

Australian Federal Police

Entity resources and planned performance

Australian Federal Police

SECTION 1: ENTITY OVERVIEW AND RESOURCES	111
1.1 Strategic direction statement	111
1.2 Entity resource statement	114
1.3 Budget measures.....	116
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	117
2.1 Budgeted expenses and performance for Outcome 1	119
2.2 Budgeted expenses and performance for Outcome 2.....	124
2.3 Budgeted expenses and performance for Outcome 3.....	126
SECTION 3: BUDGETED FINANCIAL STATEMENTS.....	131
3.1 Budgeted financial statements.....	131
3.2 Budgeted financial statements tables	132

Australian Federal Police

Section 1: Entity overview and resources

1.1 Strategic direction statement

The Australian Federal Police (AFP) is an independent statutory authority, within the Home Affairs Portfolio. Its functions are outlined in Section 8 of the *Australian Federal Police Act 1979* (AFP Act) and include:

- providing police services in relation to the laws and property of the Commonwealth (including Commonwealth places) and safeguarding Commonwealth interests
- providing policing services to the Australian Capital Territory, the Jervis Bay Territory and Australia's external territories (Christmas Island, Cocos (Keeling) Islands and Norfolk Island)
- investigating state offences with a federal aspect
- providing protective and custodial services at Australia's leading airports and for key Australian dignitaries and establishments as directed by the Minister
- providing police services and police support services to assist or cooperate with an Australian or foreign law enforcement agency, intelligence or security agency, or government regulatory agency; and in relation to establishing, developing and monitoring peace, stability and security in foreign countries
- delivering functions under the *Witness Protection Act 1994* and the *Proceeds of Crime Act 2002*.

The AFP is guided by a Ministerial Direction, issued under section 37(2) of the AFP Act. The current Direction was issued on 16 December 2020. It revoked the Direction issued in 2014, and complements the Direction issued on 8 August 2019 relating to investigative action involving unauthorised disclosures to media organisations. The Direction outlines the Government's expectations and priorities for the AFP, and reiterates the need for the AFP to direct its resourcing against the highest criminal threats. For more details see <https://www.afp.gov.au/sites/default/files/PDF/MinisterialDirection-2020.pdf>.

In response, the AFP Commissioner provided a Statement of Intent to the Minister, which outlines the AFP's intended strategies to deliver on the Direction, being: countering terrorism and foreign interference, combatting child exploitation, transnational serious and organised crime, cybercrime, fraud and anti-corruption. The Statement of Intent articulates the focus of the AFP on taking deliberate actions to

AFP Budget Statements

maximise its impact on the criminal environment and on keeping Australians safe from criminal harm. It summarises expectations across national and international policing and investigations, ACT policing and specialist protective services. For more details see <https://www.afp.gov.au/about-us/governance-and-accountability/ministerial-direction>.

The Direction and Statement form part of the robust governance for the AFP's new funding model, approved by the Government in the 2020-21 Budget. Both instruments will guide the AFP to deploy its resources to best deliver on the above priorities, while ensuring it remains agile and delivers operational strategies and methodologies to address emerging threats. These instruments complement the AFP's ongoing successes and underscore the Government's confidence and value in the AFP in outsmarting and tackling serious crime.

The AFP operates within a broad and diverse matrix of legislation. Acts like the *Crimes Act 1914*, *Proceeds of Crime Act 2002*, *Witness Protection Act 1994* and *Criminal Code Act 1995* also confer powers, roles, responsibilities, obligations and accountability measures onto the agency. For more details see <https://www.afp.gov.au/about-us>.

The AFP will deliver operational impacts and social value in line with the AFP Act as articulated in its revised three outcome structure. The revised structure more clearly delineates AFP's national and international investigative and policing services through Outcomes 1 and 2, from its specialist protective and other operational services which now constitute Outcome 3. The new structure provides enhanced transparency and accountability to Government by clearly articulating the division of resources associated with the AFP's different services and outcomes. This clarity additionally assists the AFP in tailoring recruitment, training and further developing employees within their functions, to increase the quality of its staff and ensure the organisation is delivering maximum impact to the threat environment.

Outcome 1 aims to reduce criminal and national security threats to Australia's collective economic and societal interests through cooperative national and international policing services, primarily focused on the prevention, detection, disruption, investigation and prosecution of criminal activity. Its scope has been refined to solely focus on federal provision of services through Program 1.1 Federal Policing - Investigations.

Outcome 2 provides a safe and secure environment through Program 2.1 ACT Community Policing, which delivers policing services in the Australian Capital Territory on behalf of the Australian Capital Territory Government. Funding for this outcome is primarily delivered through a purchase agreement negotiated between the ACT Minister for Police and Emergency Services, the AFP Commissioner and the Chief Police Officer for the ACT.

Outcome 3 safeguards Australians and Australian interests through the delivery of policing services primarily focused on protective services, aviation policing and

international missions. Outcome 3 delivers specialist protective services through Program 3.1 Specialist Protective Services and policing for external territories and international development missions through Program 3.2 International Police Assistance and External Territories. The creation of Outcome 3 is necessitated as the threat level to Australian interests has increased, as have expectations on the AFP to continue delivering specialist protective services and international police assistance.

