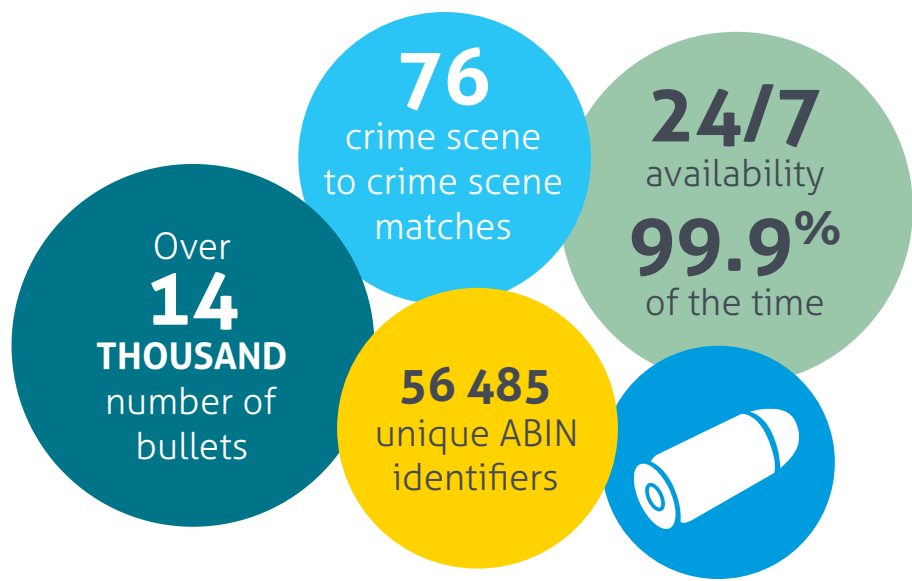
The Australian Ballistic Information Network (ABIN) helps police match ballistic evidence across state and territory borders.

The ABIN helps police across Australia electronically match crime scene ballistic evidence to the weapon used in the crime or to link crimes if the same firearm is used at multiple scenes. This national solution builds on existing ballistic libraries that operate in a number of states to allow police to search for a ballistic signature of a firearm to see if it is linked to other crimes across Australia.

Key performance indicator: Availability of police checking, vehicles of interest, DNA database, names index and firearms licence systems (excluding scheduled outages)

The ABIN is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide business support for ABIN during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours.

Table 2.11: ABIN availability target

	Target KPI	2014–15
Availability	99.0%	99.9%

In July 2014, the ABIN was delivered to all Australian police agencies as an operational system to deliver a national ballistics capability. Since then, it has been a stable and reliable system, and was available to police 99.9 per cent of the time, exceeding the availability target.

New weapon in the fight against gun crime

Police across Australia now have access to the latest ballistics matching system to help solve violent gun crime.

The Australian Ballistic Information Network (ABIN) links ballistic material recovered from crime scenes to a 'firearm', which can then be linked to 'suspects' or to other crimes in different areas. It is providing crucial evidence being used to solve serious and major crimes throughout the country.

Comparing unique markings imprinted on fired bullets and cartridge cases, the ABIN can find the 'needle in the haystack' by suggesting possible matches between pairs of bullets and cartridge cases at speeds well beyond human capacity.

The ABIN maximises recent advancements in technology that make it possible to undertake comprehensive analysis of ballistics information.

National ballistics information can give police invaluable crime solving information for the short-term, and allow intelligence analysts to see patterns and trends in order to develop strategies for the longer term.

Commonwealth Minister for Justice, the Hon Michael Keenan MP, NSW Minister for Police and Emergency Services Stuart Ayres, and NSW Police Commissioner Andrew Scipione launched the ABIN nationally in July 2014.

Crime-fighting tools

Ensuring our homes, streets and communities are safe requires effective tools to give police the edge in the fight against gun crime.

The ABIN is just one of the valuable national information assets that police use to investigate and quickly solve crimes where firearms are used. It works alongside other firearms services that CrimTrac delivers, including the National Firearms Licensing and Registration System and the National Firearms Identification Database.

CrimTrac is enhancing its suite of firearm tools through building the National Firearms Interface. This system will provide a single record of each firearm in Australia detailing every event in its history—from its importation or manufacture for sale in Australia, through to its exportation or destruction.

These vital tools break down information barriers to better target serious and violent offenders in our community, supporting police to get illegal firearms, and the criminals who use them, off our streets.

ABIN in action

Western Australia Police achieved the sixth hit on the national ABIN system.

In December 2012, police executed a search warrant in the suburbs of Perth, locating a .45 calibre self-loading pistol.

The gun was test fired and the ballistic information entered into the ABIN. A search of the database identified a link to a drive by shooting in the Western suburbs of Sydney in May 2012. New South Wales Police subsequently confirmed this link.

Further investigations revealed the recovered handgun was subject to international tracing and had been imported into Australia illegally from the USA.

Without the ABIN this link would never have been uncovered. It has provided valuable evidence for investigations in New South Wales.

Snapshot

Type	Self-loading pistol
Calibre	.45
Located	Perth, Western Australia
Linked to	Sydney, New South Wales
Crime	Drive by shooting

Table 2.12: ABIN records and searches

	2014–15
Total number of crime scene to crime scene matches	76
Total number of bullets	14 219
Total number of cartridge casings	42 266
Total number of unique ABIN identifiers	56 485

With all police agencies using the system, the number of successful hits continue to increase, with the system returning 76 crime scene to crime scene matches in the first 12 months. This includes 67 local matches and nine national matches. This number of matches is encouraging, and demonstrates the value the system delivers to police. The number of matches is expected to increase as police continue to use the ABIN over coming years, as a valuable tool to assist in the fight against gun crime.

This year the ABIN backcapture project was successfully completed to ensure all data is provisioned to the new system.

Firearms and ballistic projects

National Firearms Interface

The National Firearms Interface (NFI) will provide increased capability for police to share firearm data, in turn leading to increased police and public safety. It will do this by delivering a national firearms information repository which will identify links between firearms, people, organisations and locations, as well as provide enhanced search and reporting capabilities. The NFI will also notify when firearms ownership is transferred, and will integrate with the NFID.

KEY FACTS: NATIONAL FIREARMS INTERFACE	
Outcome	Increased police capability to share firearms data, leading to increased police and public safety.
	Capability to identify links between people, firearms, organisations and locations, and enhanced search and reporting capabilities.
Scheduled delivery	December 2016
Budget	$4.289 million
Status	The NFI Business Case was approved by the Law, Crime and Community Safety Council in October 2014.
	A request for tender is due to be released in July 2015 with a contract to be signed in late 2015.

Australian Ballistic Information Network

We successfully delivered the ABIN in July 2014. This system helps police match crime scene ballistic evidence to the weapon used in the crime or to link crimes if the same firearm is used at multiple scenes.

We procured the underlying Forensic Technology Integrated Ballistic Identification System (IBIS) technology. The IBIS® integrates with the existing equipment used by the New South Wales Police Force, South Australia Police, Queensland Police Service and Australian Federal Police.

KEY FACTS: AUSTRALIAN BALLISTIC INFORMATION NETWORK	
Outcome	Capability to electronically match ballistic evidence from crime scenes to the firearm used, helping police solve and prevent firearm-related crime.
Scheduled delivery	System was successfully deliverd in July 2014.
Budget	$5.594 million
Status	The ABIN was successfully delivered in July 2014.
	The ABIN delivered access to new national ballistic capability to all Australian police agencies.
	Following the introduction of the ABIN there have been 67 intrastate matches and nine interstate matches.

Police reference services

Australia's various police agencies share essential policing information through the police reference services that police provide.

National Police Reference System

Over **7 MILLION** photos on file

Over **38 MILLION** person searches this year

Over **10 MILLION** person records on file

24/7 availability **99.7%** of the time
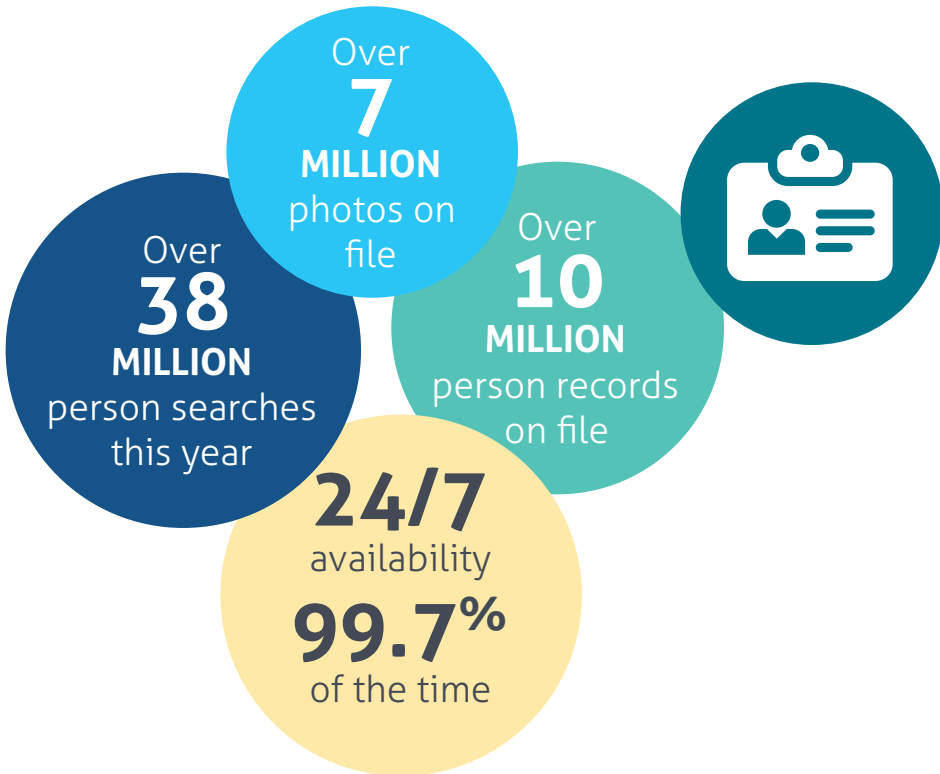
The NPRS enables Australian police agencies to share essential policing information with one another. The NPRS provides key reference data to support police officers, investigators and analysts.

The NPRS records core data such as name, identity information and photographs, information on warnings, warrants and wanted persons, offence history, protection and violence orders, firearms involvements, and information relating to the child protection register.

The NPRS also contains information on missing persons, unidentified persons and bodies, and escapees.

Sharing vital police information — helping to protect police officers and keep our country safe and secure.

Key performance indicator: Availability of police checking, vehicles of interest, DNA database, names index and firearms licence systems (excluding scheduled outages)

NPRS is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide business support to NPRS during core hours (8 am to 6 pm Monday to Friday) and for critical incidents outside of these hours.

Table 2.13: NPRS availability target

	Target KPI	2012–13	2013–14	2014–15
Availability	99.5%	99.7%	99.5%	99.7%

Table 2.14: NPRS records and searches

	2011–12	2012–13	2013–14	2014–15	% increase on previous year
Total number of distinct users	55 000	68 000	70 000	70 611	0.87%
Total number of person searches	33.2 million	35 million	38 million	38 342 842	0.9%
Total number of persons of interest	10.3 million	10.3 million	10.7 million	10 917 140	1.96%
Total number of persons of interest with photos	1.7 million	1.8 million	2.1 million	2 240 866	6.66%
Total number of photos	5.3 million	6.1 million	7 million	7 733 789	10.43%
Total number of unique NPRS identifiers	3.6 million	3.6 million	3.7 million	3 787 747	2.35%

During 2014–15, there was increased use of the NPRS as it became more readily accessible to a wider police audience, via a wider range of applications including mobile and tablet devices.

The continued confidence in the NPRS is reflected in usage trends and the steady increase in searches and records, which is consistent with previous years. The NPRS continues to support police and wider law enforcement by providing up-to-date, comprehensive information on persons of interest, particularly in relation to crimes exploiting jurisdictional borders.

National Vehicles of Interest

The National Vehicles of Interest (NVOI) system allows users to record and enquire on both local and interstate vehicles of interest. NVOI also allows users to access search services provided by the National Exchange of Vehicle and Driver Information System (NEVDIS) hosted by Austroads.

Users can enquire on:

- stolen, suspect, wanted and recovered vehicles
- vehicle components that make up all or part of a vehicle
- national vehicle registration and description information (sourced from NEVDIS)
- national drivers licence holder information (sourced from NEVDIS).

Key performance indicator: Availability of police checking, vehicles of interest, DNA database, names index and firearms licence systems (excluding scheduled outages)

The NVOI is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide business support for the NVOI during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours.

Table 2.15: NVOI availability target

	Target KPI	2012–13	2013–14	2014–15
Availability	99.0%	99.7%	99.5%	99.5%

Table 2.16: NVOI records and searches

	2011–12	2012–13	2013–14	2014–15	% increase on previous year
Total number of incidents	188 392	204 698	198 464	182 643	-7.97%
Total number searches	1 637 517	1 787 900	2 544 849	10 290 729	304.48%

Usage of the NVOI system is steady for logging incidents and continues to assist in operational policing. However, the roll-out of additional mobile search capability has seen the total number of searches grow by more than 300 per cent compared to last year. Further integration of vehicle searching by partner agencies is expected to continue to increase use of the NVOI system.
The system remains reliable and stable, exceeding the availability
performance target, available 99.5 per cent of the time.

Throughout the year, changes were made to the NVOI to support an Austroads initiative to share additional information on behalf of road transport authorities. The changes enabled the inclusion of overseas drivers licence information and were completed in October 2014.

An outline business case to develop and implement web services to enable vehicle information exchange between police agencies and CrimTrac (based on NVOI and NEVDIS data) was approved by the CrimTrac Board of Management in March 2015.

National Names Index

The National Names Index (NNI) provides a high-level snapshot of national persons of interest to a range of stakeholders for operational policing, wider law-enforcement based initiatives and National Police Checking Services.

Key performance indicator: Availability of police checking, vehicles of interest, DNA database, names index and firearms licence systems (excluding scheduled outages)

The NNI is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide business support to the NNI from 8 am to 6 pm, Monday to Friday.

Table 2.17: NNI availability target

	Target KPI	2012–-13	2013–14	2014–15
Availability	99.0%	99.7%	99.5%	99.5%

Table 2.18: NNI records and searches

	2011–12	2012–13	2013–14	2014–15	% increase on previous year
Total number searches	1 746 756	1 757 738	1 694 887	1 583 558	-6.55%

While the NNI is still used by our police partner agencies in support of the NPCS process, operational policing and the wider law enforcement community, the overall use of the system is steadily declining as reliance on reference systems such as the NPRS grows. We continue to support police partner agencies who are moving their business away from the NNI, including an arrangement to transmit daily provision of data from NPRS to the NNI.

As part of the Mainframe Decommision strategy, no specific enhancements were made to the NNI this year. We have continued to support and maintain the system, exceeding the availability performance target, with the NNI available 99.5 per cent of the time.

Police reference projects

NPRS Role-based Filtering

We released the NPRS Role-based Filtering project into production in June 2015. The aim of this project was to create a reusable mechanism within the NPRS to restrict data provided to users depending on their role or organisation.

KEY FACTS: NPRS ROLE-BASED FILTERING	
Outcome	Develop a reusable mechanism that will enforce role-based security for the NPRS. The solution will filter results from the NPRS service based on the identity of a user and any privileges granted to them.
Scheduled delivery	June 2015
Budget	$0.298 million
Status	This was released into production on 18 June 2015.

NSS Improved Search Capability

This year we researched the business requirements for this project, which aims to change the primary data source for National Police Check searches from the NNI to the NPRS.

KEY FACTS: NATIONAL POLICE CHECKINGSERVICE SUPPORT SYSTEM IMPROVED SEARCH CAPABILITY	
Outcome	Enhance the National Police Checking Service Support System (NSS) name matching functionality to use the Informatica Identity Resolution software searching and matching against the NPRS database.
Scheduled delivery	June 2016
Budget	$1.595 million
Status	High level architecture has been completed. The detailed business requirements will be finalised by July 2015 and will form the basis for systems analysis and design.

Bridging Visa Information in NPRS

This project will provide the capability for the Department of Immigration and Border Protection (DIBP) to disclose Bridging Visa e-data, via the NPRS, to police agencies that have a Memorandum of Understanding (MOU) with the DIBP to receive this information. This project was released into production in June 2015.

