



PART 4

FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To the Minister for Home Affairs

Scope

I have audited the accompanying financial statements of CrimTrac for the year ended 30 June 2009, which comprise: a Statement by the Chief Executive Officer and Chief Financial Officer; Income Statement; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Administered Items and Notes to and forming part of the Financial Statements, including a Summary of Significant Accounting Policies.

The Responsibility of the Chief Executive Officer for the Financial Statements

CrimTrac's Chief Executive Officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards (which include the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 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 CrimTrac'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 CrimTrac's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by CrimTrac's Chief Executive Officer, 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 the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial statements of CrimTrac:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including CrimTrac's financial position as at 30 June 2009 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Simon Kidman

Executive Director

Delegate of the Auditor-General

Canberra

14 September 2009

STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2009 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, as amended.

Signed 

Ben McDevitt AM APM
Chief Executive
14 September 2009

Signed 

Nicole McLay
Chief Financial Officer
14 September 2009

INCOME STATEMENT

for the period ended 30 June 2009

	Notes	2009 \$'000	2008 \$'000
INCOME			
Revenue			
Revenue from Government	3A	6,998	4,892
Sale of goods and rendering of services	3B	46,897	48,105
Total revenue		53,895	52,997
Gains			
Other gains	3C	87	791
Total gains		87	791
Total income		53,982	53,788
EXPENSES			
Employee benefits	4A	14,947	10,446
Suppliers	4B	24,577	19,220
Depreciation and amortisation	4C	8,302	7,316
Write-down and impairment of assets	4D	-	327
Losses from asset disposals	4E	188	-
Total expenses		48,014	37,309
Surplus		5,968	16,479

The above statement should be read in conjunction with the accompanying notes and in particular the Schedule of Administered Items which is also funded by CrimTrac.

BALANCE SHEET*as at 30 June 2009*

		2009	2008
	Notes	\$'000	\$'000
ASSETS			
Financial assets			
Cash and cash equivalents	5A	650	618
Trade and other receivables	5B	<u>94,441</u>	<u>100,434</u>
Total financial assets		95,091	101,052
Non-financial assets			
Land and buildings	6A,E	4,516	561
Infrastructure, plant and equipment	6B,E	4,418	2,906
Intangibles	6C,F	22,768	16,987
Other	6D	<u>995</u>	<u>494</u>
Total non-financial assets		32,697	20,948
Total assets		<u>127,788</u>	<u>122,000</u>
LIABILITIES			
Payables			
Suppliers	7A	2,299	2,796
Other	7B	<u>1,759</u>	<u>2,418</u>
Total payables		4,058	5,214
Provisions			
Employee provisions	8A	4,650	2,713
Other provisions	8B	<u>3,500</u>	<u>56</u>
Total provisions		8,150	2,769
Total liabilities		<u>12,208</u>	<u>7,983</u>
Net assets		<u>115,580</u>	<u>114,017</u>
EQUITY			
Reserves		1,301	1,301
Retained surplus		123,488	117,520
Administered transfers		<u>(9,209)</u>	<u>(4,804)</u>
Total equity		<u>115,580</u>	<u>114,017</u>
Current assets		96,086	101,546
Non-current assets		31,702	20,454
Current liabilities		9,616	7,492
Non-current liabilities		2,592	491

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

STATEMENT OF CHANGES IN EQUITY
as at 30 June 2009

	Retained Earnings		Asset Revaluation Reserve		Administered Transfers		Total Equity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Balance carried forward from previous period	117,520	101,041	1,301	1,435	(4,804)	(2,039)	114,017	100,437
Income and expenses								
Revaluation adjustment recognised directly in equity	-	-	-	(134)	-	-	-	(134)
Surplus (deficit) for the period	5,968	16,479	-	-	(4,405)	(2,765)	1,563	13,714
Total income and expenses	5,968	16,479	-	(134)	(4,405)	(2,765)	1,563	13,580
Transactions with owners								
Transfers between equity components	-	-	-	-	-	-	-	-
Closing balance as at 30 June	123,488	117,520	1,301	1,301	(9,209)	(4,804)	115,580	114,017

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

CASH FLOW STATEMENT
for the period ended 30 June 2009

	2009	2008
Notes	\$'000	\$'000
OPERATING ACTIVITIES		
Cash received		
Goods and services	51,269	55,410
Appropriations	6,123	6,513
Other	-	2,223
Total cash received	57,392	64,146
Cash used		
Employees	12,765	9,006
Suppliers	25,817	19,960
Net GST paid to the ATO	570	2,939
Total cash used	39,152	31,905
Net cash flows from operating activities	9	32,241
INVESTING ACTIVITIES		
Cash received		
Proceeds from sales of property, plant and equipment	9	-
Total cash received	9	-
Cash used		
Purchase of property, plant and equipment	8,021	2,003
Purchase of intangibles	11,726	3,818
Total cash used	19,747	5,821
Net cash flows used by investing activities	(19,738)	(5,821)
FINANCING ACTIVITIES		
Cash received		
Net drawdowns from the Official Public Account	5,935	-
Total cash received	5,935	-
Cash used		
Transfer to administered item	4,405	2,765
Net transfers to the Official Public Account	-	24,236
Total cash used	4,405	27,001
Net cash flows from (used by) financing activities	1,530	(27,001)
Net increase (decrease) in cash held	32	(581)
Cash at the beginning of the reporting period	618	1,199
Cash at the end of the reporting period	650	618

