2023–24

AUSTRAC **ANNUAL REPORT**

Australian Government

AUSTRAC

FIGHTING FINANCIAL CRIME TOGETHER

CONTACT US

INITIAL CONTACT POINT

Enquiries about AUSTRAC, the legislation we administer or other information may be directed to the AUSTRAC Contact Centre, available Monday to Friday, 8.30am to 5.00pm (Australian Eastern Standard Time).

Phone: 1300 021 037
(local call cost within Australia)
Email: contact@austrac.gov.au

TRANSLATING AND INTERPRETING ASSISTANCE

AUSTRAC provides free access to a translation and interpreting service to assist people from diverse backgrounds to understand and meet their obligations to AUSTRAC.

AUSTRAC uses TIS National, an interpreting service provided by the Department of Home Affairs, for people who do not speak English, and English speakers who need to communicate with them.

To access the translation service, call during our Contact Centre operating hours on **131 450** and ask for 'AUSTRAC' on **1300 021 037**. There is no charge for this service.

DEAF AND SPEECH–IMPAIRED CALLERS

Callers who are deaf or have a hearing or speech impairment can contact AUSTRAC through the National Relay Service.

TTY (teletypewriter) or computer with modem users phone **133 677** and ask for **1300 021 037**.

Speak and listen (speech-to-speech relay) users phone **1300 555 727** and ask for **1300 021 037**.

WEBSITE AND ANNUAL REPORT

Visit the AUSTRAC website: **www.austrac.gov.au.**

This report and previous annual reports are available online at www.austrac.gov.au/about-us/corporate-information-and-governance/reports-and-accountability/annual-reports

For annual report enquiries, contact **CORPORATE_PLANNING@austrac.gov.au.**

COPYRIGHT

The Commonwealth owns the copyright in all material produced by this agency.

All material presented in this publication is provided under Creative Commons Attribution 4.0 International licence, with the exception of:

- the AUSTRAC logo
- content supplied by third parties.

The details of the relevant licence conditions are available on the Creative Commons website, as is the full legal code for the CC BY 4.0 license.

You may not reproduce or use this material in any way that suggests AUSTRAC or the Commonwealth endorses you or any of your services or products.

ATTRIBUTION

Material obtained from this publication is to be attributed to: © AUSTRAC for the Commonwealth of Australia 2024.

Australian Government
AUSTRAC

Chief Executive Officer

18 September 2024

The Hon Mark Dreyfus KC MP
Attorney-General
Parliament House
CANBERRA ACT 2600

Dear Attorney-General

AUSTRAC annual report

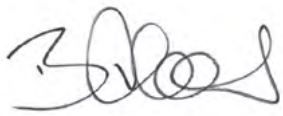
I am pleased to present the annual report for the year ended 30 June 2024 on the operations of the Australian Transaction Reports and Analysis Centre (AUSTRAC), as is required by subsection 46(1) of the *Public Governance, Performance and Accountability Act 2013*.

The report has been prepared pursuant to the requirements for annual reports approved by the Joint Committee of Public Accounts and Audit and as prescribed in the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule).

As the accountable authority for AUSTRAC, I certify the agency has prepared fraud and corruption risk assessments and a fraud and corruption control plan that comply with the requirements of section 10 of the PGPA Rule, and the Commonwealth Fraud Control Policy. We have fraud prevention, detection, investigation, reporting and data collections procedures and processes in place that align with the requirements of the Commonwealth Fraud Control Framework 2017.

We have taken reasonable measures to minimise the incidence of fraud within the agency and to investigate and recover the proceeds of fraud against the agency.

Yours sincerely



Brendan Thomas
Chief Executive Officer

Acknowledgement of Country

AUSTRAC acknowledges the traditional owners and custodians of country throughout Australia. We recognise their continuing connection to the land, sea and community. We pay our respects to the people, cultures and elders – past and present.

AUSTRAC's Protecting Country artwork represents our vision and purpose, fighting financial crime together to protect Australians from criminal abuse, both in Australia and beyond its borders.

Protecting Country

The background is made up of a fishing net which represents the capture of criminals. The dotted patterning represents many different Country across Australia.

The main theme is teamwork, and how AUSTRAC works together with industry and its partners to fight financial crime.

The symbol found central to the artwork shows people seated in a yarning circle to represent AUSTRAC's organisational culture - united, accountable, empowered, courageous, inclusive.

Also included are symbols that represent AUSTRAC's strategic objectives: to discover, understand, strengthen, disrupt and optimise.

Surrounding these symbols are innovative tools that were used in everyday life. Fighting shields represent protection of the community, the boomerang represents innovation and the different ways that AUSTRAC is fighting financial crime.

Riki Salam
Artist, We Are 27 Creative

TABLE OF CONTENTS

Letter of transmittal 3

AUSTRAC year in review 2023–24 8

CEO review 10

- 2023–24 at AUSTRAC 11
- Reform 11
- Key projects in 2023–24 11
- Partnerships 12
- Looking ahead 13

Agency overview 14

- Role and functions 16

Key capabilities 18

- Our capabilities 19
- Regulation and reform 19
- Intelligence 20
- Enabling capabilities 21

Annual performance statements 2023–24 28

- Statement of preparation 29
- Overview of performance framework 29
- Regulator performance reporting requirements 30
- Analysis of performance 31

AUSTRAC'S agency performance survey 2023–24 68
Industry association survey 69
Intelligence partner survey 70

Fintel Alliance **72**
About Fintel Alliance 73
Operational highlights 77
Threat alerts 81
Financial crime guides 83
Working groups 84
Partners 89

Management and accountability **90**
Corporate governance 91
External scrutiny 100
Procurement, assets and grants 101
Consultants and contracts 103

Management of human resources **110**
Work health and safety 116
Disability reporting mechanism 117
Employee statistics 119
Executive remuneration 140

Report on financial performance **146**
Financial statements 148

Appendices **182**

2023–24 AUSTRAC YEAR IN REVIEW

AUSTRAC collects a large volume of data from industry

SMR
381,758
Suspicious matter reports (SMRs)

20% INCREASE from 2022-23

IFTI
396,329,396
International funds transfer instruction (IFTI) reports

108% INCREASE from 2022-23

TTR
1,924,285
Threshold transaction reports (TTRs)

8% DECREASE from 2022-23

17,875
REPORTING ENTITIES

COMPLIANCE REPORTS

8,273 submissions

80.9% submitted on time

and makes it directly available to domestic partners

ANALYST WORK BENCH (AWB)

OVER **10 MILLION** searches

5,331 users

41 agencies

in the form of actionable financial intelligence for law enforcement and national security operations

435 products

Impacting the work of
84% of stakeholders
+ **12** taskforces

SERIOUS FINANCIAL CRIME TASKFORCE

$696.9 million in tax liabilities

$291.8 million recouped by the ATO

which is shared with domestic and international partners

Memoranda of understanding (MOUs)

51 domestic

107 international

5 STAFF deployed overseas

Total international information exchanges

USA	UK	Canada	NZ	Malaysia
180	169	69	66	31

FINTEL ALLIANCE

30 members (incl. AUSTRAC)

SMR **12,670** Suspicious matter reports (SMRs) relating to Fintel Alliance

50% increase from 2022-23

and from which AUSTRAC draws insights to inform its regulatory education activities.

18 workshops provided

80% of attendees reported a greater understanding of their obligations

74% of attendees strengthened controls after engagement with AUSTRAC

5 guidance publications

Non-lodgement campaign

584 reporting entities referred for roll removal

Non-lodgement campaign

414 candidates for warning letters

10

CEO REVIEW

2023–24 AT AUSTRAC

I am pleased to present AUSTRAC's 2023–24 annual report. Having commenced as CEO in January 2024, I am proud to have been given the opportunity to lead AUSTRAC at this transformational time for the organisation.

During 2023–24 AUSTRAC continued our vital and important work combating financial crime, focused on the pursuit of our vision of a financial system free from criminal abuse. As Australia's dual financial intelligence unit and anti-money laundering and counter-terrorism financing (AML/CTF) regulator, we are responsible for preventing, detecting and responding to criminal abuse of the financial system, to protect the community from serious and organised crime. Together, our regulatory and intelligence experts continue to build resilience in Australia's financial system.