To deliver these outcomes, the AFP intends to maximise its impact on the criminal environment to protect Australians and Australia's interests both at home and overseas. Threats will continue to be addressed in the most appropriate and effective manner, and in line with the priorities outlined in the Ministerial Direction and Statement of Intent.

In line with the Ministerial Direction and Statement of Intent, the AFP will continue to direct its resources to maximise efforts against the highest criminal threats. The AFP will lead a national child protection capability uplift to bolster frontline law enforcement efforts to prevent, disrupt, investigate and combat online child sexual abuse. In line with the Government's priority to respond to COVID-19, the AFP will increase its efforts in Howard Springs to bring Australian's home.

A primary focus is ensuring the AFP is fit-for-purpose against increasingly sophisticated and evolving criminal threats, now and into the future. This will be achieved through having the required technical capabilities and legislative frameworks to effectively undertake complex investigative activities with national and international stakeholders, now and into the future.

These reforms will enable the AFP to continue responding to urgent demands posed by the highest criminal threats in the COVID-19 environment. Partnerships and interagency cooperation continue to be central to operational success. Through operational taskforces, policy engagement, intelligence exchange and interagency assistance, the AFP contributes to joint programs on federal policing or security issues.

The introduction of Outcome 3 altered some of the previous 2020–21 performance measures. Program 1.1 performance measures remain largely the same as outlined in the 2020–21 PBS, except the transfer of Avoidable Incidents and Response Times measures to the new Program 3.1. Program 1.2 from the 2020–21 PBS was removed and reinstated as Program 3.2. Outcome 2 performance measures remain the same as 2020–21.

1.2 Entity resource statement

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

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome X' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: AFP resource statement – Budget estimates for 2021–22 as at Budget May 2021

	<i>2020–21 Estimated actual \$'000</i>	2021–22 Estimate \$'000
Departmental		
Annual appropriations – ordinary annual services (a)		
Prior year appropriations available (b)	221,513	219,798
Departmental appropriation	1,157,544	1,217,030
s74 external revenue (c)	314,293	314,296
Departmental capital budget (d)	81,353	81,008
Annual appropriations – other services – non-operating (e)		
Prior year appropriations available (b)	47,713	47,713
Equity injection	21,689	25,799
Total departmental annual appropriations	1,844,105	1,905,644
Special accounts (f)		
Opening balance	12,103	12,103
Appropriation receipts (g)	5,249	5,232
Non-appropriation receipts	11,383	12,499
Total special accounts	28,735	29,834
<i>Less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(16,632)</i>	<i>(17,731)</i>
Total departmental resourcing	1,856,208	1,917,747
Administered		
Annual appropriations – ordinary annual services (a)		
Outcome 1	9,609	988
Outcome 3	–	5,524
Total administered annual appropriations	9,609	6,512
Total administered special appropriations (h)	50	50
Total administered resourcing	9,659	6,562
Total resourcing for AFP (i)	1,865,867	1,924,309

Table 1.1: AFP resource statement – Budget estimates for 2021–22 as at Budget May 2021 (continued)

	2020–21	2021–22
Average staffing level (number)	6,787	7,077
All figures shown above are GST exclusive – these may not match figures in the cash flow statement. Prepared on a resourcing (i.e. appropriations available) basis. Note: 2020/21 departmental appropriation excludes \$0.399m and equity injection excludes \$4.138m as Bills 3 and 4 have not yet received royal assent at the time of publishing.		
(a) Appropriation Bill (No. 1) 2021–22.		
(b) Excludes \$11.031m subject to administrative quarantine by Finance or withheld under section 51 of the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act).		
(c) Estimated external revenue receipts under section 74 of the PGPA Act.		
(d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.		
(e) Appropriation Bill (No. 2) 2021–22.		
(f) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to <i>Budget Paper No. 4 – Agency Resourcing</i> . Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.		
(g) Amounts credited to the special account(s) from AFP's annual and special appropriations.		
(h) Special appropriation provided for the purpose of repayments under section 77 of the PGPA Act.		
(i) Total net resourcing comprises prior year and current year appropriations. The following table provides a summary of these two elements:		
	<i>2020–21 Estimated actual \$'000</i>	2021–22 Estimate \$'000
Total resources provided for in current year Budget	<i>1,596,641</i>	1,656,798
Prior year appropriations available	<i>269,226</i>	267,511
Total net resourcing for AFP	<i>1,865,867</i>	1,924,309

1.3 Budget measures

Budget measures in Part 1 relating to the AFP are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: AFP 2021–22 Budget measures
Measures announced since the 2020–21 Mid-Year Economic and Fiscal Outlook
(MYEFO)**

	Program	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000
Payment measures						
Confiscated Assets Account	1.1 & 3.1					
Departmental payment		–	–	–	–	–
Total		–	–	–	–	–
COVID-19 Response Package — extension	3.1					
Departmental payment		2,612	6,377	–	–	–
Total		2,612	6,377	–	–	–
National Strategy to Prevent and Respond to Child Sexual Abuse (a)	1.1 & 3.1					
Departmental payment		–	3,637	12,571	9,588	9,625
Total		–	3,637	12,571	9,588	9,625
Total payment measures						
Departmental		2,612	10,014	12,571	9,588	9,625
Total		2,612	10,014	12,571	9,588	9,625

Prepared on a Government Finance Statistics (Underlying Cash) basis. Figures displayed as a negative (–) represent a decrease in funds and a positive (+) represent an increase in funds.