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

SCHEDULE OF COMMITMENTS

as at 30 June 2009

	2009	2008
BY TYPE	\$'000	\$'000
Commitments receivable		
GST recoverable on commitments	(4,778)	(437)
Total commitments receivable	<u>(4,778)</u>	<u>(437)</u>
Capital commitments		
Infrastructure, plant and equipment ¹	5,037	-
Total capital commitments	<u>5,037</u>	<u>-</u>
Other commitments		
Operating leases ²	23,436	4,084
Other	24,101	744
Total other commitments	<u>47,537</u>	<u>4,828</u>
Net commitments by type	<u>47,796</u>	<u>4,391</u>
BY MATURITY		
Commitments receivable		
One year or less	(1,714)	(167)
From one to five years	(2,213)	(270)
More than five years	(851)	-
Total commitments receivable	<u>(4,778)</u>	<u>(437)</u>
Commitments payable		
Capital commitments		
One year or less	5,037	-
Total capital commitments	<u>5,037</u>	<u>-</u>
Operating lease commitments		
One year or less	2,684	1,151
From one to five years	11,389	2,933
More than five years	9,363	-
Total operating lease commitments	<u>23,436</u>	<u>4,084</u>
Other commitments		
One year or less	11,133	691
From one to five years	12,968	53
Total other commitments	<u>24,101</u>	<u>744</u>
Net commitments by maturity	<u>47,796</u>	<u>4,391</u>

NB: Commitments are GST inclusive where relevant.

¹ Infrastructure, plant and equipment is computer hardware.

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

The initial term of office accommodation is two years and may be renewed at either the lessor or CrimTrac's option for eight years. The lease may be extended for a further five years at CrimTrac's option, following a one-off adjustment of rental to market levels. Lease payments are subject to annual fixed increases.

Lease for data centre facilities

The lease is for an initial term of five years. CrimTrac may extend for five terms of two years. Lease payments do not change over the initial five year lease term, but are subject to review in the extended terms.

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

SCHEDULE OF ADMINISTERED ITEMS

	Note	2009 \$	2008 \$
Expenses administered on behalf of Government <i>for the period ended 30 June 2009</i>			
Suppliers	14A	<u>4,405,365</u>	<u>2,764,932</u>
Total expenses administered on behalf of Government		<u>4,405,365</u>	<u>2,764,932</u>
Administered cash flows <i>for the period ended 30 June 2009</i>			
OPERATING ACTIVITIES			
Cash used			
Suppliers		<u>4,405,365</u>	<u>2,764,932</u>
Total cash used		<u>4,405,365</u>	<u>2,764,932</u>
Net cash flows from operating activities		<u>(4,405,365)</u>	<u>(2,764,932)</u>
Net decrease in cash held		<u>(4,405,365)</u>	<u>(2,764,932)</u>
Cash and cash equivalents at the beginning of the reporting period		-	-
Cash from Official Public Account for:			
- Special Accounts		<u>4,405,365</u>	<u>2,764,932</u>
Cash and cash equivalents at the end of the reporting period		<u>-</u>	<u>-</u>
Administered commitments <i>as at 30 June 2009</i>			
BY TYPE			
Commitments payable			
Other commitments			
Other		-	<u>4,513,917</u>
Total other commitments		-	<u>4,513,917</u>
Net commitments by type		-	<u>4,513,917</u>
BY MATURITY			
Other commitments			
One year or less		-	<u>4,513,917</u>
Total other commitments		-	<u>4,513,917</u>
Net commitments by maturity		-	<u>4,513,917</u>

The 2007-08 commitment was for the development of the provision of data by the State and Territory police jurisdictions to the National Police Reference System.

This schedule should be read in conjunction with the accompanying notes and in particular the Departmental Statement of Changes in Equity which shows the CrimTrac funding of Administered items.

Notes to and forming part of the Financial Statements

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Note 1: Summary of Significant Accounting Policies

1.1 Objectives of CrimTrac

CrimTrac is an Australian Public Service agency.

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; and
 - 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. It continues to operate as an executive agency within the Australian Government Attorney-General's portfolio having assumed prescribed agency status on 1 July 2002.

CrimTrac is structured to meet one outcome:

Outcome 1: coordinated national policing information systems for a safer Australia

Output 1.1: facilitation of the delivery of high quality national policing information services.

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

CrimTrac conducted the following administered activities: payments to State and Territory police jurisdictions for the development of the provision of data to the National Police Reference System.

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

1.2 Basis of Preparation of the Financial Report

The Financial Statements and notes are required by section 49 of the *Financial Management and Accountability Act 1997* and are a General Purpose Financial Report.

The Financial Statements and notes have been prepared in accordance with the:

- Finance Minister's Orders (or FMOs) for reporting periods ending on or after 1 July 2008; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial report has been prepared on an accrual basis and is in accordance with the historical cost convention, except for certain assets 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 Report is 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 FMOs, assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow to the agency 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 agreements equally proportionately unperformed are not recognised unless required by an Accounting Standard. Liabilities and assets that are unrealised are reported in the Schedule of Commitments and the Schedule of Contingencies.

Unless alternative treatment is specifically required by an Accounting Standard or the FMOs, revenues and expenses are recognised in the Income Statement when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Administered revenues, expenses, assets, liabilities and cash flows reported in the Schedule of Administered Items and related notes are accounted for on the same basis and using the same policies as for departmental items, except where otherwise stated at Note 1.20.