KEY FACTS: BRIDGING VISAS	
Outcome	Disclosure of DIBP Bridging Visas e-data to state and territory police using NPRS.
Scheduled delivery	June 2015
Budget	$0.304 million
Status	The CrimTrac system capability was finalised and released into production in June 2015.

Cybercrime reporting

The Australian Cybercrime Online Reporting Network (ACORN) was developed to help police and other law enforcement agencies gather valuable data about cybercrime, and to enhance information and contribute to improved responses to cybercrime across Australia.

Australian Cybercrime Online Reporting Network

25 THOUSAND reports to the ACORN website

192 THOUSAND visitors to the ACORN website

Average user spends **4 MINUTES** on the ACORN website

57% of reports referred to police

24/7 availability **99.6%** of the time
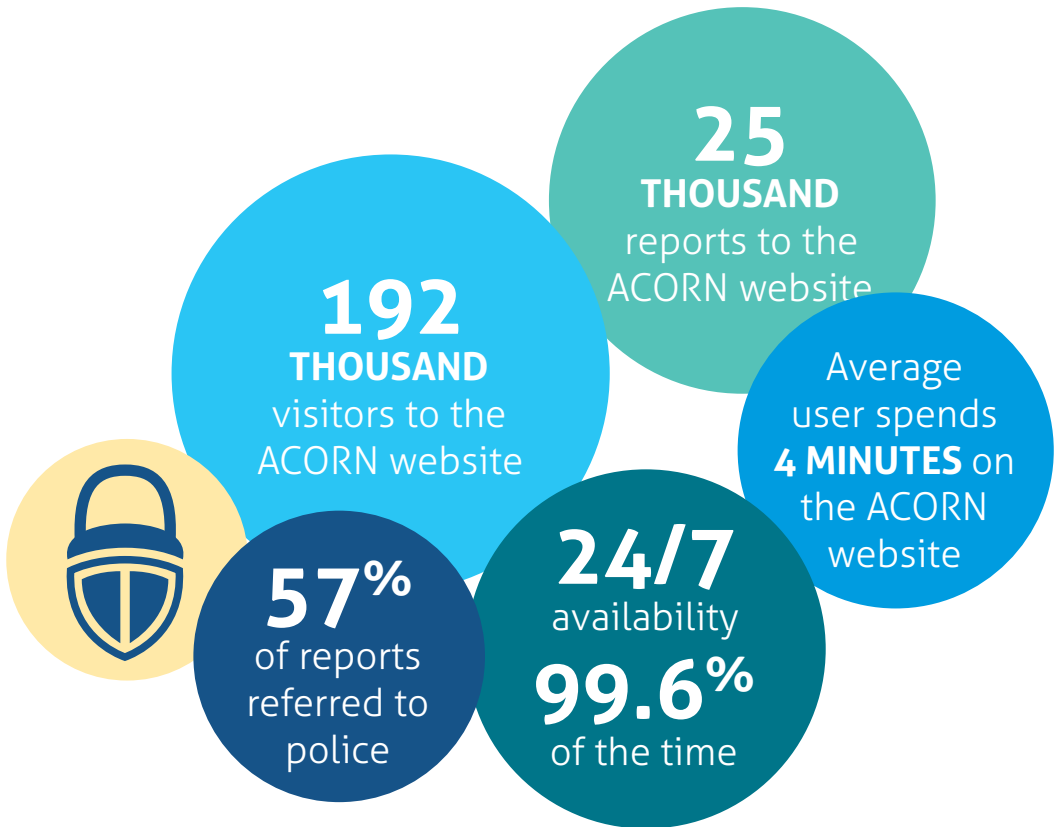
The Australian Cybercrime Online Reporting Network (ACORN) is an Australian-first. This bespoke, new national policing initiative of the Commonwealth, state and territory governments sees Australian agencies working together to make Australia a harder target for cyber criminals. The ACORN was launched on 26 November 2014 by the Commonwealth Minister for Justice, the Hon Michael Keenan MP.

The ACORN allows the public to easily report instances of cybercrime. It also provides advice to help people recognise and avoid common types of cybercrime.

The ACORN is a joint project between the Attorney-General's Department, CrimTrac, the Australian Crime Commission (ACC) and all Australian police agencies. It was developed in collaboration with the Australia New Zealand Policing Advisory Agency, the Australian Competition and Consumer Commission and the Australian Communications and Media Authority.

CrimTrac hosts the system and the ACC is the administrator.

The ACORN is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. CrimTrac provides business support for the ACORN during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours.

Table 2.19: ACORN availability target

	Target KPI	2014–15
Availability	96%	99.6%

Table 2.20: ACORN records and searches

	2014–15
Total number of visitors to the ACORN website	192 000
Total number of reports to the ACORN website	25 000
Amount of time user spends on average on the ACORN website	4 minutes
Number of reports referred to police	16 352 (57%)

Prior to the development of the ACORN, there was no single location for members of the public to report incidents of cybercrime. This led to confusion, frustration and a perception of inaction on the part of police, regulatory agencies or governments more generally. The ACORN now provides a centralised national online facility that receives cybercrime reports from the public.

The ACORN delivers capability for law enforcement agencies to systematically collect and aggregate intelligence data on cybercrime. The ACORN is unique in that it has delivered the sole capability in Australia for automatic referral and triage of cybercrime reports nationwide. This will help to develop improved strategic, operational and tactical responses to cybercrime. The ACC prepares intelligence and threat assessments on ACORN data to assist in developing a clearer national picture. The ACORN system also refers reports to other law enforcement and government agencies to help them respond quickly to acts of cybercrime.

From 3 November 2014 ('go-live' date) to 30 June 2015 there were a total of 25 000 reports to the ACORN. This is broken down by category, with 12 469 of the incidents reported for online scams or fraud and 5720 as online purchase or sale.

The ACORN is available to the public 24 hours a day, seven days a week. It is used by all Australian police agencies as well as other law enforcement agencies. The Australian Institute of Criminology is conducting a longitudinal ACORN Post Implementation Review, to be completed in mid-2016.

As the system is in its infancy, improvements are currently being considered and a mangement information function has been included to allow the extraction of statistics.

> **The ACORN is a vital tool for combating cybercrime in Australia.**

Cybercrime—a growing threat

Cybercrime is a growing threat in Australia. The internet has created new opportunities for cybercriminals to target vulnerable members of our community. As a government and as individuals, we are in a constant battle with cybercriminals.

Although it is difficult to quantify, as many cases of cybercrime go unreported, evidence suggests that the economic cost of cybercrime is extreme. Some estimates put the total cost of cybercrime in Australia as high as $2 billion annually.

The Prime Minister has indicated cybercrime is now one of Australia's top tier national security priorities. Australia's national security, economic prosperity, and social wellbeing depend on new tools to combat cybercrime.

Australian governments recognise this threat and are working together to deliver a collaborative national response. The solution includes a national facility to report cybercrime—the Australian Cybercrime Online Reporting Network (ACORN).

The ACORN is a significant step in our fight against cybercrime. It is a national initiative for members of the public to easily report cases of cybercrime. It also arms the public with

Snapshot

As at 30 June 2015, there were 25 055 reports made to the ACORN.

By category, this includes:

Online scams or fraud	12 469
Online purchase or sale	5720
Cyber bullying or stalking	1645
Attack on computer system	1459
Illegal or prohibited material	968
Offending against children	565
Other	2229

Fifty-seven per cent of reports were referred to police for further investigation.

information to avoid falling victim to increasingly sophisticated cybercrime.

Once a report is submitted, the ACORN assesses it to determine whether it should be referred to a law enforcement agency for consideration and possible investigation. The ACORN is the sole capability in Australia to automatically refer and triage cybercrime reports nationwide.

Through the ACORN, police will build a national picture of cybercrime affecting Australians. Ultimately, this information will be used to make Australia a harder target for cyber criminals.

Commonwealth Minister for Justice, the Hon Michael Keenan MP launched the ACORN to the public on 26 November 2014.

The Minister said that the ACORN represents a revolutionary new model—a national commitment—to work together to ensure a safer and more secure digital environment for all Australians.

"The Government is committed to ensuring a safe and prosperous Australia, where everyone can feel safe and secure," he said.

"This applies equally to the online world as it does to our streets and suburbs."

The ACORN was delivered as a joint project between the Attorney-General's Department, the Australian Crime Commission, CrimTrac, and all Australian police agencies. All Australian police agencies, as well as other law enforcement agencies, use the ACORN.

The ACORN is available at www.acorn.gov.au. It is available to the public 24 hours a day, seven days a week.

Cybercrime reporting projects

Australian Cybercrime Online Reporting Network Project

The ACORN system was delivered to the public in November 2014. The ACORN allows the public to easily report instances of cybercrime and provides advice to help people recognise and avoid common types of cybercrime.

Outcome	Cybercrime frequency and impact is reduced, as a national online system allows the public to report and find out about cybercrime.
Scheduled delivery	The system was successfully completed in November 2014
Budget	$3.853 million
Status	The ACORN was successfully delivered to the public in November 2014.
	Maintenance Release 3, addressing minor defects, was implemented into production in June 2015. All other work on the project has been completed and the project will close in July 2015.

Domestic violence

Helping police protect women, men and children from family and domestic violence.

National Domestic Violence Order Information Sharing System Prototype

It is the leading contributor to death, disability and ill health in **WOMEN AGED 15–44**[1]

1 IN 3 WOMEN experience physical or sexual violence by someone known to them[2]

1 IN 6 WOMEN experience physical or sexual violence by a current or former partner[2]

Currently there is no national system that shares information about protection orders between courts and police in Australia. Police and courts in each jurisdiction manage domestic and family violence proceedings using different information and data capture systems. Police may be able to access limited information about protection orders in other jurisdictions through current systems, but courts cannot.

Through the Second Action Plan 2013–16 of the *National Plan to Reduce Violence against Women* (Second Action Plan), all Australian governments have committed to implementing certain initiatives to address domestic and family violence. This includes supporting innovative services and integrated court systems as a priority.

Under this Second Action Plan, CrimTrac was provided with $3.35 million in Australian Government funding over four years (2013–14 to 2016–17) to design, develop and test a prototype information sharing system for domestic violence orders (DVOs).

This prototype system is called the National Domestic Violence Order Information Sharing System (NDVOISS) and will be trialled with police and courts in three jurisdictions: New South Wales, Queensland and Tasmania.

[1] VicHealth (2004). *The Health Costs of Violence: Measuring the Burden of Disease Caused by Intimate Partner Violence*. VicHealth, Melbourne.

[2] Australian Bueau of Statistics (ABS), *Personal Safety Survey 2012*.

The scope of the NDVOISS prototype project does not extend to delivery of a national information-sharing capability for DVOs and related court orders. Rather, as part of the funding, CrimTrac has been tasked to present all Australian governments with options for how a national information-sharing capability for DVOs and related court orders could be implemented nationally. These options will be based on testing the NDVOISS prototype. We will report back to all Australian governments in late 2017.

KEY FACTS: NATIONAL DOMESTIC VIOLENCE ORDER INFORMATION SHARING SYSTEM	
Outcome	The primary objective of the prototype NDVOISS is to demonstrate that it is possible to develop a national information-sharing system for domestic violence orders and related court orders that works across jurisdictional boundaries and which state and territory police and courts can access.
	Testing the prototype system in three jurisdictions will demonstrate to all governments that a technical solution can overcome many of the technical and process challenges, to assist police, courts and justice agencies to share information on DVOs. It will also provide a rigorous evidence base to recommend options for a national approach.
Scheduled delivery	We will present to all Australian governments by June 2017 possible options for how a national information-sharing capability for DVOs and related court orders could be implemented. These options will be based on the operation of the prototype NDVOISS.
	At that time, all Australian governments will consider the implementation of a national system, including the cost and funding mechanism for the system, and what legislative, technical or business process changes may be needed to further support the delivery of a national capability.
Budget	$3.35 million over four financial years.
Status	The primary focus for the NDVOISS prototype during 2014–15 was to scope what needs to be done to design and build the prototype information-sharing system. This scoping work focused on developing an understanding of the legislative, technical and business processes in each jurisdiction, and how police and courts currently capture and share information about DVOs and related court orders.
	As part of this scoping work, we worked with representatives from police, courts and justice departments in all jurisdictions.
	During 2014–15, we provided updates on the NDVOISS prototype project at various Ministerial Council meetings, such as Council of Australian Governments (COAG) and the Law, Crime and Community Safety Council. At the April 2015 COAG meeting, the Prime Minister announced that the NDVOISS prototype would be trialled between the police and courts in New South Wales, Queensland and Tasmania.
Issues and challenges	There is significant complexity in designing, developing and implementing a technical solution that is capable of overcoming both the different domestic and family violence laws across Australia and the different ways police and courts record and store information relating to DVOs.
	The main challenge is Australia's federated justice framework, which means each state and territory has its own laws dealing with domestic and family violence. Similarly, within a jurisdiction, courts and police use different information capture and management systems for DVOs, and information-sharing between police and courts varies from jurisdiction to jurisdiction.
	This is the first project where we have had to work closely with courts and justice agencies as well as our police partner agencies.

National police checks

National Police Checking Services help to ensure the integrity of individuals placed in a position of trust—enhancing the safety of the community.

National Police Checking Service

24/7 availability **99.9%** of the time

33.84% of checks referred to police for investigation

Over **3.9 MILLION** national police checks processed

33 NEW organisations accredited

CrimTrac partners with Australian police agencies to provide the National Police Checking Service (NPCS). The service enables controlled access to an individual's disclosable police history information, from all Australian states and territories. There were over 3.9 million checks in 2014–15 and approximately 1.3 million of those were referred to our police partners for assessment.

Our NPCS is used by more than 180 accredited organisations including government agencies, private sector businesses, not-for-profit organisations and screening units for working with children or vulnerable people. Police checks minimise the risk of appointing someone unsuitable or with an adverse police record. The service is used to help organisations to screen and make informed decisions about people:

- applying for positions, including volunteer positions
- working with children or vulnerable groups
- applying for work-related licensing or registration schemes
- requiring work-related checks due to legislation or regulations
- applying for Australian citizenship and visas
- applying to adopt or become a foster carer.

Key performance indicator: Availability of police checking, vehicles of interest, DNA database, names index and firearms licence systems (excluding scheduled outages)

NPCS is available 24 hours a day, seven days a week for a total of 165 hours per week, allowing three hours of scheduled outages per week for routine maintenance and upgrades. We provide IT support for NPCS systems during core hours (8 am to 6 pm, Monday to Friday) and for critical incidents outside these hours. Customer support for accredited organisations is available from 8:30 am to 5 pm Monday to Friday.

During the year, 33 new organisations were provided with access to the NPCS.

Table 2.21: NPCS system availability target

	Target KPI	2012–13	2013–14	2014–15
Availability	99.0%	99.6%	99.9%	99.9%

Table 2.22: NPCS records and searches

	2011–12	2012–13	2013–14	2014–15	% increase on previous year
Total number of checks	3.08 million	3.21 million	3.74 million	3.96 million	5.88%
Total number of checks referred	869 000	881 000	1.05 million	1.34 million	27.62%
Total number of referrals	1.36 million	1.47 million	1.73 million	1.78 million	2.89%

There was a small increase in the total number of National Police History Checks submitted to the NPCS Support System in 2014–15 and although there was a notable increase of over 20 per cent in the number of those checks referred to our police partner agencies, the increase in referrals was relatively small at 2.9 per cent.

Key performance indicator: Percentage of criminal history checks with non-disclosable histories completed within five working days

NPCS Service Level Target – Initial Clears	Target KPI	2012–13	2013–14	2014–15
Criminal history checks with non-disclosable histories completed within five working days	97.0%	N/A	N/A	100.0%

In the reporting period 100 per cent of initial clears with no disclosable history were completed within five working days. This is the first year we have reported on this statistic.

NPCS Service Level Target – Regular Checks	Target KPI	2012–13	2013–14	2014–15
National police history checks completed in 10 working days	95.0%	96%	91.6%	95.45%

Our aim, along with our police partner agencies, is to process 95 per cent of checks within 10 business days which was achieved for this reporting period.

NPCS Service Level Target – Urgent Checks	Target KPI	2012–13	2013–14	2014–15
National police history checks completed in five working days	95.0%	90%	94.4%	93.69%

An 'urgent' check is an National Police History Check for which the purpose falls within a defined set of parameters agreed to by the Australian police agencies. CrimTrac and its police partner agencies aim to process 95 per cent of these check requests within five business days, however we fell slightly short of the target in 2014–15 and will continue to work with our partner agencies to improve the service.