(a) The lead entity for the measure, *National Strategy to Prevent and Respond to Child Sexual Abuse* is the Department of the Prime Minister and Cabinet. The full measure description and package details appear in Budget Paper No. 2 under the Prime Minister and Cabinet Portfolio.

Section 2: Outcomes and planned performance

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

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the PB Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure described in the PB Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the AFP can be found at: www.afp.gov.au/corporateplan.

The most recent annual performance statement can be found at: www.afp.gov.au/about-us/publications-and-reports/annual-reports.

Table 2.1 Changes to the outcome and program structures since the last portfolio statement

Outcome changes

New Outcome 1	<i>Reduce criminal and national security threats to Australia’s collective economic and societal interests through cooperative national and international policing services, primarily focused on the prevention, detection, disruption, investigation and prosecution of criminal activity.</i>
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Description of change: New outcome, created for Budget 2021–22, supersedes the old Outcome 1.

Old Statement: *Reduced criminal and security threats to Australia’s collective economic and societal interests through co-operative policing services.*

New Outcome 3	<i>Safeguarding Australians and Australian interests through the delivery of policing services primarily focused on protective services, aviation policing and international missions.</i>
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Description of change: New outcome, created for Budget 2021–22.

Program changes

Program No.	Program title	Description of change
1.1	Federal Policing – Investigations	Renamed program from Federal Policing and National Security.
3.1	Specialist Protective Services	New program created.
3.2	International Police Assistance and External Territories	Transferred from Outcome 1 and renamed program from International Police Assistance.

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Reduce criminal and national security threats to Australia's collective economic and societal interests through cooperative national and international policing services, primarily focused on the prevention, detection, disruption, investigation and prosecution of criminal activity.

Linked programs

<p>Australian Criminal Intelligence Commission (ACIC) Program 1.1: Australian Criminal Intelligence Commission</p> <p>Contribution to Outcome 1 made by linked program The AFP relies on a diverse range of ACIC intelligence products and special investigative powers to enhance its operations both here and offshore.</p>
<p>Australian Financial Security Authority (AFSA) Program 1.1: Personal Insolvency and Trustee Services</p> <p>Contribution to Outcome 1 made by linked program The AFP relies on regulatory advice and information from the AFSA to support proceeds of crime work and financial investigations such as foreign bribery and frauds.</p>
<p>Australian Security Intelligence Organisation (ASIO) Program 1.1: Security Intelligence</p> <p>Contribution to Outcome 1 made by linked program ASIO intelligence is instrumental to investigating and countering national security threats including counter terrorism.</p>
<p>Australian Taxation Office (ATO) Program 1.1: Australian Taxation Office</p> <p>Contribution to Outcome 1 made by linked program The AFP relies on ATO intelligence and expertise for investigations, policy and taskforces combating serious financial crimes and its harm.</p>
<p>Australian Transaction Reports and Analysis Centre (AUSTRAC) Program 1.1: AUSTRAC</p> <p>Contribution to Outcome 1 made by linked program AUSTRAC's intelligence is essential to many AFP investigations, highlighting suspect financial transfers and linkages between potential offenders and enabling money tracking. Working cooperatively with AUSTRAC, the AFP also receives additional regulatory advice and tools to pursue offenders using disruption and information supports for proceeds of crime activity.</p>

<p>Department of Foreign Affairs and Trade (DFAT) Program 1.1: Foreign Affairs and Trade Operations Program 1.2: Official Development Assistance Program 2.1: Consular Services</p> <p>Contribution to Outcome 1 made by linked program The AFP relies on foreign policy and engagement through DFAT to shape its offshore programs. In other ways, DFATs system of offshore representation and protocols, as well as processes for managing passports and Australian’s safety offshore influences AFP methods of engagement with partners at Post.</p>
<p>Department of Home Affairs Program 1.2: National Security and Criminal Justice Program 1.4: Counter Terrorism Program 1.5: Regional Cooperation Program 3.4: Border Enforcement</p> <p>Contribution to Outcome 1 made by linked program AFP works closely with members of the Home Affairs Portfolio. Border Force is a key partner, as illegal importation of drugs, people and security at designated airports are AFP responsibilities and complement Border Force’s activities. The AFP also engages in Home Affairs policy work to further legislative reforms and national strategies enhancing the AFP’s tools and response to national policing or security issues.</p>
<p>Office of the Director of Public Prosecutions (CDPP) Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth</p> <p>Contribution to Outcome 1 made by linked program The AFP relies on the CDPP as its main source of legal representation when it charges offenders and seeks to bring them before court.</p>
<p>Office of the Special Investigator (OSI) Program 1.1: Independent Investigation</p> <p>Contribution to Outcome 1 made by linked program The OSI will work with the AFP to investigate the commission of criminal offences under Australian law arising from or related to any breaches of the Laws of Armed Conflict by members of the Australian Defence Force in Afghanistan from 2005 to 2016.</p>

Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Reduce criminal and national security threats to Australia's collective economic and societal interests through cooperative national and international policing services, primarily focused on the prevention, detection, disruption, investigation and prosecution of criminal activity.