1.3 Significant Accounting Judgements and Estimates

A provision for onerous contracts has been recognised for office accommodation that is surplus to requirements at 30 June 2009. The provision will be adjusted when the property is sub-let (note 8B). No other accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

1.4 Changes in 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. The following new standards and interpretations are applicable to the current reporting period, however did not have a material financial impact on the current reporting period:

Standard	Title
AASB 1	First-time Adoption of Australian Equivalents to International Financial Reporting Standards
AASB 3	Business Combinations (December 2007)
AASB 5	Non-current Assets Held for Sale and Discontinued Operations
AASB 7	Financial Instruments: Disclosures
AASB 101	Presentation of Financial Statements (Dec 2007)
AASB 114	Segment Reporting
AASB 116	Property, Plant and Equipment
AASB 127	Consolidated and Separate Financial Statements (Dec 2007)
AASB 137	Provisions, Contingent Liabilities and Contingent Assets
AASB 139	Financial Instruments: Recognition and Measurement
AASB 1004	Contributions
AASB 1048	Interpretation and Application of Standards
AASB 1049	Whole of Government and General Government Sector Financial Reporting
AASB 1050	Administered Items
AASB 1051	Land Under Roads
AASB 1052	Disaggregated Disclosures
AASB 2007-2	Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]
AASB 2007-9	Amendments to Australian Accounting Standards arising from the Review of AASBs 27,29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137]
AASB 2008-10	Amendments to Australian Accounting Standards - Reclassification of Financial Assets
AASB 2008-12	Amendments to Australian Accounting Standards – Reclassification of Financial Assets – Effective Date and Transition [AASB 7, AASB 139 & AASB 2008-10]
AASB 2009-3	Amendments to Australian Accounting Standards – Embedded Derivatives [AASB 139 & Interpretation 9]
Interp 4	Determining whether an Arrangement contains a Lease
Interp 12	Service Concession Arrangements (Feb 2007)
Interp 13	Customer Loyalty Programmes
Interp 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
Interp 129	Service Concession Arrangements: Disclosures
Interp 1038	Contributions by Owners Made to Wholly-Owned Public Sector Entities

Future Australian Accounting Standard requirements

The following new standards, amendments to standards or interpretations have been issued by the Australian Accounting Standards Board but are effective for future reporting periods. It is estimated that the impact of adopting these pronouncements when effective will have no material financial impact on future reporting periods.

Standard	Title
AASB 1	First-time Adoption of Australian Equivalents to International Financial Reporting Standards
AASB 3	Business Combinations (Mar 2008)
AASB 8	Operating Segments
AASB 101	Presentation of Financial Statements (Sep 2007)
AASB 123	Borrowing Costs
AASB 127	Consolidated and Separate Financial Statements (Mar 2008)
AASB 1039	Concise Financial Reports
AASB 2007-3	AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]
AASB 2007-6	Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]
AASB 2007-8	Amendments to Australian Accounting Standards arising from AASB 101
AASB 2007-10	Further Amendments to Australian Accounting Standards arising from AASB 101
AASB 2008-1	Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations [AASB 2]
AASB 2008-2	Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132, AASB 139 & Interpretation 2]
AASB 2008-3	Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107]
AASB 2008-5	Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 131, 132, 134, 136, 138, 139, 140, 141, 1023 & 1038]
AASB 2008-6	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1 & AASB 5]
AASB 2008-7	Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 & AASB 136]
AASB 2008-8	Amendments to Australian Accounting Standards - Eligible Hedged Items [AASB 139]
AASB 2008-9	Amendments to AASB 1049 for Consistency with AASB 101
AASB 2008-11	Amendments to Australian Accounting Standard - Business Combinations Among Not-for-Profit Entities [AASB 3]
AASB 2008-13	Amendments to Australian Accounting Standards arising from AASB Interpretation 17- Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110]
AASB 2009-1	Amendments to Australian Accounting Standards - Borrowing Costs of Not-for-Profit Public Sector Entities [AASB 1, AASB 111 & AASB 123]
AASB 2009-2	Amendments to Australian Accounting Standards - Improving Disclosures about Financial Instruments [AASB 4, AASB 7, AASB 1023 & AASB 1038]
AASB 2009-4	Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16]
AASB 2009-5	Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]
AASB 2009-6	Amendments to Australian Accounting Standards
AASB 2009-7	Amendments to Australian Accounting Standards [AASB 5, 7, 107, 112, 136 & 139 and Interpretation 17]
Interp 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
Interp 12	Service Concession Arrangements (June 2007)
Interp 15	Agreements for the Construction of Real Estate
Interp 16	Hedges of a Net Investment in a Foreign Operation
Interp 17	Distributions of Non-cash Assets to Owners
Interp 18	Transfers of Assets from Customers

1.5 Revenue

Revenue from Government

Amounts appropriated as departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when CrimTrac gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivable are recognised at their nominal amounts.

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 seller retains no managerial involvement nor 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 agency.

Revenue from rendering of services is recognised by reference to the stage of completion 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 of the transaction will flow to the agency.

The stage of completion 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. Collectability of debts is reviewed at balance date. An allowance is made when collectability of the debt is no longer probable.

1.6 Gains

Other 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.

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 (refer to note 1.7).

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

Sale of assets

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

1.7 Transactions with the Government as Owner

Equity injections

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

Restructuring of administrative arrangements

Net assets received from or relinquished to another Australian Government agency or authority under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

Other distributions to owners

The FMOs require that distributions to owners be debited to contributed equity unless in the nature of a dividend. CrimTrac did not have any distributions to owners during 2008-09.

1.8 Employee Benefits

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119) and termination benefits due within twelve months of balance date are measured at their nominal amounts.