During 2014–15, CrimTrac and police completed the successful trial of new check type 'Admin Justice' to assist police partners with core checking, replacing a state and territory based screening process.

A trial using web services as an alternative option of submitting check requests to the NPCS Support System was introduced and successfully implemented for three organisations including New Zealand Police. We intend to extend this offering to all eligible accredited organisations in 2015–16.

Australia and New Zealand signed a Memorandum of Understanding for the exchange of criminal history information between both countries. Under the Memorandum of Understanding, approved New Zealand agencies are now able to make requests, through New Zealand Police, for Australia-wide police history checks through CrimTrac. Similary, approved Australian agencies will be able to request criminal history information from New Zealand Police.

Helping organisations check if people have police records.

Part
/03
Management and accountability

Corporate governance

Our corporate and programme governance operates at strategic, tactical and operational levels. Our robust corporate governance and assurance framework provides rigour and discipline to the way we deliver our work. It ensures transparent, ethical and accountable decision-making, and helps us manage risk and partner relations.
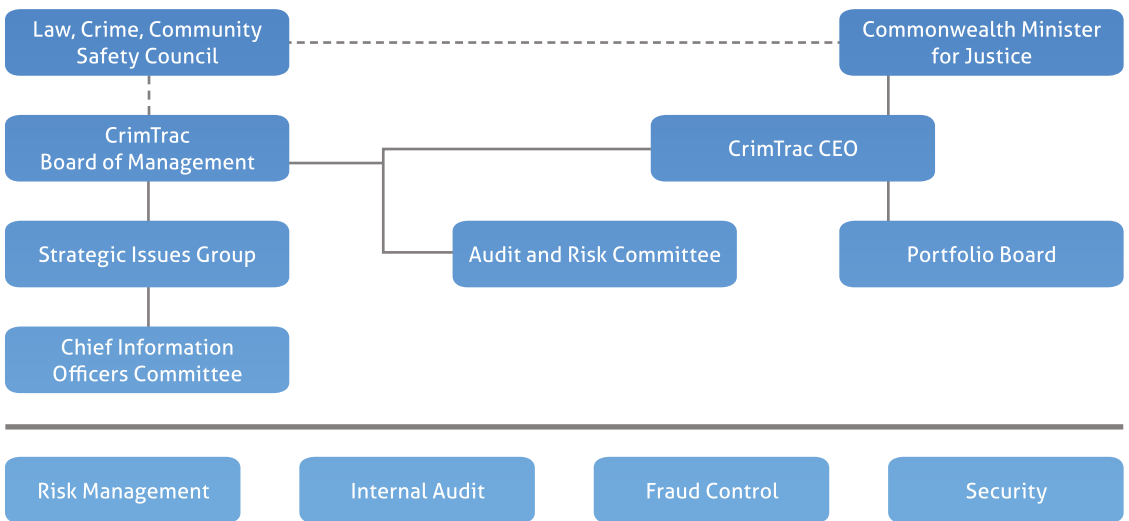
The Minister for Justice, the Hon Michael Keenan MP, has Commonwealth responsibility for CrimTrac. The Minister provides guidance on our strategic priorities. The CEO is responsible to the Minister under the *Public Service Act 1999* and the *Public Governance, Performance and Accountability Act 2013*.

> **Our robust governance and assurance framework ensures transparent, ethical and accountable decision-making and helps us manage risks and partner relations.**

Governance bodies form a key part of our assurance processes. These include the Law, Crime and Community Safety Council, the CrimTrac Board of Management, Strategic Issues Group, Chief Information Officers Committee, the Audit and Risk Committee, and Portfolio Board. These committees enable us to work collaboratively with our police partners to ensure we achieve desired outcomes for police.

In addition to our obligations to the CrimTrac Board of Management, we are accountable to Commonwealth bodies including the Commonwealth Ombudsman, Australian Public Service Commission, Office of the Australian Information Commissioner, Australian Commission for Law Enforcement Integrity and Australian National Audit Office.

Governance framework

Law, Crime and Community Safety Council

The Law, Crime and Community Safety Council (LCCSC) consists of ministers with responsibilities for law and justice, police and emergency management. The LCCSC assists the Council of Australian Governments (COAG) by considering matters related to law reform, law enforcement and crime reduction, as well as emergency management, including policy, operations and service provision.

The LCCSC was formed in late 2013 when COAG decided to amalgamate the former Standing Council on Law and Justice and the Standing Council on Police and Emergency Management. The inaugural LCCSC meeting was held on 4 July 2014 in Melbourne, Victoria.

The LCCSC is responsible for approving our strategic direction and initiatives that require legislation or special funding consideration. The LCCSC approved the following initiatives in 2014–15:

- *CrimTrac Strategic Plan 2015–2020*
- National Firearms Interface (NFI) Future State Vision and Stage 1 business case.

The LCCSC also provided oversight and guidance on CrimTrac initiatives including the:

- Biometric Identification Services project which is being implemented to replace our current system to deliver fingerprint and palm print matching capability and consider a facial recognition capability as a parallel stream of activity within the project.
- National Domestic Violence Order Information Sharing System (NDVOISS), which involves developing and evaluating a prototype, and reporting on options for a national system.

CrimTrac Board of Management

The CrimTrac Inter-Governmental Agreement established the CrimTrac Board of Management, which comprises all of Australia's police commissioners, the ACT Chief Police Officer, and a Deputy Secretary of the Commonwealth Attorney-General's Department. As at 30 June 2015, the Chair of the Board is Commissioner Ian Stewart APM of the Queensland Police Service.

There were four Board meetings during the reporting period: 12 September 2014, an out-of-session meeting in November 2014, 11 March 2015 and 10 June 2015.

Our Board is responsible for the efficient and effective delivery of the CrimTrac initiative and approved the following activities during 2014–15:

- development and implementation of the Australian Cybercrime Online Reporting Network (ACORN) communications strategy
- governance arrangements and project principles for the NDVOISS project
- development of an outline business case considering options for enhancing the Department of Immigration and Border Protection's fingerprint checking capability at Australia's borders
- development of an outline business case which considers options for the development of an electronic 'end user declaration' solution to capture the sale and distribution of precursor chemicals used in illicit drug manufacture
- options for the delivery of the National Firearms Interface in a manner consistent with the recommendations in the Joint Commonwealth – New South Wales report into the Martin Place Siege.

CrimTrac Board of Management as at 30 June 2015

Commissioner Ian Stewart APM
Queensland Police Service Chair, CrimTrac Board of Management

Commissioner Gary Burns BM APM
South Australia Police Deputy Chair, CrimTrac Board of Management

Commissioner Andrew Colvin APM
Australian Federal Police

Commissioner Andrew Scipione APM
New South Wales Police Force

A/g Commissioner Reece Kershaw
Northern Territory Police

Commissioner Darren Hine APM
Tasmania Police

A/g Chief Commissioner Tim Cartwright
Victoria Police

Commissioner Karl O'Callaghan APM
Western Australia Police

Chief Police Officer Rudi Lammers APM
Australian Capital Territory Policing

Katherine Jones
Deputy Secretary, Commonwealth Attorney-General's Department

Strategic Issues Group

Our Strategic Issues Group (SIG) provides strategic, considered and aggregated advice to the Board of Management in relation to national information-sharing solutions. The Group plays a major role in assessing new ideas, proposals and business cases and in formulating the agencies' priorities for inclusion in the CrimTrac Annual Work Plan.

The SIG comprises representatives at a senior executive level from all Australian police agencies, the Commonwealth Attorney-General's Department and our Executive. The Group met four times during the reporting period: 19 August 2014, 5 November 2014, 24 February 2015 and 12 May 2015.

Chief Information Officers Committee

The Chief Information Officers Committee (CIOC) was established by the CrimTrac Board of Management, through the SIG, to provide direction and assurance to the Board on our ICT services and initiatives. The CIOC comprises the Chief Information Officer (CIO) or Chief Technology Officer from each police agency. The New Zealand Police CIO and the Australian Crime Commission's National Manager, Information are observers. The Committee met four times during the reporting period: 12 August 2014, 3 December 2014, 10 February 2015 and 28 April 2015.

During the reporting period, the CIOC:

- recommended the adoption of the National Information Exchange Model (NIEM)—a successful international framework by which various government agencies can share data— focusing on CrimTrac and our Commonwealth, state and territory police partners
- monitored system availability measures and disaster recovery targets for each of our systems, as approved by the Board of Management
- endorsed the Mainframe Decommissioning Strategy to significantly lower operational costs through its richer functionality, flexibility and better performance
- finalised the development of the *CrimTrac ICT Blueprint 2014–2018*
- approved a pilot study for the future use of cloud-computing in law enforcement
- provided strategic guidance on several ICT initiatives to ensure effective coordination and interoperability between CrimTrac services and police ICT systems.

Portfolio Board

The Portfolio Board (PFB) governs and provides strategic oversight of our portfolio of programmes and projects. The PFB's role is to ensure that our portfolio of work is in line with strategic and organisational goals, and to continually monitor the work being undertaken to ensure it remains valid to operational policy.

The PFB operates as an internal board with a focus on investment decisions. It is the primary approver for all internal projects. The PFB provides, through the Chief Executive Officer (CEO), recommendations to the SIG and the Board of Management on external projects.

CrimTrac's governance framework for portfolio, programme and project management is underpinned by the project management methodology, PRINCE2, which has been tailored to suit our agency's needs. For IT projects, this methodology also integrates with the Systems Development Life Cycle (SDLC).

Audit and Risk Committee

Our Audit and Risk Committee provides independent and objective assurance in evaluating and improving the effectiveness of risk management, control and governance processes, and assesses compliance with relevant laws, rules, regulations and directions. The Committee has endorsed a work plan for the first half of 2015–16 and will monitor implementation.

The Committee is chaired by an independent member, and consists of three other independent members and one CrimTrac member. The Australian National Audit Office (ANAO) is also invited to attend each committee meeting.

The Committee met quarterly during 2014–15, with an additional meeting in September 2014 to review and recommend the approval of the 2013–14 financial statements.

This year, 28 internal audit reports were tabled with the Audit and Risk Committee. These reports outlined 45 issues that required action to improve our governance, risk management and controls. We also reviewed the evidence to support the closure of 88 internal audit issues and 76 external scrutineer recommendations, including those carried over from the previous years.

Risk management

Our enterprise approach to risk management enables us to identify and manage both enterprise and operational risks. As a non-corporate Commonwealth entity, CrimTrac is subject to the legislative requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). This requires us to establish and maintain appropriate systems of risk oversight and management for an entity and an appropriate system of internal control. Our *Enterprise Risk Management Framework* provides a systematic process to identify, analyse, assess, manage and monitor risk so it is reduced to an acceptable level. The programme seeks to ensure that risk management is incorporated into the agency's business planning, operations and management of contractors and service providers.

This Framework has been in place for more than three years and requires updating to better address some requirements and better practice guidance from the PGPA Framework. We will develop and implement a work programme to update the *Enterprise Risk Management Framework* so it remains relevant to our current operations and the PGPA Act requirements and guidance.

Internal audit

Our Internal audit function provides an independent and objective assurance and advisory service to assure the CEO that our financial and operational controls—designed to manage the agency's risks and achieve our strategic objectives—are operating in an efficient, effective, economical and ethical manner.

The 2014–15 work programme included internal audit review of, and assurance on:

- controls over the Certificate of Compliance process and credit card expenditure
- monitoring of risks considered by the Biometric Identification Services Project Board
- IT governance (using the COBIT 5 framework as the benchmark)
- application of the *Portfolio, Programme and Project Governance Framework*
- the risk management framework
- workforce planning
- performance measures
- protective security
- the effectiveness of the electronic document and records management system (TRIM).

An initial programme of ongoing work approved for the first half of 2015–16 covers software asset management, the benefits realisation framework, access to CrimTrac information by approved external agencies, and people change management. The balance of the year's programme will be determined during the first half of 2015–16.
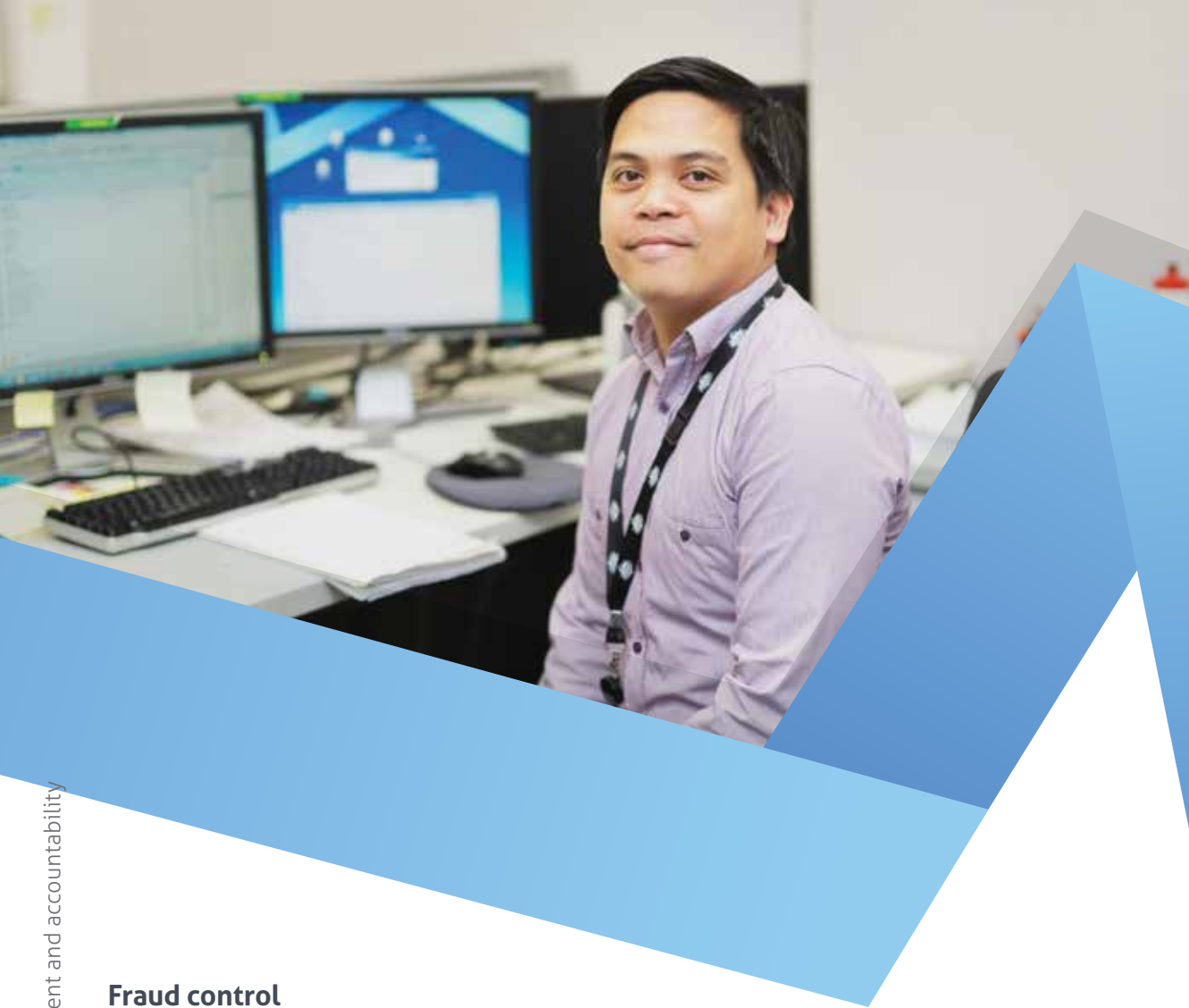
Fraud control

We continued to prevent, detect, disrupt and investigate fraud and corruption, and to meet obligations listed in the Commonwealth Fraud Control Guidelines 2011. Our *Fraud and Corruption Control Framework* consists of a range of fraud and corruption control strategies designed to protect both CrimTrac and its staff.

The biennial Fraud and Corruption Risk Assessment was performed in the second half of 2014–15, which considered 16 risks. The risk assessment process determined that our fraud and corruption control environment was largely adequate and all identified risks were assessed as either 'Low' or 'Medium'.