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
Program 1.1: Federal Policing – Investigations					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	988	988	993	1,005	1,019
Special appropriations					
<i>Special appropriation s77</i>	50	50	–	–	–
Administered total	1,038	1,038	993	1,005	1,019
Departmental expenses					
Departmental appropriation	970,235	628,161	612,252	604,244	594,724
s74 external revenue (a)	118,886	52,369	48,623	40,921	35,474
Special accounts					
Services for other entities and trust monies	16,666	17,713	16,374	12,493	12,460
Expenses not requiring appropriation in the Budget year (b)	92,731	82,968	84,081	88,540	89,355
Departmental total	1,198,518	781,211	761,330	746,198	732,013
Total expenses for program 1.1	1,199,556	782,249	762,323	747,203	733,032
	2020–21	2021–22			
Average staffing level (number)	5,893	3,479			

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

Note: 2020-21 is still under the old outcome/program structure, and the figures are for comparison purposes only.

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation expenses on non ROU assets, and resources received free of charge.

Table 2.1.2: Performance measures for Outcome 1

Table 2.1.2 below details the performance measures for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 1: Reduce criminal and national security threats to Australia's collective economic and societal interests through cooperative national and international policing services, primarily focused on the prevention, detection, disruption, investigation and prosecution of criminal activity.		
Program 1.1: Federal Policing – Investigations		
This program aims to reduce criminal and security threats through promoting the safety and security of Australian communities and infrastructure; preventing, deterring, disrupting and investigating serious and organised crime and crimes of Commonwealth significance; and ensuring effective collaboration with international, Commonwealth, state and territory partners.		
Delivery	This program addresses criminal and security threats through a range of policing activities, including national investigations, counter-terrorism, and joint taskforces with Commonwealth, state, territory and private-sector partners.	
Performance information		
Year	Performance measures (a)	Estimated actual achievement/ Targets (b) (c)
2020-21	High Community confidence	75% – <i>Achievement TBC (d)</i>
	Return on Investment – transnational	>1 – <i>Achieving</i>
	Return on Investment – assets confiscation	>1 – <i>Achieving</i>
	Prevention case studies	Successful preventions – <i>Achieving</i>
	Disruption case studies	Successful disruptions – <i>Achieving</i>
	Disruption count	206 – <i>Achieving</i>
	Avoidable incidents	<2 – <i>Achieving</i>
	Response case studies	Successful response – <i>Achieving</i>
	Response times	
	Priority 1 – within 10 minutes	90% – <i>Achieving</i>
	Priority 2 - within 20 minutes	90% – <i>Achieving</i>
	Priority 3 - within 120 minutes	95% – <i>Achieving</i>
Priority 4 - within 24 hours	95% – <i>Achieving</i>	
Enforcement case studies	Successful enforcement – <i>Achieving</i>	
Prosecution success rate	95% – <i>Achieving</i>	

Performance information (continued)		
2021-22	High Community confidence	75%
	Return on Investment – transnational	>1
	Return on Investment – assets confiscation	>1
	Prevention case studies	Successful preventions
	Disruption case studies	Successful disruptions
	Disruption count	41
	Response case studies	Successful response
	Enforcement case studies	Successful enforcement
Prosecution success rate	95%	
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	As Australia’s national policing agency, the AFP protects Australians and Australian interests.	
Material changes to Program 1.1 resulting from the following measures: Nil.		

- (a) Response times and avoidable incidents – These measures have previously been reported in Program 1.1 and have now moved to Program 3.1 from 2021-22 onwards.
- (b) Performance measures and targets for 2020-21 reflect the expected performance results. Actual results will be included in the 2020-21 Annual Report.
- (c) Due to the ongoing nature of the program, it is not appropriate to set an expected date of achievement.
- (d) Community confidence estimated actual achievement cannot be determined as the 2020-21 survey has not been distributed at the time of publishing.

2.2 Budgeted expenses and performance for Outcome 2

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

Budgeted expenses for Outcome 2

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.2.1: Budgeted expenses for Outcome 2

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

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
Program 2.1: ACT Community Policing					
Departmental expenses					
s74 external revenue (a)	179,437	176,213	181,715	181,751	181,749
Expenses not requiring appropriation in the Budget year (b)	8,498	8,606	8,715	8,826	8,938
Departmental total	187,935	184,819	190,430	190,577	190,687
Total expenses for program 1.1	187,935	184,819	190,430	190,577	190,687
	2020–21	2021–22			
Average staffing level (number)	894	917			

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

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation expenses on non ROU assets, and resources received free of charge.