Reform

AUSTRAC has been supporting the Attorney-General's Department to progress reforms to the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act). The proposed reforms will extend AML/CTF regulation to new types of businesses, referred to as 'tranche 2' sectors – including lawyers, accountants, trust and company service providers, real estate agents, and dealers in precious metals and stones. The reforms also intend to simplify and modernise the regime in line with international standards set by the Financial Action Task Force, the global financial crime watchdog.

In May 2024 it was announced that AUSTRAC will receive an additional $160.9 million over the next 2 years, commencing on 1 July 2024, to support the implementation of the AML/CTF reforms. This funding will ensure that AUSTRAC is able to expand our remit, with the number of entities reporting to AUSTRAC likely to increase from 17,000 to over 100,000.

In early 2024 we released the protected versions of AUSTRAC's money laundering and terrorism financing national risk assessments. These risk assessments show the scale, sophistication and threat of money laundering and terrorism financing in Australia, and demonstrate the need for the proposed AML/CTF reforms. They offer insights into the extent of these crimes and the channels and sectors that are at highest risk of exploitation.

Key projects in 2023–24

AUSTRAC has had a successful year with several key projects coming to fruition.

We launched AUSTRAC's *Innovate Reconciliation Action Plan March 2024 – February 2026*. It outlines how AUSTRAC will take action to advance the 4 dimensions of reconciliation: relationships, respect, opportunities and governance. We aim to achieve better results in attracting, retaining, advancing and celebrating Aboriginal and Torres Strait Islander employees. We strive to ensure that our efforts are inclusive and effective. You can see more of our actions against this plan in this report.

At AUSTRAC we sometimes take very strong action. Not doing so allows weaknesses in our systems to be exploited by those wishing to profit by doing harm. Penalties and enforceable undertakings successfully applied over the course of 2023–24 included:

- **Crown Melbourne and Crown Perth** were ordered by the Federal Court of Australia to pay a $450 million penalty over 2 years, after AUSTRAC launched civil penalty proceedings against Crown for breaches of AML/CTF Act
- **SkyCity Adelaide Pty Ltd** was ordered by the Federal Court of Australia to pay a $67 million penalty after AUSTRAC launched civil penalty proceedings against it for breaches of the AML/CTF Act
- enforceable undertakings were accepted from **Sportsbet Pty Ltd** and **Gold Corporation (trading as Perth Mint)** to uplift their compliance with the AML/CTF Act.

These results show that AUSTRAC is prepared to take action when reporting entities fail to comply with their AML/CTF obligations. Businesses who ignore their obligations impact the Australian community by leaving the door open to criminal activity.

Partnerships

AUSTRAC works closely with government and industry partners to combat money laundering and terrorism financing. This work occurs in an increasingly complex landscape, where criminals are continually adapting their strategies to exploit and launder the proceeds of crime through new and emerging technologies, financial products, and professional domestic and offshore service providers.

We continued work in our public-private partnership Fintel Alliance. Important projects included:

- a **payment reference program** assisting police agencies to identify when domestic violence offenders have breached intervention orders and contacted victims through financial transaction messages
- proactive referrals on suspected **National Disability Insurance Scheme fraud**
- **Operation Salem**, our response to the unfolding Israel/Gaza conflict.

Looking ahead

Together we accomplished a significant amount of critical work in 2023–24, as detailed throughout this report. Our people are our greatest asset and it is a privilege to work with the innovative, dedicated and collaborative team at AUSTRAC.

As we prepare for AML/CTF reforms, we are moving forward into a time of transformational organisational change. The reforms will have wide-ranging implications for AUSTRAC. These include expanding our remit to ensure new sectors can manage and mitigate money laundering and terrorism financing risks, with flow-on effects of greater compliance and increased industry reporting to help safeguard Australians. Going forward, we are taking significant steps to adapt our organisational structure to ensure we can manage the growth that is coming our way.

It's an exciting time for AUSTRAC as we shape our future to ensure an even greater impact in our pursuit of a financial system free from criminal abuse.

Brendan Thomas
Chief Executive Officer
AUSTRAC

14

AGENCY OVERVIEW

Our vision: A financial system free from criminal abuse.

Our outcome: The protection of the financial system from criminal abuse through actionable financial intelligence, risk-based regulation, and collaboration with domestic and international partners.

Our purpose: To build resilience in the financial system, and use financial intelligence and regulation to disrupt money laundering, terrorism financing, and other serious and organised crime.

To execute our purpose, AUSTRAC focuses on four strategic pillars:

DISCOVER	UNDERSTAND	STRENGTHEN	DISRUPT
Identify new and emerging risks posed by criminals who seek to exploit our financial system.	Develop and share a comprehensive understanding of vulnerabilities to criminal exploitation within our financial system.	Ensure risks within our financial system are mitigated with effective prevention and monitoring controls.	Collaborate with our partners to disrupt criminal abuse of the financial system.

ROLE AND FUNCTIONS

AUSTRAC is a non-corporate Commonwealth entity within the Attorney-General's portfolio. During 2023–24, AUSTRAC reported to the Hon Mark Dreyfus KC, MP, Attorney-General.

As Australia's anti-money laundering and counter-terrorism financing (AML/CTF) regulator and financial intelligence unit, AUSTRAC plays an integral role in safeguarding the Australian community and economy. We do so by detecting, deterring and disrupting money laundering, terrorism financing and other serious and organised crime, as well as building resilience in the financial system against criminal exploitation.

We regulate more than 17,000 businesses – providing financial, gambling, bullion, remittance and digital currency exchange services – to discover, understand and disrupt criminal threats. We leverage the capabilities of our intelligence and regulatory experts, with the assistance of our enabling services, to achieve our purpose.

AUSTRAC's functions are set out in the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*. AUSTRAC's role (as designated to the CEO) is to:

- retain, compile, analyse, disseminate and facilitate access to AUSTRAC information, to support domestic and international efforts to combat money laundering and terrorism financing and other serious crimes
- provide advice and assistance, in relation to AUSTRAC information, to the persons and agencies who are authorised to access AUSTRAC information
- promote compliance with the AML/CTF regime, as well as advise and assist reporting entities and their representatives in relation to their AML/CTF obligations
- facilitate gaining access on a timely basis to the financial, administrative and law enforcement information that the AUSTRAC CEO requires to properly undertake the AUSTRAC CEO's financial intelligence functions
- assist in the development of government policy or to assist academic research.

18

KEY
CAPABILITIES

OUR CAPABILITIES

As outlined in our 2023–27 corporate plan, AUSTRAC's ability to achieve our purpose and undertake our key activities is underpinned by our key capabilities. These comprise our regulatory, intelligence and enabling capabilities.

REGULATION AND REFORM

As Australia's anti-money laundering and counter-terrorism financing (AML/CTF) regulator, we ensure our reporting entities comply with their obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act) and *Financial Transaction Reports Act 1988*. We do this to protect them, and the financial system, from criminal abuse. Reporting entities' obligations include identifying, mitigating and managing money laundering and terrorism financing (ML/TF) risks, and reporting financial transactions and suspicious activity to AUSTRAC.

Our regulatory approach includes education, supervision and enforcement activity. Our approach is risk based, ensuring our resources are allocated to best manage ML/TF risks across the Australian financial system, and our interactions with regulated entities allow us to guide and mature their compliance approach in line with regulatory and community expectations.

Our regulatory activities include:

- identifying new and emerging risks
- identifying and collecting data to generate regulatory insights
- using regulatory insights to assess industry vulnerabilities and threats to Australia's financial sector
- influencing industry to improve risk identification and management
- educating entities on risks and compliance to assist them to comply
- undertaking active supervision to test business sectors' performance
- taking a risk-based approach to identifying non-compliance
- taking enforcement action that is proportionate to the nature of and harm resulting from the non-compliance with the AML/CTF Act.

On 20 April 2023 the Attorney-General announced consultation on an extensive package of proposed legislative reforms to Australia's AML/CTF regime. This includes seeking to extend the existing AML/CTF legislation to capture additional entities including lawyers, accountants, trust and company service providers, real estate agents and dealers in precious metals and stones. The reforms also aim to simplify and modernise the regime in line with international standards and best practice.

In 2026 the Financial Action Task Force (FATF) will commence a mutual evaluation of Australia's implementation of the FATF Recommendations and effectiveness of the country's AML/CTF system. AUSTRAC is working closely with the Attorney-General's Department and other portfolio agencies to prepare for the mutual evaluation and AML/CTF reform.