An updated draft *Fraud and Corruption Control Plan 2015–17* was developed.

Promoting proper conduct, including being aware of fraud and corruption, continues to be a priority. All staff undertake annual Corporate Awareness training that includes coverage of fraud control. Early in 2015–16 all CrimTrac staff and contractors will participate in Integrity Awareness sessions to encourage discussion of the topics and ensure staff have the tools to identify and report potential fraud and corruption.

Allegations of fraud, serious misconduct and other criminal activity by staff are investigated and referred for prosecution where appropriate. During the year, one new allegation was received. This allegation was investigated, substantiated and resolved.

Security

We continued to strengthen our security framework to protect our staff, information and assets, and we assured compliance with the Australian Government Protective Security Policy Framework. This was achieved through enhanced operational security measures to better protect our network and systems, improved clarity of our access management procedures, and better security measures in information technology.

This included formalising and aligning security policies and procedures, physical site accreditation, finalising implementation of the Australian Signals Directorate Top 4, and assessment against the *National eAuthentication Framework*. We also finalised accreditation of the agency's baseline environment against the requirements of the Australian Government Information Security Manual.

Accountability

External scrutiny

As a Commonwealth law enforcement agency, we are committed to supporting a culture of integrity and to complying with all external scrutiny requirements.

During the reporting period, CrimTrac has not been subject to any judicial decisions, decisions of administrative tribunals or decisions of the Australian Information Commissioner.

In addition to our obligations to the CrimTrac Board of Management, we are accountable to Commonwealth bodies including the Commonwealth Ombudsman, Australian Public Service Commission, Office of the Australian Information Commissioner, Australian Commission for Law Enforcement Integrity, Australian National Audit Office and Office of Legal Services Coordination. The Office of the Australian Information Commissioner reviews our compliance with information transparency, freedom of information (FOI) and privacy.

On 1 July 2014, the *Public Governance, Performance and Accountability Act 2013* commenced as part of the wider government resource management reforms. We had updated processes and procedures in place for commencement of the Act and we are satisfied that the required changes to business practices were effective and resulted in a smooth transition to the new *Commonwealth Resource Management Framework*.

Australian National Audit Office

The Australian National Audit Office conducts performance audits of the efficiency and effectiveness of our operations and financial audits of our financial statements. CrimTrac was not selected for participation in external performance audits during 2014–15.

Australian Commission for Law Enforcement Integrity

We fall under the jurisdiction of the Australian Commission for Law Enforcement Integrity (ACLEI), which places additional legislative obligations on us to ensure integrity of the highest possible standard.

On 12 November 2014, CrimTrac signed a Memorandum of Understanding with the ACLEI to continue funding towards its operations for an additional five years. This continued funding signifies our ongoing commitment to creating an anti-corruption culture and ensuring the highest level of integrity amongst staff across all aspects our services. Additionally, our support for ACLEI demonstrates to our police partner agencies our willingness to be subject to anti-corruption scrutiny.

Asset management

Information technology software is our major non-financial asset. Asset purchases are initially recognised at cost, except for purchases of less than $5000, which are expensed in the year of acquisition. Assets with a cost of less than $5000 but purchased in bulk are capitalised where the bulk purchase cost exceeds $25 000.

Externally purchased third-party software is reported at fair value. Internally developed software assets are reported at cost. We capitalise internally developed software according to Australian Accounting Standards Board (AASB) 138 Intangible Assets and relevant accounting guidance. Internally developed software assets include costs generated during the application development phase of a project, but exclude costs relating to preliminary and post implementation phases—these costs are expensed. The project costs capitalised during the financial year under the policy were $2.290 million. This includes costs for completion of some developments transferred to the asset register during the year and other major projects still within the development stages.

Our full asset accounting policies are at Note 1 in the *Financial statements—Summary of significant accounting policies* on page 88. Asset information is also included in our financial statements.

Purchasing and procurement

Due to our unique function, we undertake considerable procurement for an agency of our size, both in terms of volume and value. We are especially active in procuring information and communications technology, much of which we do efficiently through whole-of-government arrangements and other Commonwealth contracts and panel arrangements.

Our Commercial Unit provides consistent procurement advice to staff across the agency. The commitment to review and refine our procurement function this year has delivered significant benefits. In particular, our Contract Management Improvement Project developed tools, guidance and training to improve contract management within CrimTrac. The resulting benefits include improved contract reporting and increased partner agency confidence in our procurement and contracting processes.

We support 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: www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/.

Consultancy services, competitive tendering and contracting

We predominately engage consultants to meet a need for independent research or assessment, or specialised or professional skills that are currently unavailable within the agency.

Information on the value of contracts and consultancies is available on the AusTender website: www.tenders.gov.au.

During the reporting period, no contracts were exempt from publication on AusTender.

Consultants are predominately accessed through the use of existing Commonwealth contractual arrangements. Where this is not possible, we engage consultants in accordance with relevant Commonwealth Procurement Rules and internal CrimTrac policies and procedures. In addition, Directors must receive approval from CrimTrac's Executive Staffing Committee when engaging consultants. The Committee considers the human resources and budgetary impacts of engaging a consultant.

Appropriate legal advice and delegate approval is also required before engaging the consultant.

The main categories or purposes for which consultants are engaged are:

- external labour hire services, in particular, specialist advisory ICT services
- legal services—general legal advice, for example on the application of legislation (not related to litigation or potential litigation or given incidentally in connection with the development of contracts or other legal documents)
- independent evaluations and review
- business process analysis, design and other advice
- audit services
- training specialists
- property valuations.

During 2014–15, 15 new consultancy contracts were entered, involving total actual expenditure of $2,024,541. In addition, 5 ongoing consultancy contracts were active during the 2014–15 year, involving total actual expenditure of $285,558.

ANAO access clauses

During the reporting period, we entered into five contracts with a value greater than $100,000 which do not provide the Auditor-General access to the contractor's premises. The details of the five contracts are as follows:

Supplier	Purpose	Value (GST inclusive)	Reason why standard access clause was not included
IBM Australia Limited	Software licences and support	$449,269.38	Cost implications
IBM Australia Limited	Software licences	$2,747,798.57	Cost implications
South Australia Police	Transfer of ICT assets	$149,518.11	Transfer of assets
Queensland Police Service	Transfer of ICT assets	$184,897.36	Transfer of assets
Electroboard Solutions Pty Ltd	Interactive LCD Screens	$106,054.85	Applicable panel terms

Discretionary grants

We do not provide any discretionary grants.

Ethical standards

We continue to embed the Australian Pubic Service (APS) Values into everyday work practices, supporting a culture of integrity and accountability. CrimTrac's Chief Executive Instructions require all officials to ensure that actions dealing with Commonwealth resources are consistent with the APS Values and Code of Conduct.

Ethical values and standards are included in our development programmes and training for all staff. For example, we provided information sessions to all staff about the changes to the *Public Service Act 1999* that came into effect on 1 July 2013.

Integrity Advisory Committee

In 2013, we established our Integrity Advisory Committee (IAC) to advise our senior leaders on how CrimTrac can continue to grow as an integrity-based organisation.

The IAC provides advice on potential integrity issues arising from the risk framework and on ways we can address these risks. This includes advice on upholding the APS Values and the Code of Conduct, preventing fraud and managing ethical challenges associated with relationship and conflict of interest.

Privacy

We are committed to promoting privacy as an essential component of everyday organisational and personal practice. The *Privacy Act 1988* (the Privacy Act) provides protection to individuals against the mishandling of personal information by Commonwealth agencies and some private sector organisations. The Privacy Act regulates the collection, use, storage and disclosure of personal information, and access to and correction of that information.

In accordance with our Privacy Act obligations, we have a range of privacy compliance processes in place and have published our Australian Privacy Principle Policy on our website.

We balance privacy considerations with delivering effective information solutions for police. We collect, retain, collate and organise law enforcement information to support and facilitate the exchange of information between law enforcement agencies. We do not alter, modify or remove information we receive from police agencies without the express permission of the originating police agency. This means that we must refer any requests to correct details in our policing information systems to the originating police agency. We have established a process to manage this referral that minimises the administrative burden on individuals and on police agencies.

Records management

Our information and records are valuable corporate assets documenting vital corporate memory and evidence of business communications, actions and decisions through time. We are committed to creating and keeping accurate records to meet our business needs, accountability and legislative requirements, and stakeholder expectations.

During the reporting period, we implemented the TRIM Electronic Document and Records Management System. This included a new Business Classification Scheme for document and file classification that reflects our business needs. All staff and contractors were trained in the use of TRIM.

Advertising and market research

During 2014–15, we did not incur any costs relating to market research, polling or direct mail, or conducting any advertising or marketing campaigns.

Freedom of information

We are accountable to the Government and community for our performance. Providing ready access to information enhances transparency, demonstrates our accountability and efficiency, and leads to trust and respect. Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme. The FOI Act creates a right for members of the public to access documents in the possession of Commonwealth agencies. We are required to publish information to the public as part of the Information Publication Scheme (IPS) established under the FOI Act.

We have well-established processes to meet our obligations under the FOI Act and IPS. In accordance with the IPS requirements, we publish our IPS plan on our website. During the reporting period, we received 18 valid FOI requests for access to documents. We met all requests within the statutory timeframes. The requests received covered a variety of information including personal information and information about agency operations.

While the FOI Act obliges agencies to consider requests to amend or annotate records by an FOI applicant, this is not possible for information provided by police agencies to CrimTrac systems. We must direct applications to amend personal information to the state or territory police agency that provided the information.

Ecologically sustainable development

We recognise that our daily operations do have an effect on the environment, through our consumption of resources such as electricity, paper and water, and generation of waste. However, we strive to operate in an environmentally responsible manner, including efficient use of resources and effective waste management. We are committed to reducing our impact on the environment through ongoing minimisation strategies and new technologies and resources.

We maintained a National Australian Built Environmental Rating Scheme (NABERS) whole of building rating of 4.5 stars, taking into account the purchase of 8.6 per cent accredited green power. We continue to work with the property lessor to improve the performance of our premises.

During the reporting period, we diverted away from landfill:

- 9160 kilograms of paper for recycling
- 156 cubic metres of co-mingled waste for recycling, an increase of 10 cubic metres
- 1.5 tonnes of organic waste to vermiculture.

This year our tenant light and power usage was 6727 mega joules per person, 773 mega joules below the Energy Efficiency in Government Operations policy target of 7500 mega joules per person. We are reducing energy consumption by replacing backup and archiving equipment, and implementing a new high-density, energy-efficient Storage Area Network. Power usage effectiveness (PUE) in data centres is 1.54, which is below the required target of 1.9.

By implementing our ACT Smart Office Programme together with increased staff education, we reduced general waste to landfill to 114 cubic metres, 26 per cent less than last year.

New computers and monitors are purchased in accordance with ENERGY STAR requirements. Disposal of ICT equipment is compliant with the National Waste Policy.

We use 100 per cent post-consumer recycled waste in accordance with the *Australian Government ICT Sustainability Plan* and targets.

Correction of material errors in previous annual report

There were no corrections to statements or figures in our 2013–14 Annual Report.

Part
/04

People management

Our people

Over the reporting period, we implemented strategies that enabled our workforce to support delivery of the strategic priorities of our police agency partners. The ability to optimise our workforce is central to achieving our business outcomes.

As at 30 June 2015, our workforce consisted of 207 employees:

- 199 ongoing (96.1 per cent) and eight non-ongoing (3.9 per cent)
- 181 full-time (87.5 per cent) and 26 part-time (12.5 per cent)
- 104 female (50.2 per cent) and 103 male (49.8 per cent)
- 4.8 per cent identifying as having a disability
- 24.4 per cent were not born in Australia
- 14 per cent whose first language is not English
- 32.2 per cent identify as having at least one parent who did not speak English as a first language.
- No CrimTrac staff identify as Indigenous.

During the year, 43 staff ceased employment and 20 staff commenced employment with the agency.

Our workforce metrics indicate improvement in organisational health across key measures. This includes a reduction in unscheduled absence (of approximately one day per person) and a reduction in psychological-based workplace compensation claims.

We continued to monitor our staff environment through staff surveys, communication and consultation. We progressed several key workforce strategies during the year, including:

- regular portfolio 'stand up' sessions, which provided staff with an opportunity to engage with the CrimTrac Senior Executive
- an Executive Speaker Series, which provided direct access to senior external leaders—this continued to reinforce the important role of our employees in delivering improved law enforcement outcomes for the Australian community
- a 'Happy Body at Work' programme, which was a 10-week digital education package covering multiple employee wellbeing targets.

We continued to support the Australian Government's Australian Public Service interim recruitment arrangements, which prioritise redeploying existing APS staff to vacant positions. Our Executive Staffing Committee continued to consider all permanent and longer-term temporary staffing actions. This committee is responsible for managing our overall workforce numbers against agreed budget allocation.

We also continued to participate in the Australian Government's ICT Graduate Programme coordinated by the Department of Finance. Three graduates successfully completed our programme in 2014–15. We will engage three more graduates in 2016. Our ongoing participation in this programme contributes to the development and maintenance of our future workforce capability.

We also engaged 27 contractors during the reporting period.

> **We optimise our workforce to achieve business outcomes.**

Workplace relations

During the reporting period, all Australian Public Service Level 1 (APS 1) to Executive Level 2 (EL 2) employees remained covered by the terms and conditions of employment under the *CrimTrac Enterprise Agreement 2011–2014*. Our Enterprise Agreement nominally expired on 30 June 2014, and bargaining for a replacement continued with employee representatives throughout the reporting period.

There is no provision for performance pay under our Enterprise Agreement.

Our Enterprise Agreement positions CrimTrac as an attractive employer while maintaining the flexibility to adapt our workforce to meet changing priorities.

Employment conditions for Senior Executive Service (SES) staff were set out in individual determinations made under section 24(1) of the *Public Service Act 1999*. Many of these conditions align with our Enterprise Agreement.

Staffing overview

Table 4.1: CrimTrac staff as at 30 June 2015

Classification	Full-time		Part-time		Casual		Total
	Male	Female	Male	Female	Male	Female	
APS 1	1		1				2
APS 2							
APS 3	2	3		1			6
APS 4	12	12		5			29
APS 5	12	20		3			35
APS 6	18	18		6			42
EL 1	41	25	3	7			76
EL 2	12	2					14
SES1	1	1					2
CEO		1					1
Total	99	82	4	22			207

Table 4.2: CrimTrac salary ranges by classification as at 30 June 2015

Classification	Salary range
APS 1	$47 618 – $52 625
APS 2	$53 889 – $59 757
APS 3	$61 380 – $66 245
APS 4	$68 409 – $74 277
APS 5	$76 302 – $80 909
APS 6	$82 410 – $94 667
EL 1	$103 090 – $125 434
EL 2	$129 197 – $149 609

CrimTrac's 2014 ICT graduates
(from left to right), Nishan,
Benjamin and Kristian

Future ICT leaders on a winning streak

We ran our second ICT Graduate Programme in 2014, reinforcing our commitment to engaging and developing the diverse workforce that is critical to CrimTrac's success now and in the future.

The programme aims to build strong ICT professionals who can lead the Australian Public Service through the exciting and challenging times ahead.

Our graduates have won awards for consecutive years, paving the way for bright futures.

At the 2014 Australian Government ICT Programme graduation ceremony, our graduates Nishan, Benjamin and Kristian received an award for their major project video, which highlighted the process for and benefits of

procuring SMART Boards for CrimTrac's meeting rooms.

The programme provides us with a holistic approach to attracting, selecting and developing talented university graduates who are seeking to build a career in ICT in the public sector. It targets individuals who demonstrate ability in ICT disciplines which are considered essential to our ongoing workforce requirements.

Nishan, Benjamin and Kristian showcase the varied academic backgrounds of our graduates. Nishan completed a Bachelor or Computer Science and Information Systems in Melbourne and has relocated to Canberra. Benjamin and Kristian both graduated from the University of Canberra – Benjamin with a Bachelor in Information and Communication Technology and Kristian with a Bachelor of Information Technology.

The 12 month programme provides our graduates with the fundamental skills required to work as effective members of CrimTrac and the broader Australian Public Service (APS). During the year, the group rotated through several of our business areas. They also completed a comprehensive development programme, incorporating activities delivered by the Australian Public Service Commission (APSC), which complement our in-house development activities.

Our ICT Graduate Programme is delivered in partnership with the Department of Finance and the APSC.