Table 2.2.3: Performance measures for Outcome 2

Table 2.2.3 below details the performance measures for each program associated with Outcome 2. It also summarises how each program is delivered and where 2021–22 Budget measures have created new programs or materially changed existing programs.

Outcome 2: A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government		
Program 2.1: ACT Community Policing		
The AFP provides community policing services in the Australian Capital Territory, which deliver in partnership with government and community agencies support for: enforcement of the law, emergency management and community safety; efforts to counter victim-based crime and road trauma, building community resilience against crime and working with the community to prevent and disrupt crime.		
Delivery	ACT Policing delivers a high-quality and effective policing service to the people of the ACT in accordance with the Policing Arrangement between the Commonwealth and ACT governments. Priorities for ACT Policing are set by the ACT Minister for Police and Emergency Services through the Ministerial Direction.	
Performance information		
Year	Performance measures	Estimated actual achievement/ Targets (a) (b)
2020-21	Enforcement case study	Successful enforcement – <i>Achieving</i>
	Prevention case study	Successful prevention – <i>Achieving</i>
	Response case study	Successful response – <i>Achieving</i>
2021-22	Enforcement case study	Successful enforcement
	Prevention case study	Successful prevention
	Response case study	Successful response
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	To provide policing in the Australian Capital Territory.	
Material changes to Program 2.1 resulting from the following measures: Nil.		

(a) Performance measures and targets for 2020-21 reflect the expected performance results. Actual results will be included in the 2020-21 Annual Report.

(b) Due to the ongoing nature of the program, it is not appropriate to set an expected date of achievement.

2.3 Budgeted expenses and performance for Outcome 3

Outcome 3: Safeguarding Australians and Australian interests through the delivery of policing services primarily focused on protective services, aviation policing and international missions.

Linked programs

Department of Foreign Affairs and Trade (DFAT)

Program 1.1: Foreign Affairs and Trade Operations

Program 1.2: Official Development Assistance

Contribution to Outcome 3 made by linked program

The AFP relies on foreign policy and engagement through DFAT to shape its offshore programs. In other ways, DFAT's system of offshore representation and protocols and Australian's safety offshore influences AFP methods of engagement with partners at Post.

Budgeted expenses for Outcome 3

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.3.1: Budgeted expenses for Outcome 3

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
Outcome 3: Safeguarding Australians and Australian interests through the delivery of policing services primarily focused on protective services, aviation policing and international missions.					
Program 3.1: Specialist Protective Services					
Departmental expenses					
Departmental appropriation	–	438,365	432,804	421,873	422,002
s74 external revenue (a)	–	70,599	61,821	64,113	66,474
Expenses not requiring appropriation in the Budget year (b)	–	11,998	11,933	12,066	12,105
Departmental total	–	520,962	506,558	498,052	500,581
Total expenses for program 3.1	–	520,962	506,558	498,052	500,581
Program 3.2: International Police Assistance and External Territories					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	8,621	5,524	3,455	3,495	3,545
Administered total	8,621	5,524	3,455	3,495	3,545
Departmental expenses					
Departmental appropriation	181,455	142,911	144,886	154,095	167,001
s74 external revenue (a)	13,245	12,845	7,029	7,164	7,301
Expenses not requiring appropriation in the Budget year (b)	5,325	5,503	5,596	12,731	12,821
Departmental total	200,025	161,259	157,511	173,990	187,123
Total expenses for program 3.2	208,646	166,783	160,966	177,485	190,668
Outcome 3 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	8,621	5,524	3,455	3,495	3,545
Administered total	8,621	5,524	3,455	3,495	3,545
Departmental expenses					
Departmental appropriation	181,455	581,276	577,690	575,968	589,003
s74 external revenue (a)	13,245	83,444	68,850	71,277	73,775
Expenses not requiring appropriation in the Budget year (b)	5,325	17,501	17,530	24,797	24,926
Departmental total	200,025	682,221	664,070	672,042	687,704
Total expenses for Outcome 3	208,646	687,745	667,525	675,537	691,249

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)

	2020–21	2021–22
Average staffing level (number)	–	2,681

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

Note: 2020-21 is still under the old outcome/program structure, and the figures are for comparison purposes only.

- (a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
- (b) Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation expenses on non ROU assets, and resources received free of charge.

Table 2.3.3: Performance measures for Outcome 3

Table 2.3.3 below details the performance measures for each program associated with Outcome 3. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

Outcome 3: Safeguarding Australians and Australian interests through the delivery of policing services primarily focused on protective services, aviation policing and international missions.		
Program 3.1: Specialist Protective Services		
This program provides police-based protective services to enhance: the rule of law, national stability, workings of key institutions; international relations, national security at designated airports, high profile residential and dignitary locations, specialised events, and protection for official persons.		
Delivery	This program delivers protective policing services for, and anticipates criminal and security threats against airports and designated officials, establishments, and precincts in cooperation with international, Commonwealth, state, territory and private-sector partners.	
Performance information		
Year	Performance measures (a)	Targets (b)
2021-22	Response times	
	Priority 1 – within 10 minutes	90%
	Priority 2 – within 20 minutes	90%
	Priority 3 – within 120 minutes	95%
	Priority 4 – within 24 hours	95%
	Avoidable incidents	<2
	Prevention case studies	Successful preventions
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	Provide specialist protective services to people and property.	