INTELLIGENCE

As Australia's financial intelligence unit (FIU), AUSTRAC produces actionable financial intelligence and insights for partner agencies. We use information collected from the entities we regulate, and other data sources, specialised analytical tools and tradecraft. Our intelligence relates to the most significant threats against Australia's national security, and crimes including ML/TF, sanctions evasion, drug trafficking, child exploitation, cybercrime, fraud and other forms of serious and organised crime.

Effective partnerships are critical in the provision of timely, accurate and actionable financial intelligence. We work seamlessly with Commonwealth, state and territory law enforcement, revenue, border and national security intelligence agencies, to protect Australia from those who might do us harm. This includes active participation with national and multi-jurisdictional law enforcement, security and revenue protection task forces, and as a member of the National Intelligence Community (NIC).

We work with industry primarily through Fintel Alliance (AUSTRAC's public-private partnership), which has proven to be a world-class example of the benefit of collaboration and information sharing between public and private partners. Harnessing the capabilities of Fintel Alliance members continues to improve our understanding of ML/TF risks, enrich AUSTRAC's risk assessments, enhance the value of industry reporting, and make valuable contributions to operational and law enforcement outcomes.

AUSTRAC's intelligence capability is also deeply integrated with and enabled by our international partnerships. Working with international partners continues to realise strategic and operational value for AUSTRAC in understanding new and evolving threats quickly, and generating timely and actionable financial intelligence. This work is enabled by overseas-posted staff, international networks and our strong presence in regional and international forums including FATF, the Egmont Group of FIUs, Asia/Pacific Group on Money Laundering, and as co-chair of the Pacific Financial Intelligence Community and Southeast Asia Financial Intelligence Consultative Group.

ENABLING CAPABILITIES

AUSTRAC's trusted and innovative enabling capabilities underpin our ability to effectively and efficiently deliver on our purpose. Most significant are our people and data capabilities, which ensure our agility and performance as an organisation.

Our flexible approach to workforce, with our mature technology services, ensure AUSTRAC remains adaptable, effective and contemporary. We recognise that our inclusive and collaborative workforce culture and the commitment and expertise of our staff are central to our ability to deliver outcomes.

Managing and enhancing the value of the financial data we receive from industry and other partners is critical to achieving our mission. The complex and evolving threat environment requires us to search for new data sources and develop advanced tools to analyse and correlate high-volume information quickly.

We continue to invest in data science and advanced analytics to increase our understanding of compliance and risk across the financial sector. Greater use of technology enables AUSTRAC to provide accurate and actionable financial intelligence, generate insights and provide raw data to partners in near-real time.

We cooperate with other government agencies to share data and match data sets to effectively combat ML/TF, fraud and other financial crime. We share information and data with our Fintel Alliance partners and overseas FIUs, and are putting in place secure collaboration platforms to enhance how we work together. We recognise the importance of our role as custodians of this data on behalf of the Australian Government, and remain committed to ensuring data is stored, accessed and shared appropriately.

We continue to enhance agency capability and ensure our functions, processes and products remain fit-for-purpose and serve the current and future needs of the agency.

AUSTRAC ORGANISATIONAL STRUCTURE

CHIEF EXECUTIVE OFFICER
Brendan Thomas

DEPUTY CEO REGULATION AND REFORM
Peter Soros

- **NATIONAL MANAGER LEGAL AND ENFORCEMENT** Tim Lear
- **NATIONAL MANAGER REGULATORY OPERATIONS** Brad Brown
- **NATIONAL MANAGER REFORM POLICY AND MUTUAL EVALUATION** Daniel Mossop
- **CHIEF OF STAFF, NATIONAL MANAGER REFORM DESIGN** Nicole Patterson (A/g)

DEPUTY CEO CAPABILITY AND STRATEGY (COO)
Katie Miller

- **NATIONAL MANAGER STRATEGIC PLANNING, FINANCE AND PERFORMANCE (CFO)** Yvette Whittaker
- **NATIONAL MANAGER INNOVATION AND TECHNOLOGY SOLUTIONS (CIO)** Leanne Fry
- **NATIONAL MANAGER PEOPLE AND BUSINESS SOLUTIONS** Lisette Aarons

DEPUTY CEO INTELLIGENCE
Dr John Moss AIM

- **NATIONAL MANAGER LAW ENFORCEMENT AND INDUSTRY** Jon Brewer
- **NATIONAL MANAGER NATIONAL SECURITY AND DISCOVERY** Michael Tink
- **NATIONAL MANAGER INTELLIGENCE CAPABILITIES** Jacinta Kirkpatrick (A/g)
- **NATIONAL MANAGER DATA CAPABILITIES (CDO)** Louise Rosenthal

Figure 1: AUSTRAC's organisational chart as at 30 June 2024

Legal	Enforcement 1	Enforcement 2	Enforcement 3
Foreign Banks and Financial Services	Remittance and Virtual Assets	Domestic Banks Risk and Insights	Gambling and Bullion Strategy, Capability and Oversight
Rules, Exemptions and MOUs	Industry Education and Outreach	Policy Reform Rules Reform	Policy Regulatory Guidance
Executive and Ministerial	Strategic Communications	Reform Design	
Financial Operations and External Reporting	Capability and Assurance	Planning and Performance	Budgets, Travel and Procurement
Technology Platform Solutions	Information and Knowledge Products	Information Security REST Program	Business Products Enterprise Analytics
Employee Experience (HR)	Integrity and Personnel Security	Workforce Intelligence and Talent	Physical Security, Facilities and Deployments
States and Territories	Fintel Alliance Operations	Task Forces	
Discovery	National Security and Cyber	International Programs	
Governance, Engagement and Systems	Products	Strategic Assessments	
Operational Analytics	Data Governance	Collection Capability	

EXECUTIVE TEAM

The executive team as at 30 June 2024.

Brendan Thomas, *Chief Executive Officer*

Brendan commenced as AUSTRAC's CEO and accountable authority on 29 January 2024. In this role, Brendan leads Australia's AML/CTF regulator and FIU. Brendan is AUSTRAC's representative on the Australian Criminal Intelligence Commission Board, the Serious Financial Crime Taskforce CEO Board, and the Criminal Justice and Law Enforcement Forum. In view of AUSTRAC's role as a member of the NIC, Brendan is also responsible for agency head-level engagement with the Office of National Intelligence and other NIC members.

Peter Soros, *Deputy CEO Regulation and Reform*

Peter commenced at AUSTRAC in June 2018. He was Acting CEO and accountable authority from 17 June 2023 to 28 January 2024. Peter is responsible for AUSTRAC's regulatory functions, which include education, supervision and enforcement. Peter is also responsible for AUSTRAC's legal, policy and communication functions.

Katie Miller, *Deputy CEO Capability & Strategy (Chief Operating Officer)*

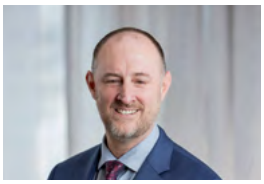
Katie commenced with AUSTRAC in January 2021 as National Manager, Legal and Enforcement. She has been the Chief Operating Officer since 6 February 2023. Katie is responsible for managing and growing the environment in which AUSTRAC operates. This includes functions and systems relating to our people, technology, finance, governance and physical premises.

Dr John Moss AIM, *Deputy CEO Intelligence*

Having previously served as Deputy CEO Capability and Strategy and National Manager Intelligence, John assumed the role of Deputy CEO Intelligence in March 2021. John is responsible for AUSTRAC's intelligence capability, operational engagement, strategic risk assessments and international operations. John is the co-chair of the regional Financial Intelligence Consultative Group and Pacific Financial Intelligence Community, and represents AUSTRAC on Fintel Alliance's Executive Board.

REGULATION AND REFORM

Tim Lear, *National Manager, Legal and Enforcement (General Counsel)*
Tim leads the Legal and Enforcement branch as head of AUSTRAC's legal service and is responsible for AUSTRAC's enforcement functions. This includes overseeing AUSTRAC investigations and litigations, freedom of information and privacy teams.



Brad Brown, *National Manager, Regulatory Operations*
Brad is responsible for leading the agency's supervision and risk insight functions to detect, understand and monitor compliance by industry with their obligations under the AML/CTF framework. Brad has previously led various intelligence, policy, project and regulatory functions.