As a CrimTrac graduate, being part of different projects and teams throughout the year gave me valuable insight into exciting IT work that will make a positive impact on the community. Capping off some strong achievements in the workplace with the award for best major project video presentation made my graduate year memorable and worthwhile.

Nishan,
Chief Technology Office.

The rotations gave me the chance to see the agency from different perspectives. A highlight of my year was my rotation through the Chief of Staff office. Being so close to the operations of the Executive allowed me to see how the whole organisation was run from the top down, and the experience continues to be invaluable to my work now and undoubtedly into the future.

Benjamin,
Programme Management Office

During the course of the graduate programme, the major project was a great opportunity to have direct experience running and implementing a technological solution. It is very satisfying to see the solution we delivered used daily to help CrimTrac staff run meetings more effectively.

Kristian,
Chief Architect team

Work health and safety

We continue to build and embed work health and safety (WHS) practices into everyday operations. The WHS focus in the past 12 months has been to strengthen our WHS Management System, which we implemented with the introduction of new legislation in 2011. To achieve this we engaged SRC Solutions to complete an audit of our management system.

The results of the audit were sound and identified that we continue to strengthen and embed risk mitigation strategies into the function and operation of CrimTrac.

Other primary WHS objectives included:

- updating the Emergency Process and Procedures Manual
- developing WHS Risk Management Framework
- implementing electronic WHS reporting mechanisms
- reviewing measurable WHS targets
- providing ongoing training for WHS representatives and risk training for members of the WHS Committee
- reviewing the structure and focus of the WHS Committee
- maintaining a Register of Decisions linked to the WHS Committee Terms of Reference.

We continue to support employee health and wellbeing through:

- providing influenza vaccinations for all staff (May 2015)
- reimbursing a range of health and wellbeing expenses (ongoing)
- promoting workstation assessments and use of ergonomic equipment (ongoing)
- providing specialist health support services through accredited rehabilitation providers and employee assistance programmes (ongoing)
- rolling out the 'Happy Body at Work' wellbeing programme
- providing training for first aid officers and health and safety representatives.

Learning and development

Maintaining a skilled and capable workforce is fundamental to delivering on our key objectives. We continue to foster a professional development culture through targeted learning and development activities. During the reporting period, we enhanced our workforce capability through specific programmes including:

- Online Corporate Awareness—this provides an overview of the legislative and policy requirements affecting all CrimTrac employees and contractors.
- Probity Awareness Sessions—all CrimTrac staff must respect and adhere to the fundamental principles of probity in the procurement process.
- Cross Cultural Awareness Training—this provides participants with an increased awareness and knowledge of Aboriginal and Torres Strait Islander culture, history, and relationships and societies.
- Leading Change Management Programme—this provides employees with the tools they need to analyse, scope, plan for and implement change programmes for CrimTrac.
- PID Act Awareness for Managers—the Commonwealth Ombudsman's office delivered awareness sessions on the *Public Interest Disclosure Act 2013* (PID Act) for all CrimTrac supervisors and managers.
- CrimTrac Speaker Series—these sessions featured keynote presentations by experts from our police partners and wider law enforcement agencies. They are designed to capture topics related to our systems and projects.
- CrimTrac Executive Coaching Programme—this provides access to targeted one-on-one professional development support with a specific focus on personal growth, career development, leadership and management, self-awareness, thinking preferences and emotional intelligence.
- Certificate IV Procurement and Contracting—this is specifically designed to enhance procurement and contracting capability across CrimTrac.
- Integrity Awareness Programme—this compulsory training incorporates aspects of behaving with integrity, fraud and anti-corruption and security practices, and is delivered once every two years.

In addition, we provided ongoing support for our staff to participate in targeted leadership development programmes that align to our corporate objectives. These included:

- the Graduate Diploma of Executive Leadership (Police and Emergency Services) and the Graduate Certificate in Applied Management (Police and Emergency Services), offered by the Australian Institute of Police Management (AIPM),
- the Women in Law Enforcement Strategy (WILES) programme.

Workforce planning

The *CrimTrac Workforce Plan 2013–15* provides a high-level overview of current and future workforce capability issues and outlines targeted strategies that address these issues to ensure we continue to meet our future human capital requirements.

The plan aligns with APS-wide workforce planning frameworks and was externally reviewed during 2014–15. The review confirmed the current plan was meeting its objectives and continuing to deliver the attraction, recruitment and retention strategies necessary to meet our future workforce needs.

During 2014–15 we successfully implemented strategies related to workplace integrity, succession planning and effective identification of workforce capabilities necessary to continue to deliver effective information-sharing services for our partner agencies.

Workplace diversity

We have responsibilities related to our employer role under the Commonwealth Disability Strategy framework. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission's State of the Service Report and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au.

We are committed to engaging a diverse workforce that reflects the broader community. Our focus is on strategies to support and promote an inclusive environment and culture that values the contributions of people with different backgrounds and experiences.

Throughout the reporting period, we actively promoted and participated in a range of diversity and religious events, including:

- maintaining memberships with Australian Network on Disability (AND) and Diversity Council Australia (DCA)
- participating in the Australian Public Service Commission pilot programme *Recruit*Ability—designed to support applicants with disability to progress to further assessment, such as interview
- using the 'affirmative measure provisions' provided by the Australian Public Service Commissioner's Directions—this allows a person with disability to be directly employed where a disability employment services provider has assessed the person as being unable to compete successfully on merit due to their disability
- recognising and celebrating certain events throughout the year including Reconciliation and NAIDOC Week, Harmony Day, Ramadan, RU Ok? Day and International Women's Day
- participating in development opportunities that target women in an ICT environment.

Reconciliation Action Plan

Throughout the reporting period, we:

- participated in the APS Indigenous Pathways programme—the Australian Public Service Commission facilitates bulk recruitment exercises for the intake of Indigenous graduates on behalf of participating APS agencies
- celebrated and recognised Aboriginal and Torres Strait Islander persons particularly during Reconciliation Week and NAIDOC week activities
- continued to support Indigenous Community Services through awareness and fund raising activities
- submitted a refreshed Innovate Reconciliation Action Plan to Reconciliation Australia for endorsement.

Part
/05

Financial information

Financial overview

In 2014–15, CrimTrac recorded an operating surplus of $0.627 million compared to a surplus of $3.162 million for 2013–14. These figures exclude asset revaluation adjustments.

Total revenue for 2014–15 was $74.858 million compared with $67.754 million for 2013–14. Revenue from the National Police Checking Service (NPCS) increased from $65.180 million in 2013–14 to $69.561 million in 2014–15; an increase of $4.381 million. The increase in NPCS revenue was due to growth in the volume of chargeable criminal history checks conducted by CrimTrac, from 3.55 million in 2013–14 to 3.75 million in 2014–15 (+5.6%).

Total expenses for 2014–15 were $74.231 million; an increase of $9.639 million from the 2013–14 expenses total of $64.592 million. Employee expenses reduced from $24.830 million in 2013–14 to $24.500 million in 2014–15. The average staffing level reduced from 223 in 2013–14 to 214 in 2014–15. Supplier expenses increased by $10.765 million from $29.008 million in 2013–14 to $39.773 million in 2014–15. The increase was due to increased supplier expenses including: project costs such as the media campaign for the Australian Cybercrime Online Reporting Network, additional software license expenses, increased system support costs and increased expenses for the National Police Checking Service in line with higher volumes.

Project activity amounted to $16.539 million dollars in 2014–15, compared to $12.830 million for 2013–14. Project expenditure on system development is capitalised where the work will provide future economic benefits or expensed where the expenditure is not eligible for capitalisation under the Australian Accounting Standards. Major project activity during 2014–15 included the Australian Ballistic Information Network Implementation, the Australian Cybercrime Online Reporting Network, Enterprise Network Hardening, the Biometrics Identification Services project and the National Automated Fingerprint Identification System (NAFIS) upgrade.

At 30 June 2015, CrimTrac total assets were $157.607 million; an increase of $3.231 million from the 30 June 2014 total assets of $154.376 million. Asset increases included a $2.878 increase to property, plant and equipment assets and a $3.271 million increase to cash.

At 30 June 2015, total liabilities were $16.772 million, an increase of $3.018 million from the 30 June 2014 total liabilities of $13.754 million. The increase was largely due to the increase in supplier payables from $5.638 million at 30 June 2014 to $8.827 million at 30 June 2014; an increase of $3.189 million. The Agency's net asset (assets minus liabilities) position was significantly unchanged from 30 June 2014.

Agency commitments increased from $41.993 million at 30 June 2014 to $49.251 million at 30 June 2015. Significant commitments at 30 June 2015 include contracts for ICT managed services, the NAFIS support contract and the data centre and office leases.

Figure 5.1 reflects CrimTrac's total income, expenses and surplus or deficit over the past four years.

Figure 5.1: CrimTrac Financial Summary 2011–12 to 2014–15 ($million)
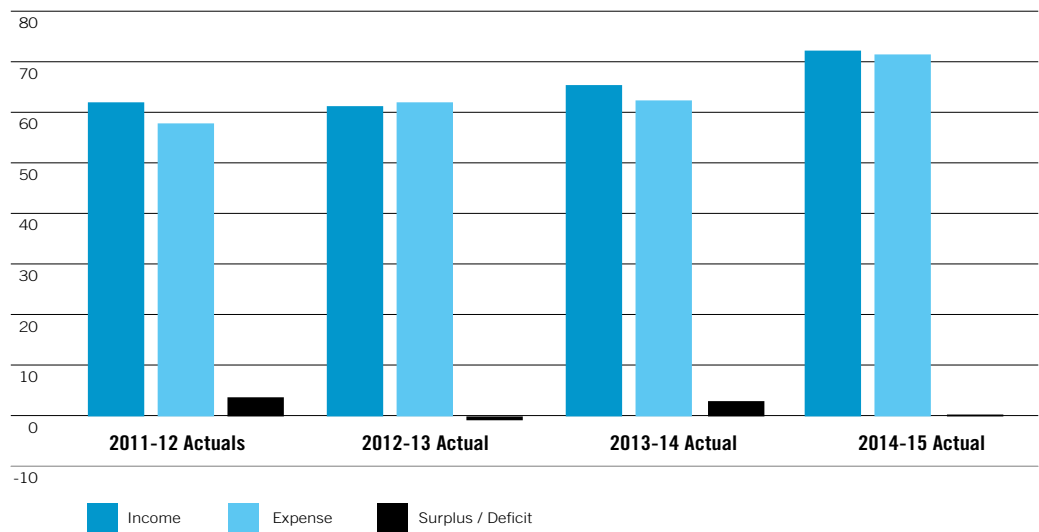
Revenue derived from the NPCS has increased in line with increased chargeable check volumes, which have grown from 3.02 million checks in 2011–12 to 3.75 million checks in 2014–15. Expenses have increased steadily over the four year period due to increased expenditure on maintenance and support of police information systems, expenditure to ensure the availability of systems and increased payments to police agencies for referral and final vetting work undertaken as part of NPCS checks.

Outcome performance

CrimTrac has one outcome which is 'access to information that supports law enforcement agencies through collaborative national information systems and services'. The outcome is delivered by the Agency's 'national law enforcement information systems and services' program.

The following tables report actual appropriation, payments, budgets and actual expenses against the outcome.

Table 5.1: Agency resource statement 2014–15

	Actual Available Appropriations for 2014–15 $'000	Payments Made 2014–15 $'000	Balance Remaining $'000
SPECIAL ACCOUNTS			
Opening balance	116,391		
Appropriation receipts	–		
Non-appropriation receipts to special accounts	82,126		
Payments made		78,400	
Closing Balance			120,117
Total resourcing and payments	**198,517**	**78,400**	

Note: All revenue is attributed to the special account.

The closing balance of the CrimTrac Special Account is $120.117 million. As a non appropriated agency, these funds are available for future delivery of agency outcomes.

Table 5.2: Expenditure and Staffing by Outcome

Outcome 1 – Access to information that supports law enforcement agencies through collaborative national information systems and services.	Budget 2014–15 $'000	Actual Expenses 2014–15 $'000	Variation $'000
Outcome 1			
Departmental expenses - Special accounts	71,612	74,231	(2,619)
Total for Outcome 1	71,612	74,231	(2,619)
Outcome 1 totals by appropriation type			
Departmental expenses - Special accounts	71,612	74,231	(2,619)
Total expenses for Outcome 1	**71,612**	**74,231**	**(2,619)**

	Actual 2013–14	Actual 2014–15
Average staffing level (number)	**223**	**214**

Financial statements

Australian National
Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Minister for Justice

I have audited the accompanying annual financial statements of CrimTrac for the year ended 30 June 2015, which comprise:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Schedule of Commitments; and
- Notes comprising a Summary of Significant Accounting Policies and other explanatory information.

Accountable Authority's Responsibility for the Financial Statements

The Chief Executive Officer of CrimTrac is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act. The Chief Executive Officer is also responsible for such internal control as is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of the accounting policies used and the

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reasonableness of accounting estimates made by the Chief Executive of CrimTrac, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Opinion

In my opinion, the financial statements of CrimTrac:

(a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and

(b) present fairly the financial position of CrimTrac as at 30 June 2015 and its financial performance and cash flows for the year then ended.

Australian National Audit Office

Sean Benfield
Audit Principal

Delegate of the Auditor-General

Canberra

25 September 2015

STATEMENT BY THE ACCOUNTABLE AUTHORITY AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2015 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 CrimTrac will be able to pay its debts as and when they fall due.

Nicole Rose PSM
Chief Executive Officer

25 September 2015

Shaun Street
Chief Financial Officer

25 September 2015

STATEMENT OF COMPREHENSIVE INCOME

for the period ended 30 June 2015

	Notes	2015 $'000	2014 $'000
NET COST OF SERVICES			
Expenses			
Employee benefits	3A	**24,500**	24,830
Supplier expenses	3B	**39,773**	29,008
Depreciation and amortisation	3C	**9,798**	10,512
Write-down of assets	3D	**160**	242
Total expenses		**74,231**	64,592
Own-Source Income			
Own-source revenue			
Sale of goods and rendering of services	4A	**74,627**	67,674
Other revenue	4B	**231**	80
Total own-source revenue		**74,858**	67,754
Total own-source income		**74,858**	67,754
Net cost of / (contribution by) services		**(627)**	(3,162)
Surplus (deficit)		**627**	3,162
OTHER COMPREHENSIVE INCOME			
Items not subject to subsequent reclassification to net cost of services		**(414)**	317
Changes in asset revaluation surplus		**213**	3,479
Total comprehensive income			

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

STATEMENT OF FINANCIAL POSITION
as at 30 June 2015

	Notes	2015 $'000	2014 $'000
ASSETS			
Financial assets			
Cash and cash equivalents	6A	**5,011**	1,740
Trade and other receivables	6B	**124,065**	124,019
Total financial assets		**129,076**	125,759
Non-financial assets			
Land and buildings	7A,C	**2,070**	3,162
Property, plant and equipment	7B,C	**9,657**	6,779
Intangibles	7D,E	**14,551**	15,544
Prepayments	7F	**2,253**	3,132
Total non-financial assets		**28,531**	28,617
Total assets		**157,607**	154,376
LIABILITIES			
Payables			
Suppliers	8A	**8,827**	5,638
Other payables	8B	**1,183**	1,115
Total payables		**10,010**	6,753
Provisions			
Employee provisions	9A	**6,762**	7,001
Total provisions		**6,762**	7,001
Total liabilities		**16,772**	13,754
Net assets		**140,835**	140,622
EQUITY			
Reserves		**3,363**	3,777
Retained earnings		**137,472**	136,845
Total equity		**140,835**	140,622

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

STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2015

	Retained earnings		Asset revaluation surplus		Total equity	
	2015	2014	**2015**	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000	**$'000**	$'000
Opening balance	**136,845**	133,683	**3,777**	3,460	**140,622**	137,143
Comprehensive income						
Other comprehensive income	**-**	-	**(414)**	317	**(414)**	317
Surplus (Deficit) for the period	**627**	3,162	**-**	-	**627**	3,162
Total comprehensive income	**627**	3,162	**(414)**	317	**213**	3,479
Closing balance	**137,472**	136,845	**3,363**	3,777	**140,835**	140,622