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

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

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 CrimTrac is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including CrimTrac'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 short hand method provided by the Australian Government actuary.

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 terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

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

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and other superannuation plans are defined contribution schemes.

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 CrimTrac's employees. CrimTrac accounts for the contributions as if they were contributions to defined contribution plans.

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

1.9 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 non-current 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 a non-current 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.

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.

1.10 Borrowing Costs

All borrowing costs are expensed as incurred.

1.11 Cash

Cash and cash equivalents includes notes and coins held and any 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 in the following categories:

- financial assets at fair value through profit or loss
- held-to-maturity investments,
- available-for-sale financial assets, and
- loans and receivables.

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

At 30 June 2009 CrimTrac's financial assets comprised receivables only.

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 'at fair value through profit or loss'.

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets:

- have been acquired principally for the purpose of selling in the near future;
- are a part of an identified portfolio of financial instruments that the agency manages together and has a recent actual pattern of short-term profit-taking; or
- are a derivative that is not designated and effective as a hedging instrument.

Assets in this category are classified as current assets.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the asset within 12 months of the balance sheet date.

Available-for-sale financial assets are recorded at fair value. Gains and losses arising from changes in fair value are recognised directly in the reserves (equity) with the exception of impairment losses. Interest is calculated using the effective interest method and foreign exchange gains and losses on monetary assets are recognised directly in profit or loss. Where the asset is disposed of or is determined to be impaired, part or all of the cumulative gain or loss previously recognised in the reserve is included in profit for the period.

Where a reliable fair value can not be established for unlisted investments in equity instruments cost is used. CrimTrac has no such instruments.

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'. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non current assets. 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 each balance date.

- *Financial assets held at amortised cost* - If there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments 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 Income Statement.
- *Available for sale financial assets* - If there is objective evidence that an impairment loss on an available for sale financial asset has been incurred, the amount of the difference between its cost, less principal repayments and amortisation, and its current fair value, less any impairment loss previously recognised in expenses, is transferred from equity to the Income Statement.
- *Available for sale 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 classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

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

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 Balance Sheet but are reported in the relevant schedules and 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 Financial Guarantee Contracts

Financial guarantee contracts are accounted for in accordance with AASB139. They are not treated as a contingent liability, as they are regarded as financial instruments outside the scope of AASB137. CrimTrac has no financial guarantee contracts.

1.16 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 revenues 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.

1.17 Property, Plant and Equipment

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the Balance Sheet, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

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 at 30 June 2009 (2008: Nil).

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 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 through operating result. Revaluation decrements for a class of assets are recognised directly through operating result 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, in all cases, 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:

	<u>2009</u>	<u>2008</u>
Leasehold improvements	Lease term	Lease term
Plant and equipment	3 to 10 years	3 to 10 years

Impairment

All assets were assessed for impairment at 30 June 2009. 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.

1.18 Intangibles

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

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of CrimTrac's software assets are 3 to 10 years (2008: 3 to 10 years).

All software assets were assessed for indications of impairment at 30 June 2009.

1.19 Taxation / Competitive Neutrality

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
- except for receivables and payables.

1.20 Reporting of Administered Activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Schedule of Administered Items and related notes.

Administered items are accounted for on the same basis and using the same policies as for Departmental items, including the application of Australian Accounting Standards.

CrimTrac funded the administered payments to State and Territory police jurisdictions for the development of the provision of data to the National Police Reference System, thereby drawing funds from the Official Public Account (OPA) maintained by the Department of Finance and Deregulation. The funds transferred from CrimTrac are reported in the Administered Cash Flows in the Schedule of Administered Items and in the Administered Reconciliation Table in Note 15. The Schedule of Administered Items reflects CrimTrac's transactions with parties outside the Government.

Note 2: Events after the Balance Sheet Date

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

Note 3: Income

	2009	2008
<u>Revenue</u>	\$'000	\$'000
Note 3A: Revenue from Government		
Appropriations:		
Departmental outputs	6,123	3,544
Project funding under <i>Proceeds of Crime Act 2002</i>	875	1,348
Total revenue from Government	6,998	4,892
Note 3B: Sale of goods and rendering of services		
Rendering of services - related entities	14,795	15,855
Rendering of services - external parties	32,102	32,250
Total sale of goods and rendering of services	46,897	48,105
Gains		
Note 3C: Other gains		
Resources received free of charge	87	225
Other	-	566
Total other gains	87	791

Note 4: Expenses

	2009	2008
	\$'000	\$'000
Note 4A: Employee benefits		
Wages and salaries	10,400	7,842
Superannuation:		
Defined contribution plans	622	310
Defined benefit plans	1,540	1,123
Leave and other entitlements	2,385	1,171
Separation and redundancies	-	-
Total employee benefits	14,947	10,446
Note 4B: Suppliers		
Provision of goods – external parties	602	621
Rendering of services – related entities	5,800	8,277
Rendering of services – external parties	13,020	9,176
Operating lease rentals:		
Minimum lease payments	5,038	1,081
Workers compensation premiums	117	65
Total supplier expenses	24,577	19,220
Note 4C: Depreciation and amortisation		
Depreciation:		
Infrastructure, plant and equipment	1,696	1,582
Total depreciation	1,696	1,582
Amortisation:		
Intangibles:		
Computer software	5,919	5,437
Leasehold improvements	687	297
Total amortisation	6,606	5,734
Total depreciation and amortisation	8,302	7,316
Note 4D: Write-down and impairment of assets		
Asset write-downs from:		
Intangible assets	-	327
Total write-down and impairment of assets	-	327
Note 4E: Losses from asset disposals		
Land and buildings		
Proceeds from sale	-	-
Carrying value of assets disposed	132	-
Infrastructure, plant and equipment		
Proceeds from sale	(9)	-
Carrying value of assets disposed	39	-
Intangibles		
Proceeds from sale	-	-
Carrying value of assets disposed	26	-
Total losses from asset disposals	188	-