Daniel Mossop, *National Manager, Reform Policy and Mutual Evaluation*
Dan leads the Reform Policy and Mutual Evaluation branch, which is dedicated to supporting preparations for legislative reform and the upcoming FATF mutual evaluation in 2025. Dan is also responsible for leading AUSTRAC's education, guidance, memorandum of understanding and AML/CTF Rules drafting functions.

Nicole Patterson, *acting National Manager, Reform Design (Chief of Staff)*
Nicole serves as Chief of Staff to the AUSTRAC CEO and leads the Reform Design branch. In May 2023 the Reform Design branch was formed to undertake planning of AUSTRAC's resources and capabilities to implement proposed reforms. Nicole is also responsible for leading AUSTRAC's ministerial and strategic communications functions.

CAPABILITY AND STRATEGY

Leanne Fry, *National Manager, Innovation and Technology Solutions (Chief Information Officer)*

Leanne leads the analytics, innovation, development, information and infrastructure teams. Leanne is responsible for ensuring advanced analytics and customer service capability are in place to enable AUSTRAC to innovate. Working closely with industry and partners, she leads advanced innovation for AUSTRAC processes and products.

Lisette Aarons, *National Manager, People and Business Solutions*

Lisette is responsible for AUSTRAC's people and property-focused functions. This covers physical and personnel security and integrity, and all human resources functions including industrial relations, diversity and inclusion, safety and wellbeing, talent acquisition, learning and development, and organisational development (including workforce planning). Lisette has a key role in driving AUSTRAC's culture through workforce strategies and initiatives.

Yvette Whittaker, *National Manager, Strategic Planning, Finance and Performance (Chief Finance Officer)*

Yvette oversees all financial management functions and services, procurement, secretariat, performance and corporate planning and reporting, risk management and the program management office. Yvette is responsible for ensuring the effectiveness of the assurance frameworks associated with those functions, and oversees the administration of the AUSTRAC industry contribution levy.

INTELLIGENCE

Jon Brewer, *National Manager, Law Enforcement and Industry*
Jon leads AUSTRAC's contribution to key intelligence and operational task forces nationally, across a diverse range of crime types. Jon also oversees Fintel Alliance, the AUSTRAC-led public-private partnership that works closely with government, law enforcement and industry to build resilience in the financial system. Like the rest of the branch's efforts, Fintel Alliance disrupts ML/TF and other serious crime.

Michael Tink, *National Manager, National Security and Discovery*
Michael has responsibility for financial intelligence analytical teams focused on cybercrime, national security and intelligence discovery. Michael also oversees AUSTRAC's regional operational engagement and capacity-building efforts, including regional forums that promote financial intelligence collaboration among South-East Asian and South Pacific FIUs.

Louise Rosenthal, *National Manager, Data Capabilities (Chief Data Officer)*
Louise is responsible for AUSTRAC's enterprise data governance, advanced intelligence analytics to support FIU tradecraft, and consolidated capabilities for collection of all financial transaction reports and other information from reporting entities. Louise also leads on business ownership for programs to uplift enterprise case management and data collection systems.

Jacinta Kirkpatrick, *acting National Manager, Intelligence Capabilities*
Jacinta is responsible for intelligence capabilities, including uplifting AUSTRAC's intelligence training, tradecraft, tools and governance arrangements. Jacinta also oversees: AUSTRAC's strategic assessment program; enhancing the reach and impact of AUSTRAC's intelligence products; and engagement with international FIUs and other counterparts through the Egmont Group and other multilateral forums.

28

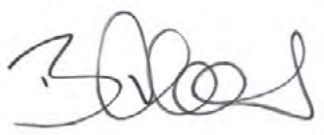
OUR PERFORMANCE

ANNUAL PERFORMANCE STATEMENTS 2023–24

Statement of preparation

I, Brendan Thomas, as AUSTRAC's accountable authority, present the 2023–24 annual performance statements for AUSTRAC as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). These results are reported against the performance measures outlined in the AUSTRAC 2023–27 corporate plan and 2023–24 Portfolio Budget Statement (PBS).

These annual performance statements comply with subsection 39(2) of the PGPA Act based on properly maintained records and accurately reflect the performance of AUSTRAC for the year ending 30 June 2024.



Brendan Thomas
Chief Executive Officer

OVERVIEW OF PERFORMANCE FRAMEWORK

We measure our performance and demonstrate our achievements through 19 performance measures, mapped against 4 key activities: discover, understand, strengthen and disrupt. These collectively contribute to the realisation of our purpose:

To build resilience in the financial system, and use financial intelligence and regulation to disrupt money laundering, terrorism financing, and other serious and organised crime.

In 2023–24, we retired the optimise key activity and its 2 associated performance measures. An additional 5 performance measures were also retired. All measures were assessed as measuring AUSTRAC's operational effectiveness rather than demonstrating outcomes achieved against our purpose.[1]

1 2023–27 AUSTRAC corporate plan, p11

Regulator performance reporting requirements

The Attorney-General issued a Ministerial Statement of Expectations (SOE) on 29 April 2024 as a notice of strategic direction to AUSTRAC. The SOE and AUSTRAC's answering Statement of Intent, are on our website.[2]

AUSTRAC uses the following performance measures to report against the government's 3 principles of regulator best practice.

Principles of regulator best practice		Measures
	1. **Continuous improvement and building trust:** regulators adopt a whole-of-system perspective, continuously improving their performance, capability and culture to build trust and confidence in Australia's regulatory settings.	**3.5**
	2. **Risk based and data driven:** regulators manage risks proportionately and maintain essential safeguards while minimising regulatory burden and leveraging data and digital technology to support those they regulate to comply and grow.	**3.3**
	3. **Collaboration and engagement:** regulators are transparent and responsive communicators, implementing regulations in a modern and collaborative way.	**2.1** **2.2** **2.3** **3.4**

2 austrac.gov.au/about-us/corporate-information-and-governance/reports-and-accountability/statement-expectations-and-statement-intent

Analysis of performance

AUSTRAC demonstrated strong performance against our purpose in 2023–24. We successfully delivered outcomes across all 4 pillars and achieved 13 targets (68%), while 6 targets (32%) were not achieved. Performance highlights include the following.

- **94.5%** of regulatory work undertaken was proactively identified and initiated by AUSTRAC.
- **100%** of our externally-funded international programs realised a capability uplift, with foreign financial intelligence unit program participants strengthening their understanding of money laundering/terrorism financing (ML/TF) risks.
- **94%** of respondents rated the impact of AUSTRAC's data, available via our Analyst Workbench (AWB), as having an impact on their work.

The following 6 measures were not achieved. However, we still saw good outcomes and impact of our work as Australia's anti-money laundering and counter-terrorism financing (AML/CTF) regulator and financial intelligence unit (FIU).

- Measure 1.1. Percentage of referrals to selected taskforces that generated an outcome, annually.
- Measure 1.2. Percentage of intelligence products that identified a new theme, threat or insight where one or more partner agencies has confirmed the product has generated an outcome, annually.
- Measure 2.3. Percentage of industry associations representing AUSTRAC's reporting entities who reported a MODERATE (or higher) rating on the usefulness of AUSTRAC's guidance materials, annually.
- Measure 3.4. Percentage of industry associations representing AUSTRAC's reporting entities who assessed AUSTRAC's level of collaboration in the development of AML/CTF Rules and policy settings to be USUALLY collaborative (or higher), annually.
- Measure 3.7. Percentage of reporting entities who advised our sector-based risk insight products had a MODERATE (or higher) influence on their risk mitigation attitudes or behaviours, per product.
- Measure 3.9. Levy costs as a percentage of the disbursed industry contribution levy, annually.

Summary of results

Table 1 provides a summary of the overall performance for 2023–24 where:

Achieved means AUSTRAC achieved the target for the relevant performance measure.

Not achieved means AUSTRAC failed to meet the target.

RESULTS LEGEND

Achieved	Not achieved

Table 1: Summary of results against our performance measures during 2023–24

Performance measure	Target	Result
Discover		
1.1. Percentage of referrals to selected taskforces that generated an outcome, annually.	60-70%	Not Achieved 58%
1.2. Percentage of intelligence products that identified a new theme, threat or insight where one or more partner agencies has confirmed the product has generated an outcome, annually.	45% or greater	Not Achieved 36%
1.3. Percentage of financial intelligence exchanges that are with prioritised FIUs, annually.[3]	60-70%	Achieved 64%

3 This performance measure was incorrectly written in our 2023–27 corporate plan as 'Percentage of financial intelligence exchanges that are prioritised within foreign Financial Intelligence Units (FIUs), annually. This has been updated in our 2024–28 corporate plan.