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

CASH FLOW STATEMENT
for the period ended 30 June 2015

	Notes	2015 $'000	2014 $'000
OPERATING ACTIVITIES			
Cash received			
Sale of goods and rendering of services		82,126	75,080
Total cash received		82,126	75,080
Cash used			
Employees		24,675	25,091
Suppliers		39,218	32,071
Net GST paid		3,342	3,545
Total cash used		67,235	60,707
Net cash from operating activities	10	14,891	14,373
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		-	1
Total cash received		-	1
Cash used			
Purchase of property, plant and equipment		6,100	4,113
Purchase of intangibles		5,065	5,850
Total cash used		11,165	9,963
Net cash used by investing activities		**(11,165)**	(9,962)
FINANCING ACTIVITIES			
Cash used			
Net transfers to the Official Public Account		455	4,558
Total cash used		455	4,558
Net cash used by financing activities		**(455)**	(4,558)
Net increase (decrease) in cash held		3,271	(147)
Cash and cash equivalents at the beginning of the reporting period		1,740	1,887
Cash and cash equivalents at the end of the reporting period	6A	5,011	1,740

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

SCHEDULE OF COMMITMENTS
as at 30 June 2015

	2015 $'000	2014 $'000
BY TYPE		
Commitments receivable		
Net GST recoverable on commitments	**4,927**	4,515
Project payments receivable	**600**	3,350
Total commitments receivable	**5,527**	7,865
Commitments payable		
Capital commitments		
Property, plant and equipment	**-**	3,451
Intangibles[1]	**568**	1,194
Total capital commitments	**568**	4,645
Other commitments		
Operating leases[2]	**16,214**	20,244
Other[3]	**37,996**	24,969
Total other commitments	**54,210**	45,213
Total commitments payable	**54,778**	49,858
Net commitments by type	**49,251**	41,993
BY MATURITY		
Commitments receivable		
One year or less	**1,931**	4,712
From one to five years	**3,281**	2,749
Over five years	**315**	404
Total commitments receivable	**5,527**	7,865
Commitments payable		
Capital commitments		
One year or less	**568**	4,645
Total capital commitments	**568**	4,645

SCHEDULE OF COMMITMENTS (Continued)
as at 30 June 2015

	2015 $'000	2014 $'000
Operating lease commitments		
One year or less	**4,009**	4,027
From one to five years	**8,739**	11,771
Over five years	**3,466**	4,446
Total operating lease commitments	**16,214**	20,244
Other commitments		
One year or less	**13,295**	9,874
From one to five years	**24,701**	15,095
Total other commitments	**37,996**	24,969
Total commitments payable	**54,778**	49,858
Net commitments by maturity	**49,251**	41,993

Note: Commitments are GST inclusive where relevant.

1. The intangibles commitment is project expenditure that will be capitalised.
2. Operating leases are effectively non-cancellable and comprise leases for office accommodation and data centre facilities.
   Nature of lease/general description of leasing arrangement
   Lease for office accommodation
   CrimTrac exercised an option to enter a new lease for eight years in 2010. The lease may be extended for a further five years at CrimTrac's option, following a one-off rental adjustment to market levels. Lease payments are subject to annual fixed increases.
   Lease for data centre facilities
   The primary data centre lease was for an initial term of two years. CrimTrac may extend for four further terms of two years.
   The secondary data centre lease is for ten years. Lease payments will increase by the lease price index from 1 January 2016.
3. Other commitments are primarily information technology support arrangements.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Objectives of CrimTrac

CrimTrac is an Australian Government controlled entity. It is a not-for-profit entity.

CrimTrac's objectives as set out in the Inter-Governmental Agreement signed in July 2000 are:

    a) the provision of high quality information services that:

        i) meet the needs of the Australian policing community;

        ii) establish best practice service models in relation to the provision of information to support policing; and

        iii) are project-oriented and cost-benefit driven to achieve outcomes;

    b) support for the jurisdictions in the implementation and use of CrimTrac services; and

    c) providing controlled access to appropriate information by duly accredited third parties.

CrimTrac has continued to carry out the financial and operational functions assigned to it in the July 2000 Inter-Governmental Agreement. CrimTrac is a listed agency under the *Public Governance, Performance and Accountability Act 2013* and operates as part of the Australian Government Attorney-General's portfolio.

CrimTrac is structured to meet one outcome:

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

CrimTrac's activities contributing toward this outcome are classified as departmental or administered. Departmental activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by CrimTrac in its own right.

The continued existence of CrimTrac in its present form and with its present program is dependent on Government policy.

1.2 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:

    a) Finance Reporting Rule (FRR) for reporting periods ending on or after 1 July 2014; and

    b) Australian Accounting Standards and Interpretations 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 entity 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 executory contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the contingencies note.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

The Australian Government continues to have regard to developments in case law, including the High Court's most recent decision on Commonwealth expenditure in Williams v Commonwealth [2014] HCA 23, as they contribute to the larger body of law relevant to the development of Commonwealth programs. In accordance with its general practice, the Government will continue to monitor and assess risk and decide on any appropriate actions to respond to risks of expenditure not being consistent with constitutional or other legal requirements.

1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the entity has made the following judgements that have had a significant impact on the amounts recorded in the financial statements:

- the fair value of leasehold improvements, property, plant and equipment and purchased computer software has been based on the depreciated replacement cost or market value as determined by an independent valuer; and
- leave provisions involve assumptions based on expected tenure of staff, patterns of leave claims and payouts, future salary movements and discount rates.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

AASB 1055 Budgetary Reporting has been applied in 2014–15. AASB 1055 requires disclosure of the initial annual budget provided to parliament and explanation of major variances. There were no other new standards, revised standards, interpretations or amending standards issued prior to the signing of the statement by the Chief Executive and Chief Financial Officer that were applicable to the current reporting period and had a financial impact on CrimTrac.

Future Australian Accounting Standard Requirements

No new accounting standards, revised standards, interpretations or amending standards issued prior to the signing of the statement by the Chief Executive and Chief Financial Officer and applicable to the future reporting period are expected to have a material future financial impact on CrimTrac.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue

Resources Received Free of Charge

Resources received free of charge are recognised as revenue 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 are recorded as either revenue or gains depending on their nature.

Other Types of Revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the agency retains no managerial involvement or effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

Revenue from 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 entity.

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.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts was reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

1.6 Gains

Resources 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 are recorded as either revenue or gains depending on their nature.

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 agency or authority 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.

1.7 Employee Benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of end of reporting period are measured at their nominal amounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the agency is estimated to be less than the annual entitlement for sick leave.

The leave 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 agency's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave was calculated using the shorthand method provided by the Australian Government actuary. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. CrimTrac recognises a provision for termination when it has developed a detailed formal plan for the termination and has informed the employee affected that it will carry out the termination.

Superannuation

Staff of CrimTrac are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap).

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

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 by the Department of Finance and Deregulation as an administered item.

CrimTrac makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of the agency's employees. CrimTrac accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

1.8 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

1.9 Borrowing Costs

All borrowing costs are expensed as incurred.

1.10 Fair Value Measurement

The entity deems transfers between levels of the fair value hierarchy to have occurred at the end of the reporting period.

1.11 Cash

Cash and cash equivalents includes cash on hand, cash held with outsiders, demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

1.12 Financial Assets

CrimTrac classifies its financial assets as loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon trade date.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets held at amortised cost - if there is objective evidence that an impairment loss has been incurred for loans and receivables held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the statement of comprehensive income.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets held at cost - If there is objective evidence that an impairment loss has been incurred the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

1.13 Financial Liabilities

Financial liabilities are recognised and derecognised upon 'trade date'.

Other Financial Liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

1.14 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent 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.

1.15 Acquisition of Assets

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. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.

1.16 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than $5,000, which are expensed in the year of acquisition.

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. CrimTrac does not have any 'make good' provisions as at 30 June 2015 (2014: Nil).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revaluations

Fair values for each class of asset are determined as shown below:

Asset class	Fair value measured at:
Leasehold improvements	Depreciated replacement cost
Plant & equipment	Market selling price

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 regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve 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.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to CrimTrac using the straight-line method of depreciation.

Depreciation rates (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.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2015	2014
Leasehold improvements	Effective lease term	Effective lease term
Plant and Equipment	3 to 10 years	3 to 10 years

Impairment

All assets were assessed for impairment as at 30 June 2015. 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.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if CrimTrac were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.17 Intangibles

CrimTrac's intangibles comprise purchased and internally developed software. Internally developed software assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are recognised initially at cost in the statement of financial position, except for those with an initial cost of less than $5,000, which are expensed in the year of acquisition.

Following initial recognition at cost, these assets 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 regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve 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.

Software is amortised on a straight-line basis over its anticipated useful life. The useful life of CrimTrac's software is from 3 to 10 years (2014: 3 to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2015.

1.18 Taxation

The agency is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets 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.

NOTE 2: EVENTS AFTER THE REPORTING PERIOD

No significant events occurred after reporting date, which warrant disclosure, or are required to be brought to account in the financial statements.

NOTE 3: EXPENSES

	2015 $'000	2014 $'000
Note 3A: Employee Benefits		
Wages and salaries	17,674	18,066
Superannuation		
Defined contribution plans	1,893	1,939
Defined benefit plans	2,099	2,212
Leave and other entitlements	2,314	2,295
Separation and redundancies	520	318
Total employee benefits	24,500	24,830
Note 3B: Suppliers		
Goods and services supplied or rendered		
Information technology	20,587	14,268
Jurisdiction fees	6,260	5,631
Contractors	2,235	1,585
Consultants	1,914	392
Marketing and communication	1,498	72
Travel and accommodation	716	472
Training and development	550	557
Legal fees	404	354
Internal audit consultants	396	288
Physical security	395	390
General office expenses	365	353
Other goods and services	331	730
Total goods and services supplied or rendered	35,651	25,092
Goods supplied in connection with		
Related entities	-	-
External parties	422	536
Total goods supplied	422	536

	2015 $'000	2014 $'000
Services rendered in connection with		
Related entities	**9,233**	4,863
External parties	**25,996**	19,693
Total services rendered	**35,229**	24,556
Total goods and services supplied or rendered	**35,651**	25,092
Other suppliers		
Operating lease rentals in connection with		
External parties		
Minimum lease payments	**3,556**	3,590
Workers compensation expenses	**566**	326
Total other suppliers	**4,122**	3,916
Total suppliers	**39,773**	29,008
Note 3C: Depreciation and Amortisation		
Depreciation		
Property, plant and equipment	**3,204**	3,137
Buildings - leasehold improvements	**696**	736
Total depreciation	**3,900**	3,873
Amortisation		
Intangibles	**5,898**	6,639
Total amortisation	**5,898**	6,639
Total depreciation and amortisation	**9,798**	10,512
Note 3D: Write-Down of Assets		
Asset write-downs		
Write-down of property, plant and equipment	**3**	242
Write-down of intangible assets	**157**	-
Total write-down of assets	**160**	242

NOTE 4: OWN–SOURCE INCOME

Own-Source Revenue	2015 $'000	2014 $'000
Note 4A: Sale of Goods and Rendering of Services		
Sale of goods in connection with		
Related entities	**-**	-
External parties	**135**	1
Total sale of goods	**135**	1
Rendering of services in connection with		
Related entities	**25,059**	20,455
External parties	**49,433**	47,218
Total rendering of services	**74,492**	67,673
Total sale of goods and rendering of services	**74,627**	67,674
Note 4B: Other Revenue		
Resources received free of charge - audit services	**71**	70
Resources received free of charge	**160**	10
Total other revenue	**231**	80

NOTE 5: FAIR VALUE MEASUREMENTS

The following tables provide an analysis of assets and liabilities that are measured at fair value. The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Note 5A: Fair Value Measurements, Valuation Techniques and Inputs Used

Fair value measurements at the end of the reporting period			For Levels 2 and 3 fair value measurements			
2015 $'000	2014 $'000	Category (Level 1, 2 or 3[3])*	Valuation technique(s)[1]	Inputs used	Range (weighted average)**	Sensititivity of the fair value measurement to changes in unobservable inputs
Non-financial assets[2]						
Leasehold improvements	**2,070**	3,162	3	Depreciated replacement cost	Estimated replacement price per square metre. Expected useful life.	N/A	The significant unobservable inputs used in the fair value measurement of the entity's leasehold improvements are the estimated replacement cost and expected useful life. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement.
Property, plant and equipment	**9,657**	6,779	3	Depreciated replacement cost	Estimated replacement cost. Expected useful life.	N/A	The significant unobservable inputs used in the fair value measurement of the entity's property, plant and equipment are the estimated replacement cost and expected useful life. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement.
Purchased software	**2,514**	2,491	3	Depreciated replacement cost	Estimated replacement cost. Expected useful life.	N/A	The significant unobservable inputs used in the fair value measurement of the entity's purchased software are the estimated replacement cost and expected useful life. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement.
Total non-financial assets	**14,241**	12,432				

NOTE 5: FAIR VALUE MEASUREMENTS

	2015 $'000	2014 $'000
Assets not measured at fair value in the statement of financial position		
Computer software - internally developed	**12,037**	13,053
Total assets not measured at fair value in the statement of financial position	**12,037**	13,053

1. There were no changes in valuation techniques during the period.
2. **Fair value measurements - highest and best use differs from current use for non-financial assets (NFAs).** The highest and best use of all non-financial assets are the same as their current use.
3. **Recurring and non-recurring Level 3 fair value measurements - valuation processes.** CrimTrac procured valuation services from Pickles Valuation Services in (Property, Plant and Equipment 2014, Leasehold Improvements 2015) and Rod Hyman Asset Services (Purchased Software, 2013) and relied on valuation models provided by these suppliers. The suppliers provided written assurance to CrimTrac that the valuation methodology use was compliant with AASB 13.

Note 5B: Reconciliation for Recurring Level 3 Fair Value Measurements

Recurring Level 3 fair value measurements - reconciliation for assets

	Non-financial assets							
	Leasehold improvements		Property, plant and equipment		Purchased software		Total	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000
As at 1 July	**3,162**	3,898	**1,936**	1,333	**2,491**	3,771	**7,589**	9,002
Total gains/(losses) recognised in net cost of services[1]	**(696)**	(736)	**(3,207)**	(3,379)	**(1,304)**	(1,277)	**(5,207)**	(5,392)
Total gains/(losses) recognised in other comprehensive income[2]	**(414)**	-	**-**	320	**-**	(3)	**(414)**	317
Purchases	**18**	-	**6,085**	3,662	**1,327**	-	**7,430**	3,662
Transfers into Level 3[3]	**-**	-	**4,843**	-	**-**	-	**4,843**	-
Total as at 30 June	**2,070**	3,162	**9,657**	1,936	**2,514**	2,491	**14,241**	7,589

1. These gains/(losses) are presented in the Statement of Comprehensive Income under depreciation and amortisation or write down of assets.
2. These gains/(losses) are presented in the Statement of Comprehensive Income under changes in asset revaluation surplus.
3. In 2015, computer equipment was transferred from Level 2 to Level 3 as the valuation data was from 2014 and no longer qualifying as Level 2.
The entity's policy for determining when transfers between levels are deemed to have occurred can be found in Note 1.

NOTE 6: FINANCIAL ASSETS

	2015 $'000	2014 $'000
Note 6A: Cash and Cash Equivalents		
Cash on hand or on deposit	**5,011**	1,740
Total cash and cash equivalents	**5,011**	1,740
Note 6B: Trade and Other Receivables		
Goods and services receivables in connection with		
Related entities	**2,628**	2,505
External parties	**6,331**	6,863
Total goods and services receivables	**8,959**	9,368
OPA receivable		
OPA Special Account	**115,106**	114,651
Total appropriations receivable	**115,106**	114,651
Total trade and other receivables (gross)	**124,065**	124,019
Total impairment allowance account	**-**	-
Total trade and other receivables (net)	**124,065**	124,019
Trade and other receivables (net) expected to be recovered		
No more than 12 months	**124,065**	124,019
Total trade and other receivables (net)	**124,065**	124,019
Trade and other receivables (gross) aged as follows		
Not overdue	**123,875**	123,765
Overdue by		
0 to 30 days	**190**	254
Total trade and receivables (gross)	**124,065**	124,019

The impairment allowance account as at 30 June 2015 is Nil (2014: Nil).

NOTE 7: NON–FINANCIAL ASSETS

	2015 $'000	2014 $'000
Note 7A: Land and Buildings		
Leasehold improvements		
Fair value	2,118	4,621
Accumulated depreciation	(48)	(1,459)
Total leasehold improvements	2,070	3,162
Total land and buildings	2,070	3,162

No indicators of impairment were found for land and buildings.
No land or buildings are expected to be sold or disposed of within the next 12 months.