(a) Program 3.1 is derived in part from the previous Program 1.1 to provide better transparency of AFP activities, from 2021-22 only. For performance information for 2020-21 please refer to Program 1.1.

(b) Due to the ongoing nature of the program, it is not appropriate to set an expected date of achievement.

Table 2.3.3: Performance measures for Outcome 3 (continued)

Program 3.2: International Police Assistance and External Territories		
This program provides policing services and/or support for Australia's external territories and to other nations to enhance the rule of law internationally and general security against transnational criminals. This is facilitated through the AFP's official development assistance in the Indo-Pacific region, the AFP's contribution to United Nation's missions, training programs for police and community policing in Australia's external territories.		
Delivery	This program provides a range of policing and/or policing support services to deliver community policing for external Australian territories and build offshore police agencies' engagement and capabilities to combat transnational and local crime.	
Performance information		
Year	Performance measures (a)	Estimated actual achievement/ Targets (b) (c)
2020-21	Mission/external territories performance evaluation per the AFP Corporate Plan 2020-21	Evaluations complete and recommendations addressed – <i>Achieving</i>
	Return on Investment – international	>1 – <i>Achieving</i>
	Prevention case studies	Successful preventions – <i>Achieving</i>
	Disruption case studies	Successful disruptions – <i>Achieving</i>
2021-22	Mission/external territories performance evaluation per the AFP Corporate Plan 2021-22	Evaluations complete and recommendations addressed
	Return on Investment – international	>1
	Prevention case studies	Successful preventions
	Disruption case studies	Successful disruptions
2022-23 and beyond	As per 2021-22	As per 2021-22
Purposes	To support international policing services and provide security against transnational crime.	

(a) Program 3.2 is derived in part from the previous Program 1.2 to provide better transparency of AFP activities.

(b) Performance measures and targets for 2020-21 reflect the expected performance results. Actual results will be included in the 2020-21 Annual Report

(c) Due to the ongoing nature of the program, it is not appropriate to set an expected date of achievement.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2021–22 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental

Income Statement

This statement presents the expected financial result for the AFP and identifies expenses and revenues on an accrual basis.

In 2021-22 the AFP is budgeting for a surplus of \$3.7 million, adjusted for depreciation and amortisation expense and principal repayments on leased assets.

Total departmental expenses are expected to increase from \$1,586.5 million in 2020-21 to \$1,648.3 million in 2021-22. The increase is mainly due to an increase in departmental appropriation.

Own-source revenue is expected to increase from \$325.3 million in 2020-21 to \$326.8 million in 2021-22. The increase of \$1.5 million is mainly due to year-on-year increases in existing contracts.

Balance Sheet

Total assets are expected to increase from \$2,059.6 million in 2020-21 to \$2,077.1 million in 2021-22. The movement of \$17.5 million is due to an increase in non-financial assets.

Total liabilities are expected to decrease from \$1,603.7 million in 2020-21 to \$1,603.2 million 2021-22, a decrease of \$0.5 million.

Capital Budget Statement

Capital appropriations are expected to decrease in 2021-22 by \$0.6 million as a result of movements in existing capital measures.

Administered

Total estimated expenses administered on behalf of government for 2021-22 are expected to decrease by \$3.1 million due to a terminating measure.

3.2 Budgeted financial statements tables

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

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
EXPENSES					
Employee benefits	982,799	1,018,057	1,019,325	1,012,603	1,028,588
Suppliers	371,511	398,295	363,625	351,570	336,189
Depreciation and amortisation (a)	208,502	208,725	209,706	221,470	222,453
Finance costs	23,666	23,174	23,174	23,174	23,174
Total expenses	1,586,478	1,648,251	1,615,830	1,608,817	1,610,404
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	321,097	322,433	308,125	302,743	300,760
Rental income	3,814	3,966	4,124	4,287	3,339
Other	396	396	396	396	396
Total own-source revenue	325,307	326,795	312,645	307,426	304,495
Gains					
Other	6,247	6,336	6,425	6,516	6,608
Total gains	6,247	6,336	6,425	6,516	6,608
Total own-source income	331,554	333,131	319,070	313,942	311,103
Net (cost of)/contribution by services	(1,254,924)	(1,315,120)	(1,296,760)	(1,294,875)	(1,299,301)
Revenue from Government	1,156,972	1,214,651	1,195,149	1,181,538	1,185,020
Surplus/(deficit) attributable to the Australian Government	(97,952)	(100,469)	(101,611)	(113,337)	(114,281)
Total comprehensive income/(loss) attributable to the Australian Government	(97,952)	(100,469)	(101,611)	(113,337)	(114,281)

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

Note: Impact of net cash appropriation arrangements

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	6,006	3,712	3,551	3,589	3,628
Plus: depreciation/amortisation expenses previously funded through revenue appropriations (a)	(107,237)	(107,352)	(107,856)	(113,907)	(114,412)
Plus: depreciation/amortisation expenses for right of use (ROU) (b)	(101,265)	(101,373)	(101,850)	(107,563)	(108,041)
Less: principal repayments on leased assets (b)	104,544	104,544	104,544	104,544	104,544
Total comprehensive income/(loss) – as per the statement of comprehensive income	(97,952)	(100,469)	(101,611)	(113,337)	(114,281)

Prepared on Australian Accounting Standards basis.