Performance measure	Target	Result
Understand		
2.1. Number of instances published guidance products were accessed and downloaded from our website by individual external audience members and direct email recipients, within 3 months of publication, annually.	Average 988 accessed and downloaded across all products[4]	Achieved Average 3,152 unique page views and 682 downloads
2.2. Percentage of event/workshop attendees/e-learning participants who reported a MODERATE (or higher) improvement in their understanding of the anti-money AML/CTF obligations as a result of their attendance/completion, annually.	74% or greater	Achieved 83%
2.3. Percentage of industry associations representing AUSTRAC's reporting entities who reported a MODERATELY (or higher) rating on the usefulness of AUSTRAC's guidance materials, annually.	74% or greater	Not Achieved 71%
2.4. Percentage of stakeholders who reported AUSTRAC's intelligence products had a MODERATE (or higher) level impact on their understanding of vulnerabilities in the financial system, annually.	70-85%	Achieved 82%
Strengthen		
3.1. Percentage of reporting entities who strengthened their AML/CTF controls after AUSTRAC engagement, annually.	69% or greater	Achieved 74%
3.2. Percentage of reporting entities who submitted their compliance reports on time, annually.	79% or greater	Achieved 80.9%

4 This target has been updated from the 2023–27 corporate plan to appropriately reflect the 'accessed' component of the measure.

Performance measure	Target	Result
3.3. Percentage of regulatory work proactively identified by AUSTRAC, annually.	50% or greater	Achieved 94.5%
3.4. Percentage of industry associations representing AUSTRAC's reporting entities who assessed AUSTRAC's level of collaboration in the development of AML/CTF Rules and policy settings to be USUALLY collaborative (or higher), annually.	74% or greater	Not Achieved 43%
3.5. Percentage of industry associations representing AUSTRAC's reporting entities who believe reporting entities have a MODERATE (or higher) level of trust in AUSTRAC as a result of AUSTRAC's efforts to harden the industry against ML/TF and other crime risks, annually.	74% or greater	Achieved 86%
3.6. Percentage of externally funded international development programs, which realised a capability uplift, annually.	100%	Achieved 100%
3.7. Percentage of reporting entities who advised our sector-based risk insight products had a MODERATE (or higher) influence on their risk mitigation attitudes or behaviours, per product.	50% or greater	Not Achieved 0%
3.8. Number of Fintel Alliance-coded suspicious matter reports (SMRs) received, annually.	5,564 or greater	Achieved 12,670
3.9. Levy collection costs as a percentage of the disbursed industry contribution levy, annually.	<0.1%	Not Achieved 0.12%

Performance measure	Target	Result
Disrupt		
4.1. Sum of ATO-recovered revenues and liabilities attributable to AUSTRAC data and AUSTRAC financial intelligence over the preceding 12-month period.	Not practicable to set a target	$830.75 million total liabilities raised; at least $291.8 million in revenue recouped
4.2. Percentage of stakeholders who rated the impact of AUSTRAC's financial intelligence to their work as having SOMEWHAT OF AN IMPACT (or higher), annually.	75% or greater	Achieved 88%
4.3. Percentage of AWB users who rated the impact of AUSTRAC's data available via AWB to their work as SOMEWHAT OF AN IMPACT (or higher), annually.	60% or greater	Achieved 94%

DISCOVER - AUSTRAC identifies criminal risks to Australia's financial system.

Performance measure: 1.1. Percentage of referrals to selected taskforces that generated an outcome, annually.		Result
Target: 60–70%	**Source:** AUSTRAC corporate plan 2023–27 page 14; AUSTRAC PBS 2023–24, Program 1.1. page 230	Not Achieved 58%
Prior results		
2022–23: Achieved – 62% (target, 60-70%). Not reported prior to 2022–23.		

AUSTRAC is an active member of national and state taskforces focusing on topics including ML/TF, serious and organised crime, child exploitation, drugs, fraud, corruption and tax evasion. Performance against this measure is limited to selected taskforces that provide an indicative representation of the value of our referrals:

Table 2: Outcomes generated from referrals to relevant taskforces over the past 2 years

Taskforce	2023–24			2022–23		
	Referrals	Outcomes generated	%	Referrals	Outcomes generated	%
Counter Foreign Interference Taskforce (CFITF)	96	62	65%	74	35	47%
Joint Threat Finance Taskforce (JTFG)	43	21	49%	22	22	100%
Money Laundering Taskforce (MLTF)	87	69	79%	65	65	100%
Serious Financial Crime Taskforce (SFCT)	50	8	16%	59	15	25%
Total	**276**	**160**	**58%**	**220**	**137**	**62%**

AUSTRAC made 276 referrals to these taskforces, of which 160 (58%) generated an outcome by 30 June 2024 (in comparison to 62% in 2022–23) and we did not achieve this measure. We saw a decrease (4%) in referrals generating outcomes across all taskforces compared to last year. The strict definition of this measure means that several outcomes from referrals were not counted as they are yet to generate an outcome in the same reporting period. This is particularly the case for referrals made towards the end of the period. This does not mean the value of our referrals is poor as some referrals have longer timeframes than the reporting period to result in outcomes.

Specific examples of outcomes generated from referrals are:

- AUSTRAC intelligence generated new leads and deepened the understanding of financial typologies related to foreign interference activity and how it exploits Australia's financial system (CFITF).
- providing financial intelligence support to long term counter terrorism operations informing investigative decisions and providing improved understanding in this sphere (JTFG).
- support for the resolution of Operation Avarus-Nightwolf through timely and insightful financial intelligence
    - » AUSTRAC support to Taskforce AVARUS helped shape the direction of numerous investigations through analysis of criminally complicit remittance service providers, and identified new methodologies used by industry players to avoid their reporting obligations (MLTF).
- targeted development and generation of new SFCT operations on offshore tax evasion
    - » Referrals to the SFCT also identified 3 individuals suspected to be key enablers connected to extensive labour hire syndicates and a newly identified person of interest utilising private banks to facilitate offshore financial services (SFCT).

Further context

We sample a selected subset of taskforces for this measure. We recognise limiting this measure to selected taskforces means we may not capture or demonstrate the full span of our work. We have continued to use this subset moving forward, as it reflects key facets of our purpose (ML/TF and serious crime) and provides meaningful results against this measure and our purpose.

DISCOVER - AUSTRAC identifies criminal risks to Australia's financial system.

Performance measure: 1.2. Percentage of intelligence products that identified a new theme, threat or insight where one or more partner agencies has confirmed the product has generated an outcome, annually.		Result
Target: 45% or greater	**Source:** AAUSTRAC corporate plan 2023–27 page 15; AUSTRAC PBS 2023–24, Program 1.1. page 230	Not Achieved 36%
Prior results		
2022–23: Achieved – 44% (target, 40% or greater). Not reported prior to 2022–23.		

AUSTRAC develops targeted intelligence products to allow domestic law enforcement and national security partners to investigate and prosecute serious criminal activity. We also provide intelligence products to international partners to assist with the global effort to counter serious crime. In 2023–24, AUSTRAC disseminated 435 products to stakeholders about money laundering and other topics relating to our intelligence priorities.

We did not meet the target for this measure with AUSTRAC identifying a new theme, threat or insight in 121 products (55 in 2022–23) with 43 (36%) receiving proactive feedback confirming the product generated an outcome (44% in 2022–23). As per measure 1.1., the strict definition of this measure means that products disseminated towards the end of the reporting period were not counted as they were yet to generate an outcome. Additionally, it can take a substantial amount of time to see outcomes; however this does not mean that the insights from our products are not valuable. This is evidenced by the greater number of products developed in 2023–24 identifying a new threat, theme or insight. The level of feedback provided to AUSTRAC and intelligence agencies generally is also low, meaning that we do not always know when an intelligence product has generated an outcome.

Specific examples of outcomes generated are below.