Note 5: Financial Assets

	2009	2008
	\$'000	\$'000
Note 5A: Cash and cash equivalents		
Cash on hand or on deposit	650	618
Total cash and cash equivalents (current)	650	618
Note 5B: Trade and other receivables		
Goods and services - related entities	3,115	2,602
Goods and services - external parties	4,130	4,701
Cash receivable from the Official Public Account	87,196	93,131
Total trade and other receivables (gross)	94,441	100,434
Less impairment allowance account:		
Goods and services	-	-
Total trade and other receivables (net)	94,441	100,434
Receivables are aged as follows:		
Not overdue	94,222	100,378
Overdue by:		
Less than 30 days	209	56
30 to 60 days	7	-
61 to 90 days	3	-
Total receivables (gross)	94,441	100,434

All trade and other receivables are current assets.

Note 6: Non-Financial Assets

	2009	2008
	\$'000	\$'000
Note 6A: Land and buildings		
Leasehold improvements:		
Fair value	4,774	1,395
Accumulated depreciation	(258)	(834)
Total leasehold improvements	4,516	561
Total land and buildings (non-current)	4,516	561

No indicators of impairment were found for land and buildings.

Note 6B: Infrastructure, plant and equipment

Furniture & fittings:		
Fair value	1,230	242
Accumulated depreciation	(112)	(58)
Total furniture & fittings	1,118	184
Computer equipment:		
Assets under construction	759	73
Fair value	6,348	5,211
Accumulated depreciation	(3,807)	(2,562)
Total computer equipment	3,300	2,722
Total infrastructure, plant and equipment (non-current)	4,418	2,906

No indicators of impairment were found for infrastructure, plant and equipment.

Note 6C: Intangibles

Computer software at cost:		
Internally developed and purchased - in progress	8,774	3,334
Internally developed and purchased - in use	37,919	31,811
Total computer software	46,693	35,145
Accumulated amortisation	(23,925)	(18,158)
Total intangibles (non-current)	22,768	16,987

No indicators of impairment were found for intangible assets.

Note 6D: Other non-financial assets

Prepayments	995	494
Total other non-financial assets (current)	995	494

No indicators of impairment were found for other non-financial assets.

Note 6: Non-Financial Assets

Note 6E: Analysis of property, plant and equipment

TABLE A - Reconciliation of the opening and closing balances of property, plant and equipment (2008-09)

	Buildings - leasehold improvements \$'000	Infrastructure, plant & equipment \$'000	Total \$'000
As at 1 July 2008			
Gross book value	1,395	5,526	6,921
Accumulated depreciation/amortisation and impairment	(834)	(2,620)	(3,454)
Net book value 1 July 2008	561	2,906	3,467
Additions:			
By purchase	4,774	3,247	8,021
Revaluations and impairments through equity	-	-	-
Depreciation/amortisation expense	(687)	(1,696)	(2,383)
Disposals:			
Other disposals	(132)	(39)	(171)
Net book value 30 June 2009	4,516	4,418	8,934
Net book value at 30 June 2009 represented by:			
Gross book value	4,774	8,337	13,111
Accumulated depreciation/amortisation and impairment	(258)	(3,919)	(4,177)
	4,516	4,418	8,934

TABLE A - Reconciliation of the opening and closing balances of property, plant and equipment (2007-08)

	Buildings - leasehold improvements \$'000	Infrastructure, plant & equipment \$'000	Total \$'000
As at 1 July 2007			
Gross book value	597	5,185	5,782
Accumulated depreciation/amortisation and impairment	(537)	(1,441)	(1,978)
Net book value 1 July 2007	60	3,744	3,804
Additions:			
By purchase	798	1,205	2,003
Revaluations and impairments through equity	-	(134)	(134)
Depreciation/amortisation expense	(297)	(1,582)	(1,879)
Disposals:			
Other disposals	-	(327)	(327)
Net book value 30 June 2008	561	2,906	3,467
Net book value at 30 June 2008 represented by:			
Gross book value	1,395	5,526	6,921
Accumulated depreciation/amortisation and impairment	(834)	(2,620)	(3,454)
	561	2,906	3,467

Note 6F: Analysis of intangibles

TABLE B - Reconciliation of the opening and closing balances of intangibles (2008-09)

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2008			
Gross book value	17,362	17,783	35,145
Accumulated amortisation and impairment	(5,847)	(12,311)	(18,158)
Net book value 1 July 2008	11,515	5,472	16,987
Additions:			
By purchase or internally developed	7,509	4,217	11,726
Amortisation	(2,485)	(3,434)	(5,919)
Disposals:			
Other disposals	(26)	-	(26)
Net book value 30 June 2009	16,513	6,255	22,768
Net book value at 30 June 2009 represented by:			
Gross book value	24,672	22,021	46,693
Accumulated amortisation and impairment	(8,159)	(15,766)	(23,925)
	16,513	6,255	22,768

TABLE B - Reconciliation of the opening and closing balances of intangibles (2007-08)