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the departmental capital budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5: Departmental capital budget statement.

(b) Applies leases under AASB 16 Leases.

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

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	23,490	25,869	25,869	25,869	25,869
Trade and other receivables	239,103	239,180	239,739	240,336	240,972
Other financial assets	11,609	9,230	9,230	9,230	9,230
Total financial assets	274,202	274,279	274,838	275,435	276,071
Non-financial assets					
Land and buildings	1,369,180	1,372,027	1,374,507	1,366,027	1,363,356
Property, plant and equipment	295,179	303,837	296,341	292,539	286,213
Intangibles	91,087	97,035	94,987	97,461	97,169
Inventories	6,198	6,198	6,198	6,198	6,198
Other non-financial assets	23,757	23,757	23,757	23,757	23,757
Total non-financial assets	1,785,401	1,802,854	1,795,790	1,785,982	1,776,693
Total assets	2,059,603	2,077,133	2,070,628	2,061,417	2,052,764
LIABILITIES					
Payables					
Suppliers	65,443	65,443	65,443	65,443	65,443
Other payables	36,179	35,736	35,736	35,736	35,736
Total payables	101,622	101,179	101,179	101,179	101,179
Interest bearing liabilities					
Leases	1,046,592	1,046,592	1,046,592	1,046,592	1,046,592
Total interest bearing liabilities	1,046,592	1,046,592	1,046,592	1,046,592	1,046,592
Provisions					
Employee provisions	417,219	417,219	417,219	417,219	417,219
Other provisions	38,223	38,223	38,223	38,223	38,223
Total provisions	455,442	455,442	455,442	455,442	455,442
Total liabilities	1,603,656	1,603,213	1,603,213	1,603,213	1,603,213
Net assets	455,947	473,920	467,415	458,204	449,551
EQUITY (a)					
Parent entity interest					
Contributed equity	1,551,350	1,669,792	1,764,898	1,869,024	1,974,652
Reserves	147,347	147,347	147,347	147,347	147,347
Retained surplus (accumulated deficit)	(1,242,750)	(1,343,219)	(1,444,830)	(1,558,167)	(1,672,448)
Total parent entity interest	455,947	473,920	467,415	458,204	449,551
Total equity	455,947	473,920	467,415	458,204	449,551

Prepared on Australian Accounting Standards basis.

(a) 'Equity' is the residual interest in assets after the deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity – summary of movement
(Budget year 2021–22)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2021				
Balance carried forward from previous period	(1,242,750)	147,347	1,551,350	455,947
Adjusted opening balance	(1,242,750)	147,347	1,551,350	455,947
Comprehensive income				
Surplus/(deficit) for the period	(100,469)	–	–	(100,469)
Total comprehensive income	(100,469)	–	–	(100,469)
of which:				
Attributable to the Australian Government	(100,469)	–	–	(100,469)
Transactions with owners				
Contributions by owners				
Equity injection – appropriation	–	–	37,434	37,434
Departmental capital budget (DCB)	–	–	81,008	81,008
Sub-total transactions with owners	–	–	118,442	118,442
Estimated closing balance as at 30 June 2022	(1,343,219)	147,347	1,669,792	473,920
Closing balance attributable to the Australian Government	(1,343,219)	147,347	1,669,792	473,920

Prepared on Australian Accounting Standards basis.

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

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,460,389	1,518,782	1,515,256	1,488,267	1,496,148
Sale of goods and rendering of services	325,280	326,399	312,249	307,030	304,099
Net GST received	32,148	32,670	29,900	29,900	29,900
Other	396	396	396	396	396
Total cash received	1,818,213	1,878,247	1,857,801	1,825,593	1,830,543
Cash used					
Employees	982,392	1,018,500	1,019,325	1,012,603	1,028,588
Suppliers	365,956	391,959	387,100	374,954	359,481
Interest payments on lease liability	23,174	23,174	23,174	23,174	23,174
s74 external revenue transferred to the OPA	332,505	334,499	320,666	307,326	311,764
Total cash used	1,704,027	1,768,132	1,750,265	1,718,057	1,723,007
Net cash from/(used by) operating activities	114,186	110,115	107,536	107,536	107,536
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	151,140	121,634	98,098	107,118	108,620
Total cash used	151,140	121,634	98,098	107,118	108,620
Net cash from/(used by) investing activities	(151,140)	(121,634)	(98,098)	(107,118)	(108,620)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	141,546	118,442	95,106	104,126	105,628
Total cash received	141,546	118,442	95,106	104,126	105,628
Cash used					
Principal payments on lease liability	104,544	104,544	104,544	104,544	104,544
Total cash used	104,544	104,544	104,544	104,544	104,544
Net cash from/(used by) financing activities	37,002	13,898	(9,438)	(418)	1,084
Net increase/(decrease) in cash held	48	2,379	–	–	–
Cash and cash equivalents at the beginning of the reporting period	23,442	23,490	25,869	25,869	25,869
Cash and cash equivalents at the end of the reporting period	23,490	25,869	25,869	25,869	25,869

Prepared on Australian Accounting Standards basis.