- AUSTRAC produced a tactical intelligence report identifying individuals laundering cash through cryptocurrency and importing tobacco resulting in a partner agency investigating a money laundering syndicate. As a result, several parties were charged with laundering in excess of $13 million out of Australia and large quantities of illicit tobacco were seized.
- New indicators were identified National Disability Insurance Scheme (NDIS) fraud and financial links to an offshore terrorist group. This report directly contributed to multiple NIC agency assessments identifying suspected links between NDIS fraud and offshore ML/TF.
- AUSTRAC proactively identified money laundering activities of an illegal brothel network that resulted in a law enforcement partner initiating a new operation.

Further context
• Our results are reliant on partners' willingness to provide feedback. • The wording of this measure was simplified from 2022–23 for clarity. However, the methodology and substance of the measure did not change.

DISCOVER - AUSTRAC identifies criminal risks to Australia's financial system.

Performance measure: **1.3. Percentage of financial intelligence exchanges that are with prioritised foreign FIUs annually.**		**Result**
Target: 60–70%	**Source:** AUSTRAC corporate plan 2023–27 page 16; AUSTRAC PBS 2023–24, Program 1.1. p230	Achieved 64%

Prior results
2022–23: Achieved – 68% (target, 60–70%). Not reported prior to 2022–23.

AUSTRAC works with foreign FIUs to collaboratively manage the global nature of ML/TF risks and threats. We exchange financial information and intelligence (requests and spontaneous disclosures) and leverage their experience to inform emerging trends and issues.

AUSTRAC prioritises foreign FIUs based on the nature of our partnership:

- Five Eyes partners – Canada, United Kingdom, New Zealand and the United States of America
- Financial Intelligence Consultative Group – Association of South East Asian Nations (ASEAN) FIUs.
- Pacific Financial Intelligence Community – Pacific FIUs.
- People's Republic of China[5] including Hong Kong Special Administrative Region and Macao Special Administrative Region.

During 2023–24, we conducted 1,079 financial intelligence exchanges with 93 FIUs, of which 686 (64%) were with our prioritised foreign FIUs (68% in 2022–23). We continue to have the greatest number of exchanges with our Five Eyes partners, following historical trends. Exchanges made during 2023–24 covered a range of matters within AUSTRAC's intelligence priorities.

Further context
Nil

5 In consultation with the Department of Foreign Affairs and Trade (DFAT) and other government agencies under whole of government engagement.

UNDERSTAND - AUSTRAC develops and shares a comprehensive understanding of vulnerabilities to criminal exploitation within Australia's financial system.

COLLABORATION AND ENGAGEMENT

Performance measure: 2.1. Number of instances published guidance products were accessed and downloaded from our website by individual external audience members and direct email recipients, within 3 months of publication, annually.		Result
Target: Average 988 accessed and downloaded across all products.	**Source:** AUSTRAC corporate plan 2023–27 page 18; AUSTRAC PBS 2023–24, Program 1.1. p231	Achieved Average 3,152 unique page views and 682 downloads

Prior results

2022–23: Not achieved – 691 downloads (target, average 969 downloads)
2021–22: Achieved – 1,116 downloads (target, average 950 downloads)
Not reported prior to 2021–22

AUSTRAC is moving towards a web-based, digital first approach for sharing guidance rather than only producing downloadable PDF products. As such, we altered the methodology outlined in our 2023–27[6] corporate plan for this measure. In 2023–24 we have counted the unique page views of our guidance, alongside downloads towards the results against this measure to reflect access rates of our guidance more appropriately. Results are not comparable with previous years where we only considered downloads.

6 The wording and rationale of this measure did not change from 2022–23.

During 2023–24 AUSTRAC published 5 guidance products developed for specific industries in our regulated population and a broader audience (10 in 2022–23). Guidance products published that are counted towards the results for this measure include:

- 'Financial services for customers that financial institutions assess to be a higher risk' (June 2023)
- 'Carrying out applicable customer identification procedures after creating an online gambling account' (September 2023)
- 'Enrol or register' (October 2023)
- *AUSTRAC's regulatory priorities 2024* (December 2023)
- *Combating the exploitation of international students as money mules* (June 2024)

These guidance products had an average of 3,152 unique page views and 682 downloads during the reporting period.

Further context

- Education and guidance campaigns undertaken by AUSTRAC target our reporting entities, or a particular sector or sub-set of our entities. We use Google Analytics to analyse the number of website users who access and download our products. However, we cannot determine what proportion of downloads come from our intended audience.
- As part of our annual review of performance measures we assessed the outcomes of this measure as being already assessed through other performance measures. As such, we removed this measure from our 2024–28 corporate plan.

UNDERSTAND - AUSTRAC develops and shares a comprehensive understanding of vulnerabilities to criminal exploitation within Australia's financial system.

COLLABORATION AND ENGAGEMENT

Performance measure: 2.2. Percentage of event/workshop attendees/e-learning participants who reported a MODERATE (or higher) improvement in their understanding of the AML/CTF obligations as a result of their attendance/completion, annually.		Result
Target: 74% or greater	**Source:** AUSTRAC corporate plan 2023–27 page 19; AUSTRAC PBS 2023–24, Program 1.1. page 231.	Achieved 83%

Prior results

2022–23: Achieved – 72.5% (target, 72% or greater)
2021–22: Achieved – 86% (target, 70%)
Not reported prior to 2021–22.

In 2023–24, AUSTRAC delivered 18 interactive virtual workshops for newly enrolled/registered reporting entities (with some attending multiple workshops) as part of our reporting entity induction program. The program is designed for reporting entities who have recently enrolled or registered with AUSTRAC. It provides them with fundamentals in AML/CTF, risk assessments and reporting obligations.

AUSTRAC also provides an e-learning[7] suite of 8 modules on our website. This provides participants with an understanding of AML/CTF obligations for those who are new to this topic or need a refresher.

7 austrac.gov.au/business/new-to-austrac/e-learning

Participant surveys are used to determine if a participant's understanding of their AML/CTF obligations has improved.[8] 83% of respondents reported a MODERATE (or higher) improvement in their understanding post attendance (72.5% in 2022–23). Feedback noted that more practical examples and case studies would be useful to understand how the content applies to their industry to assist them with complying with AML/CTF obligations. AUSTRAC is considering this feedback in improving our future workshops and e-learning modules.

Further context
AUSTRAC results are dependent on the willingness of attendees to complete the surveys.

UNDERSTAND - AUSTRAC develops and shares a comprehensive understanding of vulnerabilities to criminal exploitation within Australia's financial system.

COLLABORATION AND ENGAGEMENT

Performance measure: **2.3. Percentage of industry associations representing AUSTRAC's reporting entities who reported a MODERATELY (or higher) rating on the usefulness of AUSTRAC's guidance materials, annually.**		**Result**
Target: 74% or greater	**Source:** AUSTRAC corporate plan 2023–27 page 20; AUSTRAC PBS 2023–24, Program 1.1. page 231	Not Achieved 71%

Prior results
2022–23: Not achieved – 67% (target, 72% or greater) **2021–22:** Achieved – 100% (target, 70%) Not reported prior to 2021–22.

8 This is measured using a 6-point scale where 1=No improvement, 2=Low improvement, 3=Slight improvement, 4=Moderate improvement, 5=Significant improvement and 6=Extreme improvement. This was incorrectly identified as a 7-point scale in AUSTRAC's 2023–27 corporate plan.

AUSTRAC publishes guidance materials for our reporting entities to build their understanding of their AML/CTF obligations, and to enable them to manage threats, risks and vulnerabilities impacting the financial system.

We did not achieve the target against this measure with 71% of respondents to AUSTRAC's external agency performance survey[9] rating AUSTRAC's guidance materials as moderately useful or higher, an improvement on 2022–23 results (67%).

During 2023–24 AUSTRAC's ability to produce industry guidance was restricted by upcoming reforms to the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act). The reforms seek to extend the existing AML/CTF legislation to capture additional entities including lawyers, accountants, trust and company service providers, real estate agents and dealers in precious metals and stones.

Guidance developed during the reporting period was limited to issues that do not clash with the upcoming reforms or, if such a clash exists, issues relating to significant operational or compliance issues.[10]

AUSTRAC elected to delay any consultation on guidance that was not reform related, from March 2024. This was to reduce consultation fatigue among AUSTRAC's regulated population who were required to provide extensive input into the reforms within short timeframes. AUSTRAC will develop, consult and release guidance to support the reforms, and seek feedback to ensure these meet industry needs and help protect the community from financially-enabled crime.