	2015 $'000	2014 $'000
Note 7B: Property, Plant and Equipment		
Property, plant and equipment		
Assets under construction	1,491	2,784
Fair value	12,032	4,665
Accumulated depreciation	(3,866)	(670)
Total property, plant and equipment	9,657	6,779

No indicators of impairment were found for property, plant and equipment.
No property, plant or equipment was held for sale or disposal as at 30 June 2015 (2014: Nil).

Revaluations of non-financial assets

Asset revaluations are conducted in accordance with the revaluation policy stated at Note 1. An independent valuer revalued leasehold improvements as at 31 May 2015 and computer equipment assets as at 31 March 2014.

The revaluation decrement for leasehold improvements in 2015 was $414,139 (2014: Nil). The revaluation increment for computer equipment (subclass of property, plant and equipment) in 2014 was $341,824 (2015: Nil). In 2014, an impairment decrement of $24,646 (2015: Nil) was recorded for impairment of computer equipment and adjusted against the revaluation surplus in accordance with AASB136.

The revaluation increments/decrements were transferred to the asset revaluation surplus by asset class and included in the equity section of the Statement of Financial Position. No decrement was expensed (2014: Nil).

Note 7C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment

Reconciliation of the opening and closing balance of property, plant and equipment for 2014–15

	Buildings - leasehold improvements $'000	Property, plant & equipment $'000	Total $'000
As at 1 July 2014			
Gross book value	4,621	7,449	12,070
Accumulated depreciation and impairment	(1,459)	(670)	(2,129)
Total as at 1 July 2014	3,162	6,779	9,941
Additions			
By purchase	18	6,085	6,103
Revaluations and impairments recognised in other comprehensive income	(414)	-	(414)
Depreciation expense	(696)	(3,204)	(3,900)
Disposals			
Write-off	-	(3)	(3)
Total as at 30 June 2015	2,070	9,657	11,727
Total as at 30 June 2014 represented by			
Gross book value	2,118	13,523	15,641
Accumulated depreciation	(48)	(3,866)	(3,914)
Total as at 30 June 2015	2,070	9,657	11,727

NOTE 7: NON–FINANCIAL ASSETS (CONTINUED)

Reconciliation of the opening and closing balance of property, plant and equipment for 2013–14

	Buildings - leasehold improvements $'000	Property, plant & equipment $'000	Total $'000
As at 1 July 2013			
Gross book value	4,621	15,899	20,520
Accumulated depreciation and impairment	(723)	(9,723)	(10,446)
Total as at 1 July 2013	3,898	6,176	10,074
Additions			
By purchase	-	3,662	3,662
Revaluations and impairments recognised in other comprehensive income	-	320	320
Depreciation expense	(736)	(3,137)	(3,873)
Disposals			
Write-off	-	(242)	(242)
Total as at 30 June 2014	3,162	6,779	9,941
Total as at 30 June 2014 represented by			
Gross book value	4,621	7,449	12,070
Accumulated depreciation	(1,459)	(670)	(2,129)
Total as at 30 June 2014	3,162	6,779	9,941

	2015 $'000	2014 $'000
Note 7D: Intangibles		
Computer software		
Internally developed – in progress	**7,481**	6,191
Internally developed – in use	**40,279**	37,990
Purchased	**5,108**	3,781
Accumulated amortisation	**(38,317)**	(32,418)
Total computer software	**14,551**	15,544
Total intangibles	**14,551**	15,544

No indicators of impairment were found for intangibles.

No intangibles were held for sale or disposal as at 30 June 2015 (2014: Nil).

NOTE 7: NON–FINANCIAL ASSETS (CONTINUED)

Note 7E: Reconciliation of the Opening and Closing Balances of Intangibles

Reconciliation of the opening and closing balances of intangibles for 2014–15

	Computer software internally developed	Computer software purchased	Total
	$'000	$'000	$'000
As at 1 July 2014			
Gross book value	44,181	3,781	47,962
Accumulated amortisation and impairment	(31,128)	(1,290)	(32,418)
Total as at 1 July 2014	13,053	2,491	15,544
Additions			
By purchase	1,000	1,327	2,327
Internally developed	2,735	-	2,735
Amortisation	(4,594)	(1,304)	(5,898)
Disposals			
Write-off	(157)	-	(157)
Total as at 30 June 2015	12,037	2,514	14,551
Total as at 30 June 2015 represented by			
Gross book value	47,760	5,108	52,868
Accumulated amortisation and impairment	(35,723)	(2,594)	(38,317)
Total as at 30 June 2015	12,037	2,514	14,551

NOTE 7: NON-FINANCIAL ASSETS (CONTINUED)

Reconciliation of the opening and closing balances of intangibles for 2013–14

	Computer software internally developed $'000	Computer software purchased $'000	Total $'000
As at 1 July 2013			
Gross book value	38,330	3,790	42,120
Accumulated amortisation and impairment	(25,765)	(19)	(25,784)
Total as at 1 July 2013	12,565	3,771	16,336
Additions			
By purchase	-	-	-
Internally developed	5,850	-	5,850
Revaluations recognised in other comprehensive income	-	(3)	(3)
Amortisation	(5,362)	(1,277)	(6,639)
Other movement	-	-	-
Total as at 30 June 2014	13,053	2,491	15,544
Total as at 30 June 2014 represented by			
Gross book value	44,181	3,781	47,962
Accumulated amortisation and impairment	(31,128)	(1,290)	(32,418)
Total as at 30 June 2014	13,053	2,491	15,544

	2015 **$'000**	2014 $'000
Note 7F: Other Non-Financial Assets		
Prepayments	**2,253**	3,132
Total other non-financial assets	**2,253**	3,132
Total other non-financial assets expected to be recovered		
No more than 12 months	**1,866**	1,599
More than 12 months	**387**	1,533
Total other non-financial assets	**2,253**	3,132

No indicators of impairment were found for other prepayments.

NOTE 8: PAYABLES

	2015 $'000	2014 $'000
Note 8A: Suppliers		
Trade creditors and accruals	**7,557**	4,318
Operating lease rentals	**1,270**	1,320
Total suppliers	**8,827**	5,638
Suppliers expected to be settled		
No more than 12 months	**7,712**	4,368
More than 12 months	**1,115**	1,270
Total suppliers	**8,827**	5,638
Suppliers in connection with		
Related entities	**1,672**	1,107
External parties	**7,155**	4,531
Total suppliers	**8,827**	5,638

Settlement was usually made within 30 days.

	2015 $'000	2014 $'000
Note 8B: Other Payables		
Wages and salaries	**701**	633
Superannuation	**134**	127
GST payable to the ATO	**313**	283
Other	**35**	72
Total other payables	**1,183**	1,115
Other payables expected to be settled		
No more than 12 months	**1,183**	1,115
Total other payables	**1,183**	1,115

NOTE 9: PROVISIONS

	2015 $'000	2014 $'000
Note 9A: Employee Provisions		
Leave	6,762	7,001
Total employee provisions	6,762	7,001
Employee provisions expected to be settled		
No more than 12 months	5,080	5,533
More than 12 months	1,682	1,468
Total employee provisions	6,762	7,001

NOTE 10: CASH FLOW RECONCILIATION

	2015 $'000	2014 $'000
Reconciliation of cash and cash equivalents as per statement of financial position to cash flow statement		
Cash and cash equivalents as per		
Cash flow statement	**5,011**	1,740
Statement of financial position	**5,011**	1,740
	-	-
Reconciliation of net cost of services to net cash from/(used by)		
operating activities		
Net (cost of) / contribution by services	**627**	3,162
Adjustments for non-cash items		
Depreciation / amortisation	**9,798**	10,512
Losses from asset disposal / write-offs	**160**	242
Movements in assets and liabilities		
Assets		
(Increase) / decrease in goods/services receivable	**409**	567
(Increase) / decrease in prepayments	**879**	(876)
Adjustment for non-operating movement in prepayments	**-**	450
Liabilities		
Increase / (decrease) in supplier payables	**3,189**	905
Increase / (decrease) in other payables	**38**	(388)
Increase / (decrease) in employee provisions	**(239)**	161
Increase / (decrease) in GST payable	**30**	(362)
Net cash from operating activities	**14,891**	14,373

NOTE 11: CONTINGENT LIABILITIES AND ASSETS

CrimTrac has no contingent liabilities for the current, nor the preceding reporting period.

NOTE 12: SENIOR MANAGEMENT PERSONNEL

	2015 $	2014 $
Short-term employee benefits		
Salary	**665,793**	672,688
Salary packaged benefits	**44,825**	18,601
Total short-term employee benefits	**710,618**	691,289
Post-employment benefits		
Superannuation	**164,686**	119,072
Total post-employment benefits	**164,686**	119,072
Other long-term benefits		
Annual leave accrued	**53,524**	53,685
Long service leave accrued	**13,316**	20,132
Total other long-term employee benefits	**66,840**	73,817
Total senior executive remuneration expenses	**942,144**	884,178

The total number of senior management personnel included in the above table for 2015 is 4 individuals (2014: 3 individuals).

NOTE 13: FINANCIAL INSTRUMENTS

	2015 $'000	2014 $'000
Note 13A: Categories of Financial Instruments		
Financial Assets		
Loans and receivables		
Cash and cash equivalents	**5,011**	1,740
Trade receivables	**8,959**	9,368
Total loans and receivables	**13,970**	11,108
Total financial assets	**13,970**	11,108
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	**7,557**	4,318
Total financial liabilities measured at amortised cost	**7,557**	4,318
Total financial liabilities	**7,557**	4,318

The net income/expense from financial assets and financial liabilities not at fair value from profit and loss is Nil (2014: Nil).

Note 13B: Fair Value of Financial Instruments

The fair values for cash, trade receivables, trade creditors and other payables is the nominal value.

Note 13C: Credit Risk

CrimTrac is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables 2015: $8,959,000 (2014: $9,368,000).

CrimTrac has assessed the risk of the default on payment and as such has no need to allocate an allowance for impairment.

CrimTrac manages its credit risk by undertaking an accreditation process for its accredited agencies. In addition, CrimTrac has policies and procedures that are to be applied during debt recovery.

The agency has no significant exposures to any concentrations of credit risk.

NOTE 13: FINANCIAL INSTRUMENTS (CONTINUED)

Note 13D: Liquidity Risk

CrimTrac's financial liabilities are payables and operating leases rentals. The exposure to liquidity risk is based on the notion that CrimTrac will have difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to CrimTrac's available funds and internal policies and procedures in place to ensure appropriate resources to meet financial obligations.

CrimTrac has no derivative financial liabilities in both the current and prior year.

Note 13E: Market Risk

CrimTrac is not exposed to 'Currency risk' or 'Other price risk'. CrimTrac does not hold any interest-bearing items on the Statement of Financial Position, therefore is not subject to 'interest rate risk'.

NOTE 14: FINANCIAL ASSETS RECONCILIATION

	Notes	2015 $'000	2014 $'000
Total financial assets as per statement of financial position		**129,076**	125,759
Less: non-financial instrument components			
OPA receivable	6B	**115,106**	114,651
Total non-financial instrument components		**115,106**	114,651
Total financial assets as per financial instruments note	13A	**13,970**	11,108

NOTE 15: SPECIAL ACCOUNTS

National Policing Information Systems and Services Special Account (Departmental)	2015 $'000	2014 $'000

Legal Authority: *Public Governance, Performance and Accountability Act 2013* section 78.

Establishing Instrument: *Financial Management and Accountability Determination 2006/07.*

Purpose:

(1) The purposes of the National Policing Information Systems and Services Special Account, in relation to which amounts may be debited from the Special Account, are:

    a) scoping, developing, procuring, implementing and operating new and existing information technology systems and services in relation to the agency and its stakeholders and clients; and

    b) to repay to an original payer amounts credited to the Special Account and residual after any necessary payments made for a purpose mentioned in paragraph a); and

    c) activities that are incidental to a purpose mentioned in paragraphs a) or b); and

    d) to reduce the balance of the Special Account (and, therefore, the available appropriation for the Account) without making a real or notional payment; and

    e) to repay amounts where an Act or other law requires or permits the repayment of an amount received.

(2) To avoid doubt, incidental activities include:

    a) the administration of the Special Account; and

    b) dealing with direct and indirect costs.

Balance brought forward from previous period	**116,391**	111,980
Increases		
Receipts from the provision of goods and services	**82,126**	75,080
Other receipts	**-**	1
Total increases	**82,126**	75,081
Available for payments	**198,517**	187,061
Decreases		
Payments made - suppliers	**50,383**	42,034
Payments made - employees	**24,675**	25,091
Net GST Paid	**3,342**	3,545
Total decreases	**78,400**	70,670
Balance carried to next period and represented by	**120,117**	116,391
Cash - transferred to the Official Public Account	**115,106**	114,651
Cash - held by the Agency	**5,011**	1,740
Total balance carried to the next period	**120,117**	116,391

NOTE 16: REPORTING OF OUTCOMES

Note 16A: Net Cost of Outcome Delivery

	Outcome 1		Total	
	2015 **$'000**	2014 $'000	**2015** **$'000**	2014 $'000
Departmental				
Expenses	**74,231**	64,592	**74,231**	64,592
Own-source income	**74,858**	67,754	**74,858**	67,754
Net cost/(contribution) of outcome delivery	**(627)**	(3,162)	**(627)**	(3,162)

Outcome 1 is described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget Outcome. Refer to Outcome 1 Resourcing Table on page 78 of this Annual Report.

NOTE 17: BUDGETARY REPORTS AND EXPLANATIONS OF MAJOR VARIANCES

The following tables provide a comparison of the original budget as presented in the 2014–15 Portfolio Budget Statements (PBS) to the 2014–15 final outcome as presented in accordance with Australian Accounting Standards for the entity. The Budget is not audited.

Note 17A: Departmental Budgetary Reports

Statement of Comprehensive Income
for the period ended 30 June 2015

	Actual	Budget estimate Original[1]	Variance[2]
	2015 **$'000**	**2015** **$'000**	2015 $'000
NET COST OF SERVICES			
Expenses			
Employee benefits	**24,500**	**25,427**	(927)
Suppliers	**39,773**	**35,073**	4,700
Depreciation and amortisation	**9,798**	**11,112**	(1,314)
Write-down and impairment of assets	**160**	**-**	160
Total expenses	**74,231**	**71,612**	2,619
Own-Source Income			
Own-source revenue			
Sale of goods and rendering of services	**74,627**	**71,542**	3,085
Other revenue	**231**	**70**	161
Total own-source revenue	**74,858**	**71,612**	3,246
Total own-source income	**74,858**	**71,612**	3,246
Net (cost of)/contribution by services	**(627)**	**-**	(627)
Surplus/(Deficit)	**627**	**-**	627
OTHER COMPREHENSIVE INCOME			
Items not subject to subsequent reclassification to net cost of services			
Changes in asset revaluation surplus	**(414)**	**-**	(414)
Total comprehensive income/(loss)	**213**	**-**	213

1. The entity's original budgeted financial statement that was first presented to Parliament in respect of the reporting period.
2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided further below.

NOTE 17: BUDGETARY REPORTS AND EXPLANATIONS OF MAJOR VARIANCES (CONTINUED)

Statement of Financial Position

as at 30 June 2015

	Actual	Budget estimate Original[1]	Variance[2]
	2015	**2015**	2015
	$'000	**$'000**	$'000
ASSETS			
Financial assets			
Cash and cash equivalents	**5,011**	**600**	4,411
Trade and other receivables	**124,065**	**117,651**	6,414
Total financial assets	**129,076**	**118,251**	10,825
Non-financial assets			
Land and buildings	**2,070**	**2,457**	(387)
Property, plant and equipment	**9,657**	**11,367**	(1,710)
Intangibles	**14,551**	**16,249**	(1,698)
Other non-financial assets	**2,253**	**2,256**	(3)
Total non-financial assets	**28,531**	**32,329**	(3,798)
Total assets	**157,607**	**150,580**	7,027
LIABILITIES			
Payables			
Suppliers	**8,827**	**4,733**	4,094
Other payables	**1,183**	**645**	538
Total payables	**10,010**	**5,378**	4,632
Provisions			
Employee provisions	**6,762**	**8,060**	(1,298)
Total provisions	**6,762**	**8,060**	(1,298)
Total liabilities	**16,772**	**13,438**	3,334
Net assets	**140,835**	**137,142**	3,693
EQUITY			
Parent entity interest			
Reserves	**3,363**	**3,460**	(97)
Retained surplus/(Accumulated deficit)	**137,472**	**133,682**	3,790
Total equity	**140,835**	**137,142**	3,693

1. The entity's original budgeted financial statement that was first presented to Parliament in respect of the reporting period.