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

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	81,353	81,008	81,406	81,722	82,940
Equity injections – Bill 2	26,060	25,799	13,700	22,403	23,066
Total new capital appropriations	107,413	106,807	95,106	104,125	106,006
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>107,413</i>	<i>106,807</i>	<i>95,106</i>	<i>104,125</i>	<i>106,006</i>
Total items	107,413	106,807	95,106	104,125	106,006
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	60,193	37,434	13,700	22,403	22,688
Funded by capital appropriation – DCB (b)	81,353	81,008	81,406	81,722	82,940
Funded internally from departmental resources (c)	9,594	3,192	2,992	2,992	2,992
TOTAL	151,140	121,634	98,098	107,117	108,620
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	151,140	121,634	98,098	107,117	108,620
Total cash used to acquire assets	151,140	121,634	98,098	107,117	108,620

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 2 and prior Act Nos. 2/4/6 appropriations and special capital appropriations.

(b) Includes purchases from current and previous years' departmental capital budgets (DCBs).

(c) Includes current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB), s74 external revenue and proceeds from the sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2021–22)

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2021					
Gross book value	2,400	413,251	300,038	213,273	928,962
Gross book value – ROU assets	270	1,185,052	50,168	–	1,235,490
Accumulated depreciation/amortisation and impairment	–	(35,236)	(39,907)	(122,186)	(197,329)
Accumulated depreciation/amortisation and impairment – ROU assets	(99)	(196,458)	(15,120)	–	(211,677)
Opening net book balance	2,571	1,366,609	295,179	91,087	1,755,446
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase – appropriation equity (a)	–	33,081	60,375	28,178	121,634
By purchase – appropriation equity – ROU assets	55	97,743	6,746	–	104,544
Total additions	55	130,824	67,121	28,178	226,178
Other movements					
Depreciation/amortisation expense	–	(31,819)	(53,188)	(22,230)	(107,237)
Depreciation/amortisation on ROU assets	(53)	(96,160)	(5,275)	–	(101,488)
Total other movements	(53)	(127,979)	(58,463)	(22,230)	(208,725)
As at 30 June 2022					
Gross book value	2,400	446,332	360,413	241,451	1,050,596
Gross book value – ROU assets	325	1,282,795	56,914	–	1,340,034
Accumulated depreciation/amortisation and impairment	–	(67,055)	(93,095)	(144,416)	(304,566)
Accumulated depreciation/amortisation and impairment – ROU assets	(152)	(292,618)	(20,395)	–	(313,165)
Closing net book balance	2,573	1,369,454	303,837	97,035	1,772,899

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021–22.

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

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
EXPENSES					
Suppliers	9,659	6,562	4,448	4,500	4,564
Total expenses administered on behalf of Government	9,659	6,562	4,448	4,500	4,564
Net (cost of)/contribution by services	9,659	6,562	4,448	4,500	4,564
Total comprehensive income/(loss)	(9,659)	(6,562)	(4,448)	(4,500)	(4,564)

Prepared on Australian Accounting Standards basis.

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

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	49	49	49	49	49
Total financial assets	49	49	49	49	49
Total assets administered on behalf of Government	49	49	49	49	49
LIABILITIES					
Payables					
Suppliers	527	527	527	527	527
Other payables	435	435	435	435	435
Total payables	962	962	962	962	962
Total liabilities administered on behalf of Government	962	962	962	962	962
Net assets/(liabilities)	(913)	(913)	(913)	(913)	(913)

Prepared on Australian Accounting Standards basis.

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

	2020–21 Estimated actual \$'000	2021–22 Budget \$'000	2022–23 Forward estimate \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	12	8	7	7	7
Total cash received	12	8	7	7	7
Cash used					
Suppliers	9,659	6,562	4,448	4,500	4,564
Net GST paid	12	8	7	7	7
Total cash used	9,671	6,570	4,455	4,507	4,571
Net cash from/(used by) operating activities	(9,659)	(6,562)	(4,448)	(4,500)	(4,564)
Net increase/(decrease) in cash held	(9,659)	(6,562)	(4,448)	(4,500)	(4,564)
Cash and cash equivalents at beginning of reporting period					
Cash from Official Public Account for:					
– Appropriations	9,659	6,562	4,448	4,500	4,564
<i>Total cash from Official Public Account</i>	<i>9,659</i>	<i>6,562</i>	<i>4,448</i>	<i>4,500</i>	<i>4,564</i>
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