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2007			
Gross book value	14,246	17,081	31,327
Accumulated amortisation and impairment	(3,544)	(9,177)	(12,721)
Net book value 1 July 2007	10,702	7,904	18,606
Additions:			
By purchase or internally developed	3,116	702	3,818
Amortisation	(2,303)	(3,134)	(5,437)
Disposals:			
Other disposals	-	-	-
Net book value 30 June 2008	11,515	5,472	16,987
Net book value at 30 June 2008 represented by:			
Gross book value	17,362	17,783	35,145
Accumulated amortisation and impairment	(5,847)	(12,311)	(18,158)
	11,515	5,472	16,987

Note 7: Payables

	2009	2008
	\$'000	\$'000
Note 7A: Suppliers		
Trade creditors	2,299	2,796
Total supplier payables	<u>2,299</u>	<u>2,796</u>

Supplier payables are represented by:

Supplier payables - related entities	411	630
Supplier payables - external parties	1,888	2,166
Total supplier payables	<u>2,299</u>	<u>2,796</u>

Settlement is usually made net 30 days.
All supplier payables are current liabilities.

Note 7B: Other payables

Salaries and wages	1,252	988
GST payable to the ATO	470	534
Superannuation	37	21
Revenue received in advance	-	875
Total other payables	<u>1,759</u>	<u>2,418</u>

All other payables are current liabilities.

Note 8: Provisions

	2009 \$'000	2008 \$'000
Note 8A: Employee provisions		
Leave	4,650	2,713
Total employee provisions	<u>4,650</u>	<u>2,713</u>

Employee provisions are represented by:

Current	3,786	2,226
Non-current	864	487
Total employee provisions	<u>4,650</u>	<u>2,713</u>

The classification of current employee provisions include amounts for which there is not an unconditional right to defer settlement by one year, hence in the case of employee provisions the above classification does not represent the amount expected to be settled within one year of reporting date. Employee provisions expected to be settled in twelve months from the reporting date are \$3,647,744 (2008: \$779,774), and in excess of one year \$1,001,936 (2008: \$1,933,549).

	2009 \$'000	2008 \$'000
Note 8B: Other provisions		
Provision for operating lease rentals	927	56
Provision for onerous contracts	2,573	-
Total other provisions	<u>3,500</u>	<u>56</u>

Other provisions are represented by:

Current	1,772	52
Non-current	1,728	4
Total other provisions	<u>3,500</u>	<u>56</u>

Provision for operating lease rentals

	\$'000
Carrying amount 1 July 2008	56
Amounts used	(56)
Additional provisions made	927
Closing balance 30 June 2009	<u>927</u>

Provision for onerous contracts

	\$'000
Carrying amount 1 July 2008	-
Additional provisions made	2,573
Closing balance 30 June 2009	<u>2,573</u>

An onerous contracts provision of \$2,572,674 has been recognised for office accommodation that is surplus to requirements at 30 June 2009. The payments for lease obligations are expected to occur between July 2009 and July 2012. The provision was estimated using a discount rate of 4.03%.

Note 9: Cash Flow Reconciliation

	2009	2008
	\$'000	\$'000
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Report cash and cash equivalents as per:		
Cash Flow Statement	650	618
Balance Sheet	<u>650</u>	<u>618</u>
Difference	<u>-</u>	<u>-</u>
Reconciliation of operating result to net cash from operating activities:		
Operating result	5,968	16,479
Depreciation / amortisation	8,302	7,316
Losses from asset disposals	188	-
Net write down of non-financial assets	-	327
Prior year gain	-	(563)
(Increase) / decrease in net receivables	58	5,430
(Increase) / decrease in prepayments	(501)	(282)
Increase / (decrease) in employee provisions	1,937	1,295
Increase / (decrease) in other provisions	3,444	-
Increase / (decrease) in supplier payables	(497)	1,582
Increase / (decrease) in GST payable	(64)	(214)
Increase / (decrease) in other liabilities	<u>(595)</u>	<u>871</u>
<i>Net cash from operating activities</i>	<u>18,240</u>	<u>32,241</u>

Note 10: Contingent Liabilities and Assets

There are no contingencies in the current and preceding reporting periods and as such there is no Schedule of Contingencies.

Note 11: Senior Executive Remuneration

	2009	2008
The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:		
\$145 000 to \$159 999	-	1
\$190 000 to \$204 999	1	-
\$220 000 to \$234 999	1	2
\$235 000 to \$249 999	1	-
\$280 000 to \$294 999	-	1
\$295 000 to \$309 999	<u>1</u>	<u>-</u>
Total	<u>4</u>	<u>4</u>
The aggregate amount of total remuneration of senior executives shown above.		
	\$ 984,472	\$ 887,757
The aggregate amount of separation and redundancy/termination benefit payments during the year to executives shown above.		
	-	-

Note 12: Remuneration of Auditors

	2009	2008
	\$	\$

Financial statement audit services are provided free of charge to the agency.

The fair value of the services provided was:	<u>87,274</u>	<u>105,000</u>
	<u>87,274</u>	<u>105,000</u>

No other services were provided by the Auditor-General.

Note 13: Financial Instruments

	2009	2008
	\$'000	\$'000

Note: 13A Categories of financial instruments

Financial assets

Loans and receivables financial assets:

Cash at bank	650	618
Receivables for goods and services	<u>7,245</u>	<u>7,303</u>
	<u>7,895</u>	<u>7,921</u>

Carrying amount of financial assets

	<u>7,895</u>	<u>7,921</u>
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Financial liabilities

At amortised cost:

Trade creditors	<u>2,299</u>	<u>2,796</u>
	<u>2,299</u>	<u>2,796</u>

Carrying amount of financial liabilities

	<u>2,299</u>	<u>2,796</u>
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The net income/expense from financial assets and liabilities not at fair value through profit and loss is Nil (2008: Nil).