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided further below.

NOTE 17: BUDGETARY REPORTS AND EXPLANATIONS OF MAJOR VARIANCES (CONTINUED)

Statement of Changes in Equity
for the period ended 30 June 2015

	Retained earnings			Asset revaluation surplus			Total equity		
	Actual	**Budget estimate**		**Actual**	**Budget estimate**		**Actual**	**Budget estimate**	
		Original[1]	Variance[2]		Original[1]	Variance[2]		Original[1]	Variance[2]
	2015 $'000	**2015 $'000**	2015 $'000	**2015 $'000**	**2015 $'000**	2015 $'000	**2015 $'000**	**2015 $'000**	2015 $'000
Opening balance									
Balance carried forward from previous period	**136,845**	**133,682**	3,163	**3,777**	**3,460**	317	**140,622**	**137,142**	3,480
Adjusted opening balance	**136,845**	**133,682**	3,163	**3,777**	**3,460**	317	**140,622**	**137,142**	3,480
Comprehensive income									
Other comprehensive income	**-**	**-**	-	**(414)**	**-**	(414)	**(414)**	**-**	(414)
Surplus/(Deficit) for the period	**627**	**-**	627				**627**	**-**	627
Total comprehensive income	**627**	**-**	627	**(414)**	**-**	(414)	**213**	**-**	213
Transfers between equity components	**-**	**-**	-	**-**	**-**	-	**-**	**-**	-
Closing balance as at 30 June	**137,472**	**133,682**	3,790	**3,363**	**3,460**	(97)	**140,835**	**137,142**	3,693

1. The entity's original budgeted financial statement that was first presented to Parliament in respect of the reporting period.

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided further below.

NOTE 17: BUDGETARY REPORTS AND EXPLANATIONS OF MAJOR VARIANCES (CONTINUED)

Cash Flow Statement
for the period ended 30 June 2015

	Actual	Budget estimate Original[1]	Budget estimate Variance[2]
	2015 **$'000**	**2015** **$'000**	2015 $'000
OPERATING ACTIVITIES			
Cash received			
Receipts from Government	**-**	**-**	-
Sale of goods and rendering of services	**82,126**	**78,696**	3,430
Total cash received	**82,126**	**78,696**	3,430
Cash used			
Employees	**24,675**	**25,427**	(752)
Suppliers	**39,218**	**38,503**	715
Net GST paid	**3,342**	**3,655**	(313)
Total cash used	**67,235**	**67,585**	(350)
Net cash from/(used by) operating activities	**14,891**	**11,111**	3,780
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment	**6,100**	**6,555**	(455)
Payment for intangibles	**5,065**	**5,595**	(530)
Total cash used	**11,165**	**12,150**	(985)
Net cash from/(used by) investing activities	**(11,165)**	**(12,150)**	985
FINANCING ACTIVITIES			
Cash received			
Other	**-**	**1,039**	(1,039)
Total cash received	**-**	**1,039**	(1,039)
Cash used			
Net transfers to the Official Public Account	**455**	**-**	455
Total cash used	**455**	**-**	455
Net cash from/(used by) financing activities	**(455)**	**1,039**	(1,494)
Net increase/(decrease) in cash held	**3,271**	**-**	3,271
Cash and cash equivalents at the beginning of the reporting period	**1,740**	**600**	1,140
Cash and cash equivalents at the end of the reporting period	**5,011**	**600**	4,411

1. The entity's original budgeted financial statement that was first presented to Parliament in respect of the reporting period.

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided further below.

Note 17B: Departmental Major Budget Variances for 2015

Variances are considered to be 'major' based on the following criteria:

- the variance between budget and actual is greater than 10%; and
- the variance between budget and actual is greater than 1% of the relevant category (Income, Expenses and Equity totals); or
- an item below this threshold but is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of an entity.

Explanations of major variances	Affected line items (and statement)
Employees	
The average full time equivalent employees for 2015 was 214 against a budget of 229. CrimTrac recruitment was affected as a consequence of the revised APS recruitment position together with reassessment of recruitment to some positions as a result of Recommendation 52 of the National Commission of Audit and other Whole of Government initiatives.	Employee benefits expense *(Statement of Comprehensive Income)*, Employee provisions *(Statement of Financial Position)*, Operating cash used - employees *(Cash Flow Statement)*
Timing of supplier and staff payments	
Several large supplier contract expenses were accrued as liabilities at 30 June 2015 and paid in July 2015. These payments, in addition to the staff pay due on 2 July 2015 required additional cash drawn from the Official Public Account as at 30 June 2015.	Cash and cash equivalents *(Statement of Financial Position)*, Supplier expenses *(Statement of Comprehensive Income)*, Suppliers payable *(Statement of Financial Position)*, Operating cash used - suppliers *(Cash Flow Statement)*
Supplier expenses	
Supplier expenses exceeded budget following a requirement to expense a significant IT infrastructure investment that was budgeted as a capital investment; unforseen one off software licensing costs; and higher than anticipated contractor costs.	Suppliers expense *(Statement of Comprehensive Income)*, Suppliers payable *(Statement of Financial Position)*, Operating cash used - suppliers *(Cash Flow Statement)*
Property plant and equipment and intangibles	
Due to the timing of the 2014–15 budget process the opening balances for Property, plant and equipment and Intangibles were based on an estimated closing position as at 30 June 2014 rather than the audited closing balances.	Depreciation and amortisation *(Statement of Comprehensive Income)*, Property, plant and equipment *(Statement of Financial Position)*, Intangibles *(Statement of Financial Position)*
Revaluation of leasehold improvements	
An independent valuer revalued leasehold improvement as at 31 May 2015 resulting in a $0.414 million revaluation decrement to the leasehold improvement balance. The outcome of the revaluation could not be estimated for budgeting purposes.	Changes in asset revaluation surplus *(Statement of Comprehensive Income)*, Land and buildings *(Statement of Financial Position)*

Part
/06

References and appendices

ANNUAL REPORT LIST OF REQUIREMENTS

Ref1*	Part of Report	Description	Requirement	Location
8(3) & A.4		Letter of transmittal	Mandatory	vii
A.5		Table of contents	Mandatory	viii
A.5		Index	Mandatory	131
A.5		Glossary	Mandatory	130
A.5		Contact officer(s)	Mandatory	vi
A.5		Internet home page address and Internet address for report	Mandatory	vi
9	Review by Secretary			
9(1)		Review by departmental secretary	Mandatory	2–3
9(2)		Summary of significant issues and developments	Suggested	2–3
9(2)		Overview of department's performance and financial results	Suggested	N/A
9(2)		Outlook for following year	Suggested	3
9(3)		Significant issues and developments – portfolio	Portfolio departments – suggested	N/A
10	Departmental Overview			
10(1)		Role and functions	Mandatory	5
10(1)		Organisational structure	Mandatory	7–9
10(1)		Outcome and programme structure	Mandatory	12–14
10(2)		Where outcome and programme structures differ from PB Statements/PAES or other portfolio statements accompanying any other additional appropriation bills (other portfolio statements), details of variation and reasons for change	Mandatory	No variation to outcome / program structure
10(3)		Portfolio structure	Portfolio departments - mandatory	N/A
11	Report on Performance			
11(1)		Review of performance during the year in relation to programmes and contribution to outcomes	Mandatory	12–51
11(2)		Actual performance in relation to deliverables and KPIs set out in PB Statements/PAES or other portfolio statements	Mandatory	16
11(2)		Where performance targets differ from the PBS/PAES, details of both former and new targets, and reasons for the change	Mandatory	No variation to performance targets
11(2)		Narrative discussion and analysis of performance	Mandatory	16–51
11(2)		Trend information	Mandatory	16–51

Ref1*	Part of Report	Description	Requirement	Location
11(3)		Significant changes in nature of principal functions/services	Suggested	N/A
11(3)		Performance of purchaser/provider arrangements	If applicable, suggested	62
11(3)		Factors, events or trends influencing departmental performance	Suggested	N/A
11(3)		Contribution of risk management in achieving objectives	Suggested	58
11(4)		Performance against service charter customer service standards, complaints data, and the department's response to complaints	If applicable, mandatory	N/A
11(5)		Discussion and analysis of the department's financial performance	Mandatory	76–78
11(6)		Discussion of any significant changes in financial results from the prior year, from budget or anticipated to have a significant impact on future operations.	Mandatory	76–78
11(7)		Agency resource statement and summary resource tables by outcomes	Mandatory	78
12	Management and Accountability			
	Corporate Governance			
12(1)		Agency heads are required to certify their agency's actions in dealing with fraud.	Mandatory	vii
12(2)		Statement of the main corporate governance practices in place	Mandatory	54–61
12(3)		Names of the senior executive and their responsibilities	Suggested	7–8
12(3)		Senior management committees and their roles	Suggested	54–61
12(3)		Corporate and operational plans and associated performance reporting and review	Suggested	9–10
12(3)		Internal audit arrangements including approach adopted to identifying areas of significant financial or operational risk and arrangements to manage those risks	Suggested	59
12(3)		Policy and practices on the establishment and maintenance of appropriate ethical standards	Suggested	63
12(3)		How nature and amount of remuneration for SES officers is determined	Suggested	N/A
	External Scrutiny			
12(4)		Significant developments in external scrutiny	Mandatory	61
12(4)		Judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner	Mandatory	61
12(4)		Reports by the Auditor-General, a Parliamentary Committee, the Commonwealth Ombudsman or an agency capability review	Mandatory	61

Ref1*	Part of Report	Description	Requirement	Location
		Management of Human Resources		
12(5)		Assessment of effectiveness in managing and developing human resources to achieve departmental objectives	Mandatory	68
12(6)		Workforce planning, staff retention and turnover	Suggested	68, 74
12(6)		Impact and features of enterprise or collective agreements, individual flexibility arrangements (IFAs), determinations, common law contracts and Australian Workplace Agreements (AWAs)	Suggested	69
12(6)		Training and development undertaken and its impact	Suggested	73
12(6)		Work health and safety performance	Suggested	72
12(6)		Productivity gains	Suggested	N/A
12(7)		Statistics on staffing	Mandatory	69
12(8)		Statistics on employees who identify as Indigenous	Mandatory	68
12(9)		Enterprise or collective agreements, IFAs, determinations, common law contracts and AWAs	Mandatory	69
12(10) & B		Performance pay	Mandatory	69
12(11)-(12)	Assets management	Assessment of effectiveness of assets management	If applicable, mandatory	62
12(13)	Purchasing	Assessment of purchasing against core policies and principles	Mandatory	62–63
12(14)-(23)	Consultants	The annual report must include a summary statement detailing the number of new consultancy services contracts let during the year; the total actual expenditure on all new consultancy contracts let during the year (inclusive of GST); the number of ongoing consultancy contracts that were active in the reporting year; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST). The annual report must include a statement noting that information on contracts and consultancies is available through the AusTender website.	Mandatory	62–63
12(24)	Australian National Audit Office Access Clauses	Absence of provisions in contracts allowing access by the Auditor-General	Mandatory	63
12(25)	Exempt contracts	Contracts exempted from publication in AusTender	Mandatory	62
12(26)-(28)	Small business	Procurement initiatives to support small business	Mandatory	63
13	Financial Statements	Financial Statements	Mandatory	76–122

Ref1*	Part of Report	Description	Requirement	Location
		Other Mandatory Information		
14(1) & C.1		Work health and safety (Schedule 2, Part 4 of the Work Health and Safety Act 2011)	Mandatory	72–73
14(1) & C.2		Advertising and Market Research (Section 311A of the Commonwealth Electoral Act 1918) and statement on advertising campaigns	Mandatory	64
14(1) & C.3		Ecologically sustainable development and environmental performance (Section 516A of the Environment Protection and Biodiversity Conservation Act 1999)	Mandatory	66
14(1)		Compliance with the agency's obligations under the Carer Recognition Act 2010	If applicable, mandatory	N/A
14(2) & D.1		Grant programmes	Mandatory	63
14(3) & D.2		Disability reporting – explicit and transparent reference to agencylevel information available through other reporting mechanisms	Mandatory	74
14(4) & D.3		Information Publication Scheme statement	Mandatory	65
14(5)		Correction of material errors in previous annual report	If applicable, mandatory	66
E		Agency Resource Statements and Resources for Outcomes	Mandatory	78
F		List of Requirements	Mandatory	124–127

ACRONYMS AND ABBREVIATIONS

AASB   Australian Accounting Standards Board
ABIN   Australian Ballistic Information Network
ACLEI   Australian Commission for Law Enforcement Integrity
ACORN   Australian Cybercrime Online Reporting Network
AIPM   Australian Institute of Police Management
ANAO   Australian National Audit Office
AND   Australian Network on Disability
ANZPAA Australian and New Zealand Policing Advisory Agency
APS   Australian Public Service
APSC   Australian Public Service Commission
ASIC   Aviation Security Identification Card
AVA   Active Vulnerability Assessment
CEO   Chief Executive Officer—the agency head as defined under the *Public Service Act 1999*
CETS   Child Exploitation Tracking System
CIO   Chief Information Officer
CIOC   Chief Information Officers Committee
COAG   Council of Australian Governments
COO   Chief Operating Officer
DCA   Diversity Council of Australia
DVO   Domestic Violence Order
EDRMS   Electronic Document and Records Management System
FMA Act *Financial Management and Accountability Act 1997*
FOI   Freedom of Information
FOI Act *Freedom of Information Act 1982*
IAC   Integrity Advisory Committee
IBIS®   Integrated Ballistic Identification System (IBIS)
ICSPA   International Cyber Security Protection Alliance
ICT   Information Communication Technology
IGA   Inter-Governmental Agreement
IIR   Informatica Identity Resolution
IPS   Information Publication Scheme
ISM   Information Security Manual
LCCSC   Law, Crime and Community Safety Council
MOU   Memorandum of Understanding
MSIC   Maritime Security Identification Card
NABERS National Australian Built Environmental Rating Scheme
NAFIS   National Automated Fingerprint Identification System
NCIDD   National Criminal Investigation DNA Database
NCOS   National Child Offender System
NDIC   National DNA Investigative Capability
NDVOISS National Domestic Violence Order Information Sharing System
NeAF   National eAuthentication Framework
NEVDIS National Exchange of Vehicles and Driver Information System
NFI   National Firearms Interface
NFID   National Firearms Identification Database
NFLRS   National Firearms Licensing and Registration System
NIEM   National Information Exchange Model
NISC   National Improved Search Capability

NMPVS	National Missing Persons & Victim System
NNI	National Names Index
NPBI	National Portable Biometric Interface
NPCS	National Police Checking Service
NPRS	National Police Reference System
NVOI	National Vehicles of Interest
PFB	Portfolio Board
PGPA Act	*Public Governance, Performance and Accountability Act 2013*
PID Act	Public Interest Disclosure Act
PUE	Power usage effectiveness
SCLJ	Standing Council on Law and Justice
SCPEM	Standing Council on Police and Emergency Management
SDLC	Systems Development Life Cycle
SIG	Strategic Issues Group
WHS	Work health and safety
WILES	Women in Law Enforcement Strategy

GLOSSARY

Accredited Agency

An organisation (other than a police agency) authorised to access the National Police Checking Service.

Familial searching

Familial DNA searching involves a search of a DNA database to identify possible relatives of an offender.

Jurisdiction

A state or territory within which a common set of legislative rules apply.

Kinship matching

Kinship matching examines DNA profiles to establish biological relationships between individuals. This can be used to identify missing persons, unidentified human remains, and victims of mass disasters.

Memorandum of Understanding (MOU)

An agreement detailing the terms and conditions between CrimTrac and partner agencies, service providers or accredited agencies.

National Police Check

Involves identifying and releasing and relevant policing information (subject to relevant spent conviction/non-disclosure legislation and information release policies) to support the assessment of suitability of people applying for employment, Australian citizenship or appointment to positions of trust.

Vermiculture

The process of composting organic waste by using worms.

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