Further context
Our results are dependent on participant engagement to complete the survey. Attempts to maximise participation include issuing reminders and directly contacting participants.

9 Refer to the AUSTRAC's agency performance survey 2023–24 section of this report for an explanation of survey methodology.

10 See measure 2.1.

UNDERSTAND - AUSTRAC develops and shares a comprehensive understanding of vulnerabilities to criminal exploitation within Australia's financial system.

Performance measure: 2.4. Percentage of stakeholders who reported AUSTRAC's intelligence products had a MODERATE (or higher) level impact on their understanding of vulnerabilities in the financial system, annually.		Result
Target: 70-85%	**Source:** AUSTRAC corporate plan 2023–27 page 21; AUSTRAC PBS 2023–24, Program 1.1. page 231	Achieved 82%
Prior results		
2022–23: Achieved – 71% (target, 70-85%) **2021–22:** Achieved – 80% (target, establish a baseline) Not reported prior to 2021–22		

AUSTRAC disseminates intelligence products to our domestic and international partners on a wide variety of topics. Our suite of intelligence products range from more complex tactical intelligence reports to information reports that provide limited analysis and assessment.

Findings from our external performance survey[11] found:

- 82% reported a moderate (or higher) rating on the impact of our intelligence products on their understanding of vulnerabilities in the financial system (71% in 2022–23)
- 89% were satisfied with AUSTRAC as a provider of specialist financial intelligence

Results against this measure have consistently met the target over the previous reporting periods highlighting the quality of our intelligence for our partners.

11 Refer to the AUSTRAC's agency performance survey 2023–24 section of this report for an explanation of survey methodology.

Separately under AUSTRAC's centralised dissemination process for intelligence products, feedback was recorded against 21 products (4%). Qualitative analysis indicates the feedback is positive, and highlights several occasions where AUSTRAC intelligence products provided new and unique insights, assisted stakeholders with ongoing investigations, target identification, understanding networks and implementing disruption activities.

Further context

- Our results are dependent on participant engagement to complete the survey. Attempts to maximise participation include issuing reminders and directly contacting participants.
- As part of our annual review of performance measures, for 2024–25 we removed the upper limit on the target for this measure. This is to avoid any potential unintended consequence in which a higher than expected response would have to be reported as 'not achieved'. This has been reflected in our 2024–28 corporate plan.

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

Performance measure: **3.1. Percentage of reporting entities who strengthened their AML/CTF controls after AUSTRAC engagement, annually.**		**Result**
Target: 69% or greater	**Source:** AUSTRAC corporate plan 2023–27 page 24; AUSTRAC PBS 2023–24, Program 1.1. page 231	Achieved 74%

Prior results

2022–23: Achieved – 71% (target 67% or greater)
2021–22: Achieved – 73.9% (target, 65%)
Not reported prior to 2021–22

Under the AML/CTF Act, reporting entities are required to submit a compliance report (CR) by 31 March each calendar year. The CR23 process commenced in January 2024, with 74% of reporting entities who submitted a CR indicating that they had strengthened their AML/CTF controls after AUSTRAC engagement (71% in 2022–23).

Information from CR responses enables AUSTRAC to improve our outreach and education activities by targeting issues and sectors that need greater attention. It also improves our understanding and identification of ML/TF risks and controls, fostering a culture of risk management across reporting entities.

Table 3: Reporting entities strengthening AML/CTF controls after AUSTRAC's engagement

Year	Reporting entities that select answer other than NO ACTION REQUIRED	Reporting entities who reported receiving feedback or guidance from AUSTRAC	%
CR 2023	4,022	5,438	74%
CR 2022	3,611	5,085	71%
CR 2021	2,121	2,871	74%
CR 2020	1,478	2,019	73%

We undertook our annual CR non-compliance campaign from August to December 2023 to improve compliance outcomes. The campaign identified 116 entities as having potential non-compliance across various AML obligations. AUSTRAC issued requests for information to these entities, with the aim of raising the understanding of the entities and giving feedback outlining AUSTRAC's expectations in relation to the compliance areas of concern. Insights from this campaign helped inform future regulatory work priorities.

Further context
Nil

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

Performance measure: 3.2. Percentage of reporting entities who submitted their compliance reports on time, annually.		Result
Target: 79% or greater	**Source:** AUSTRAC corporate plan 2023–27 page 25; AUSTRAC PBS 2023–24, Program 1.1. page 231	Achieved 80.9%
Prior results		
2022–23: Achieved – 99.5% (target 77% or greater) **2021–22:** Achieved – 98.7% (target, 75%) Not reported prior to 2021–22		

The annual CR helps AUSTRAC to assess whether reporting entities are complying with the AML/CTF Act and identify problem areas that may lead to vulnerabilities in Australia's financial system. There were 10,130 reporting entities who had an obligation to submit their CR23 by 31 March 2024. Of those, 8,195 (80.9%) submitted their report by the deadline. A further 78 reporting entities submitted their reports after the deadline, for a total submission rate of 81.6% (8,273). For this reporting period greater emphasis has been placed on the submission rate, noting that for those reporting entities that submit their compliance reports, a consistently high percentage are submitted on time.

AUSTRAC may undertake enforcement actions with reporting entities who are required to submit a CR and fail to do so by the deadline. In April 2024 AUSTRAC issued 8 infringement notices for failure to report the CR22 to businesses and sole traders across a wide range of industry sectors including pubs and clubs, non-bank lenders, bookmakers, financial services providers and trustee. Initial infringement notices ranged from $3,300 for sole traders to $16,500 for companies for each contravention.[12]

12 austrac.gov.au/news-and-media/media-release/austrac-issues-businesses-infringement-notices-failing-comply-their-reporting-obligations

CR 2023 NON-LODGEMENT CAMPAIGN

While AUSTRAC's regulated population is aware of and understands the requirement to lodge the CR, the lodgement rates over the past 3 years have remained largely consistent. From April to June 2024, AUSTRAC undertook a non-lodgement campaign to identify reporting entities who had a requirement to lodge the CR23 but did not. The following regulatory outcomes were achieved:

- 584 reporting entities were identified for removal from the Reporting Entities Roll.
- 414 reporting entities who failed to lodge their CR for the first time were issued warning letters outlining the consequences of any future failure to lodge their CR.
- reporting entities who appear to have had a requirement to lodge but failed to lodge a CR for more than one year are being assessed for enforcement action.

Enforcement action is intended to create 'general deterrence' among AUSTRAC's regulated population and increase the number of CRs submitted during the lodgement period in subsequent years.

Further context
Nil

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

RISK BASED AND DATA DRIVEN

Performance measure: **3.3. Percentage of regulatory work proactively identified by AUSTRAC, annually.**		**Result**
Target: 50% or greater	**Source:** AUSTRAC corporate plan 2023–27 page 26; AUSTRAC PBS 2023–24, Program 1.1. page 231	Achieved 94.5%

Prior results
2022–23: Achieved – 85% (target, 50% or greater) Not reported prior to 2022–23

AUSTRAC uses regulatory tools and powers tailored to the level of risk posed by the entities we regulate and their circumstances. These range from education and collaboration, to regulatory interventions and enforcement. This measure demonstrates regulatory work undertaken proactively based on instances of non-compliance identified by AUSTRAC through various sources.

AUSTRAC's regulatory operations use a targeting and prioritisation model to support our risk-based approach to regulation. We also released a set of regulatory priorities in December 2023 to focus our regulatory efforts.[13]

In 2023–24, AUSTRAC proactively identified 94.5% of all regulatory work undertaken (85% in 2022–23). The majority of our regulatory matters focus on sectors identified in our regulatory priorities and/or are rated as having a high to very high risk rating under our targeting and prioritisation model.