13B Fair value of financial instruments

	Carrying amount 2009 \$'000	Fair value 2009 \$'000	Carrying amount 2008 \$'000	Fair value 2008 \$'000
FINANCIAL ASSETS				
Cash at bank	650	650	618	618
Receivables for goods and services	7,245	7,245	7,303	7,303
Total	7,895	7,895	7,921	7,921
FINANCIAL LIABILITIES				
Trade creditors	2,299	2,299	2,796	2,796
Total	2,299	2,299	2,796	2,796

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 (2009: \$7,244,500 and 2008: \$7,303,338).

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 guide employees in debt recovery techniques that are to be applied.

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

Credit quality of financial instruments not past due or individually determined as impaired

	Not Past Due Nor Impaired 2009 \$'000	Not Past Due Nor Impaired 2008 \$'000	Past due or impaired 2009 \$'000	Past due or impaired 2008 \$'000
Loans and receivables				
Cash and cash equivalents	650	618	-	-
Trade receivables	7,026	7,247	219	56
Total	7,676	7,865	219	56

Ageing of financial assets that are past due but not impaired for 2009

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Trade receivables	209	7	3	-	219
Total	209	7	3	-	219

Ageing of financial assets that are past due but not impaired for 2008

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Trade receivables	56	-	-	-	56
Total	56	-	-	-	56

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 put in place to ensure there are appropriate resources to meet its financial obligations.

Maturities for financial liabilities for 2009

	On demand 2009 \$'000	within 1 year 2009 \$'000	1 to 5 years 2009 \$'000	> 5 years 2009 \$'000	Total 2009 \$'000
Trade creditors	-	2,299	-	-	2,299
Total	-	2,299	-	-	2,299

Maturities for financial liabilities for 2008

	On demand 2008 \$'000	within 1 year 2008 \$'000	1 to 5 years 2008 \$'000	> 5 years 2008 \$'000	Total 2008 \$'000
Trade creditors	-	2,796	-	-	2,796
Total	-	2,796	-	-	2,796

CrimTrac manages its funds to ensure it has adequate funds to meet payments as they fall due. In addition, CrimTrac has policies in place to ensure timely payments are made when due and has no past experience of default.

Note: 13E Market risk

CrimTrac is not exposed to 'Currency risk' or 'Other price risk'.

CrimTrac does not hold any significant interest-bearing items on the balance sheet and therefore is not subject to 'interest rate risk'.

Note 14: Expenses Administered on Behalf of Government

	2009	2008
	\$	\$
<i>Expenses</i>		
Note 14A: Suppliers		
National Police Reference System - external parties	4,405,365	2,764,932
Total suppliers	<u>4,405,365</u>	<u>2,764,932</u>

In 2008-09 CrimTrac made the final payments to the States and Territories for the development of the provision of their data into the National Police Reference System.

Note 15: Administered Reconciliation Table

	2009	2008
	\$	\$
<i>Opening administered assets less administered liabilities as at 1 July</i>	-	-
Plus: Administered income	-	-
Less: Administered expenses	(4,405,365)	(2,764,932)
Administered transfers to/from Australian Government:		
Appropriation transfers from OPA:		
CrimTrac special account ¹	4,405,365	2,764,932
Transfers to OPA	-	-
<i>Closing administered assets less administered liabilities as at 30 June</i>	<u>-</u>	<u>-</u>

¹ National Policing Information Systems and Services Special Account

Note 16: Administered Contingent Liabilities and Assets

There are no administered contingencies in the current and preceding reporting periods and as such there is no Administered Schedule of Contingencies.

Note 17: Appropriations

Table A: Acquittal of authority to draw cash from the consolidated revenue fund for ordinary annual services appropriations

Particulars	Departmental Outputs		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Balance brought forward from previous period	-	-	-	-
Appropriation Act:				
<i>Appropriation Act (No.1) 2008-09</i>	6,123	3,181	6,123	3,181
<i>Appropriation Act (No.3) 2008-09</i>	-	363	-	363
Total appropriation available for payments	6,123	3,544	6,123	3,544
Cash payments made during the year (GST inclusive)	-	-	-	-
Appropriations credited to Special Accounts (GST exclusive)	(6,123)	(3,544)	(6,123)	(3,544)
Balance of authority to draw cash from the consolidated revenue fund for ordinary annual services appropriations and as represented by:	-	-	-	-
Cash at bank and on hand	-	-	-	-
Departmental appropriations receivable	-	-	-	-
Total as at 30 June	-	-	-	-

Departmental and non-operating appropriations do not lapse at financial year end. However, the responsible Minister may decide that part or all of a departmental or non-operating appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament. During 2008-09 there were no determinations which affected CrimTrac (2008: Nil).

CrimTrac receives an appropriation for interest equivalency supplementation from the Australian Government.

Table B: Acquittal of authority to draw cash from the consolidated revenue fund for other than ordinary annual services appropriations

Particulars	Non – operating		Total	
	<i>Previous Years' Outputs</i>		2009 \$'000	2008 \$'000
	2009 \$'000	2008 \$'000		
Balance brought forward from previous period	-	-	-	-
Appropriation Act:				
<i>Appropriation Act (No.2) 2007-08</i>	-	2,969	-	2,969
Total appropriations available for payments	-	2,969	-	2,969
Cash payments made during the year (GST inclusive)	-	-	-	-
Appropriations credited to Special Accounts (GST exclusive)	-	(2,969)	-	(2,969)
Balance of authority to draw cash from the Consolidated Revenue Fund for other than ordinary annual services appropriations and as represented by:	-	-	-	-
Cash at bank and on hand	-	-	-	-
Appropriation receivable	-	-	-	-
Total as at 30 June	-	-	-	-

During 2007-08 CrimTrac received a transitional appropriation for interest equivalency supplementation from the Australian Government increasing the base amount of the supplementation to reflect an amount closer to the reconciled amounts each year. No transitional appropriation was received in 2008-09.

Note 18: Special Accounts

National Policing Information Systems and Services Special Account (Departmental)	2009 \$'000	2008 \$'000
Legal Authority: <i>Financial Management and Accountability Act 1997; s20(1) (FMA Act)</i>		
Appropriation: <i>Financial Management and Accountability Act 1997; s20</i>		
Purpose: The purposes of 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;		
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);		
c) activities that are incidental to a purpose mentioned in paragraphs a) or b);		
d) to reduce the balance of the Special Accounts (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.		
Balance carried from previous period	93,749	70,115
Appropriation for reporting period	6,123	6,513
GST credits (FMA Act section 30A)	3,837	2,005
Project funding	-	2,223
Receipts from the provision of services	51,269	55,410
Other receipts	9	-
Total credits	154,987	136,266
Payments made - suppliers	(49,971)	(30,746)
Payments made - employees	(12,765)	(9,006)
Payments made - administered	(4,405)	(2,765)
Total debits	(67,141)	(42,517)
Balance carried to next period and represented by:	87,846	93,749
Cash - transferred to the Official Public Account	87,196	93,131
Cash - held by the Agency	650	618
Net GST receivable from the ATO	-	-
Total balance carried to the next period	87,846	93,749

Other Trust Monies - CrimTrac Agency Special Account (Departmental)		
Legal Authority: <i>Financial Management and Accountability Act 1997; s20(1) (FMA Act)</i>		
Appropriation: <i>Financial Management and Accountability Act 1997; s20</i>		
Purpose: The Other Trust Monies Special Account will provide CrimTrac with the appropriation authority to spend amounts held on trust for the benefit of a person other than the Commonwealth.		

There were no transactions debited or credited to this account in the current or prior period.
The balance of the account is Nil (2008: Nil).

Note 19: Compensation and Debt Relief

	2009	2008
	\$	\$
Departmental		
No 'Act of Grace' expenses were incurred during the reporting period (2008: Nil)	-	-
No waivers of amounts owing to the Australian Government were made pursuant to subsection 34(1) of the <i>Financial Management and Accountability Act 1997</i> (2008: Nil)	-	-
No ex-gratia payments were provided for during the reporting period (2008: Nil)	-	-
No payments were made under s73 of the <i>Public Service Act 1999</i> during the reporting period (2008: Nil)	-	-

Note 20: Reporting of Outcomes

Note 20A: Net cost of outcome delivery

	Outcome 1		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Expenses				
Administered	4,405	2,765	4,405	2,765
Departmental	48,014	37,309	48,014	37,309
Total expenses	52,419	40,074	52,419	40,074
Costs recovered from provision of goods and services to the non government sector				
Administered	-	-	-	-
Departmental	32,102	32,250	32,102	32,250
Total costs recovered	32,102	32,250	32,102	32,250
Other external income				
Administered	-	-	-	-
Departmental	-	566	-	566
Total other external income	-	566	-	566
Net cost/(contribution) of outcome	20,317	7,258	20,317	7,258

Outcome 1 is described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget Outcome.

Note 20B: Major classes of departmental income and expenses by output groups and outputs

Outcome 1	Output 1.1		Outcome 1 Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Departmental expenses				
Employees	14,947	10,446	14,947	10,446
Suppliers	24,577	19,220	24,577	19,220
Depreciation and amortisation	8,302	7,316	8,302	7,316
Other	188	327	188	327
Total departmental expenses	48,014	37,309	48,014	37,309
Funded by:				
Revenues from Government	6,998	4,892	6,998	4,892
Sale of goods and services	46,897	48,105	46,897	48,105
Gains	87	791	87	791
Total departmental income	53,982	53,788	53,982	53,788

Note 20C: Major classes of departmental assets & liabilities by output groups and outcomes

Outcome 1	Output 1.1		Outcome 1 Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Departmental assets				
Cash and cash equivalents	650	618	650	618
Trade and other receivables	94,441	100,434	94,441	100,434
Land and buildings	4,516	561	4,516	561
Infrastructure, plant and equipment	4,418	2,906	4,418	2,906
Intangibles	22,768	16,987	22,768	16,987
Other assets	995	494	995	494
Total departmental assets	127,788	122,000	127,788	122,000
Departmental liabilities				
Supplier payables	2,299	2,796	2,299	2,796
Other payables	1,759	2,418	1,759	2,418
Employee provisions	4,650	2,713	4,650	2,713
Other provisions	3,500	56	3,500	56
Total departmental liabilities	12,208	7,983	12,208	7,983

Note 20D: Major classes of administered income and expenses by outcomes

	Outcome 1		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Administered income				
Total administered income	-	-	-	-
Administered expenses				
Suppliers	4,405	2,765	4,405	2,765
Total administered expenses	4,405	2,765	4,405	2,765

Outcome 1 is described in Note 1.1.