Table 4: Regulatory work proactively identified by AUSTRAC

Regulatory work	Proactively identified by AUSTRAC	Self-disclosed by reporting entity	Total	% proactive
Supervisory matters	413	53	466	**89%**
Enforcement investigations	402	0	402	**100%**
Proactively identified[14]				**94.5%**

13 austrac.gov.au/our-regulatory-priorities-2024-are-now-available

14 % proactively identified work = Mean (% proactive supervisory + % proactive enforcement). Mean is used to determine the result for this measure to provide equal weighting to both supervisory matters and enforcement investigations

CIVIL PENALTY PROCEEDINGS

- On 30 November 2022, AUSTRAC instituted civil penalty proceedings against The Star Pty Limited and The Star Entertainment Qld Limited. In 2023–24 this matter has proceeded according to the Court ordered timeline.
- On 7 June 2024 the Federal Court of Australia ordered a civil penalty of $67 million to SkyCity Adelaide Pty Ltd over breaches of the AML/CTF Act. The Court also ordered SkyCity to pay AUSTRAC's costs of $3 million.
- On 10 and 11 July 2023, AUSTRAC's civil penalty proceedings against the Crown Melbourne and Crown Perth were heard in the Federal Court of Australia, based on agreed facts and admissions. The Court ordered a civil penalty of $450 million to be paid by Crown over 2 years and for Crown to pay AUSTRAC's costs of $3.4 million.

The Crown and SkyCity outcomes incorporate some of the highest civil penalties ordered in Australia's history, establishing strong specific and general deterrence, and followed proactive AUSTRAC work within the casino sector.

More information on AUSTRAC's enforcement actions can be found on our website.[15]

Further context

- For the purposes of this measure regulatory work refers to supervisory matters (including triage matters, reviewable registration decisions and supervision matters) and enforcement investigations.
- We altered the method of calculating enforcement investigations in 2023–24 to more accurately reflect the breadth of work. The rationale and substance of the measure did not change from 2022–23.
- As part of our annual review of performance measures, we increased the target for this measure to 75% or greater from 2024–25. This is to reflect the continuing strong performance against this measure. This has been reflected in our 2024–28 corporate plan.

15 austrac.gov.au/lists-enforcement-actions-taken

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

COLLABORATION AND ENGAGEMENT

Performance measure: 3.4. Percentage of industry associations representing AUSTRAC's reporting entities who assess AUSTRAC's level of collaboration in the development of AML/CTF Rules and policy settings to be USUALLY collaborative (or higher), annually.		Result
Target: 74% or greater	**Source:** AUSTRAC corporate plan 2023–27 page 27; AUSTRAC PBS 2023–24, Program 1.1. page 231	Not achieved 43%

Prior results

2022–23: Not achieved – 67% (target, 72% or greater)
2021–22: Achieved – 75% (target, 70%)
Not reported prior to 2021–22

AUSTRAC engages with reporting entities and industry stakeholders to ensure the AML/CTF Rules and policy settings take into account stakeholder feedback and needs. Engagement activities undertaken in 2023–24 included:

- releasing 5 consultation papers as part of the second stage consultations on proposed AML/CTF reforms
- over 30 meetings with idustry peak bodies and reporting entities to discuss the proposed reforms
- industry forums, including Association of Certified AML Specialist events.

During 2023–24 we have focused our efforts on supporting the Attorney-General's Department who is leading significant AML/CTF reforms. As a result, AUSTRAC-led consultation on rules and policy settings outside the reforms has been on a reactive or as needed basis. Only urgent amendments to the AML/CTF Rules or minor amendments that have not required broad consultation with industry have progressed in the reporting period to minimise consultation fatigue.

We did not achieve the target for this measure in 2023–24 with 43% of respondents to our external agency performance survey[16] assessing the level of collaboration to be usually collaborative or higher (67% in 2022–23). The result against this measure has decreased in comparison to previous years. However, the majority of the remaining responses were 'neutral' (21%) or 'sometimes collaborative' (21%) with only 2 respondents reporting that AUSTRAC was 'rarely collaborative'. Although the target was not achieved, AUSTRAC collaboration efforts remain high. We will continue to engage and consult with reporting entities on AML/CTF rule and policy amendments.

Further context

- Survey limitations as identified in measure 2.3.
- As part of our annual review of performance measures we assessed this measure as not providing a meaningful contribution to the achievement of AUSTRAC's purpose. We removed this measure from our 2024–28 corporate plan.

16 Refer to the AUSTRAC's agency performance survey 2023–24 section of this report for an explanation of survey methodology.

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

CONTINUOUS IMPROVEMENT AND BUILDING TRUST

Performance measure: 3.5. Percentage of industry associations representing AUSTRAC's reporting entities who believe reporting entities have a MODERATE (or higher) level of trust in AUSTRAC as a result of AUSTRAC's efforts to harden the industry against ML/TF and other crime risks, annually.		Result
Target: 74% or greater	**Source:** AUSTRAC corporate plan 2032–27 page 28; AUSTRAC PBS 2023–24, Program 1.1. page 231	Achieved 86%

Prior results

2022–23: Achieved – 78% (target, 72% or greater)
2021–22: Achieved – 100% (target, 70%)
Not reported prior to 2021–22

Trust is an important component of AUSTRAC's remit as it helps build an engaged, capable and collaborative regulated community. We are committed to undertaking regular and proactive engagement with industry, to improve and make it easier for businesses to comply with their AML/CTF obligations. We also work collaboratively with government agencies, to ensure a consistent approach to regulating the financial, gaming and other sectors. During 2023–24 we built trust and confidence among our reporting entities through:

- engaging with industry stakeholders through meetings, presentations, conferences, panels and events
- launching a 'recently updated guidance' page on our website in direct response to industry feedback[17]
- engaging with reporting entities to develop targeted and informative guidance
- seeking feedback via our external newsletter to support continuous improvement
- identifying opportunities to improve our guidance and consider requirements for additional guidance in preparation for potential AML/CTF reforms.

We achieved the target against this measure with 86% of respondents to our external agency performance survey[18] assessing the level of trust in AUSTRAC as moderate or higher (78% in 2022–23). This result indicates an improvement in stakeholder levels of trust with AUSTRAC in line with our activities in response to industry feedback.

Further context

- Survey limitations as identified in measures 2.3. and 3.4.
- As part of our annual review of performance measures we assessed this measure as not providing a meaningful contribution to the achievement of AUSTRAC's purpose. We removed this measure from our 2024–28 corporate plan.

17 See measure 2.3.

18 Refer to the AUSTRAC's agency performance survey 2023–24 section of this report for an explanation of survey methodology.

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

Performance measure: 3.6. Percentage of externally funded international capability development programs, which realised a capability uplift, annually.		Result
Target: 100% or greater	**Source:** AUSTRAC corporate plan 2023–27 page 29; AUSTRAC PBS 2023–24, Program 1.1. page 231	Achieved 100%
Prior results		
2022–23: Achieved – 100% (target, 100%) **2021–22:** Achieved – 100% (target, establish a baseline) Not reported prior to 2021–22		

This measure assesses the effectiveness of our international development program activities in improving foreign FIUs capability to detect, understand, and disrupt ML/TF and other serious crimes. In 2023–24 there was one program – the Indo-Pacific Economic Framework (IPEF) – that concluded and realised a capability uplift (100% in 2022–23). This program is funded by the Department of Foreign Affairs and Trade.

The IPEF is a regional arrangement designed to build cooperation and economic integration in the Indo-Pacific region. A Financial Intelligence Analyst Course was held in May 2024 with attendees from Vietnam, Fiji, Indonesia, Thailand, Malaysia, the Philippines, India and Australia. Responses to the feedback survey found 100% of FIAC respondents:

- either agreed or strongly agreed that they improved their level of knowledge of the role of FIUs
- reported that they will be able to apply knowledge gained from participating in the sessions.

This measure is limited to international capability development programs that are completed during the financial year. The following ongoing programs were delivered during 2023–24, but were not due for completion in this period and have not been counted towards AUSTRAC's performance against this measure:

- AUSTRAC Pacific Partnership Program – uplift the capability of intelligence analysts within Pacific FIUs and promote greater regional collaboration in identifying and combating ML/TF risks in the South Pacific region.
- Strengthening AML/CTF Responses in the Philippines Program – strengthening the AML/CTF regime of the Philippines and providing support to primary Philippines partner agencies.
- ASEAN Program – enhancing the ASEAN-Australia Strategic Partnership.
- Taipan project – installation of low cost, simple and secure database and analysis platform across 6 Pacific FIUs.
- Mekong-Australia Partnership on Transnational Crime – strengthening the AML/CTF regimes of Mekong countries by uplifting the financial analytic capability of the Mekong FIUs through professional development and regional engagement.

Further context

- Results are dependent on participants completing surveys delivered by AUSTRAC.
- The wording of this measure was simplified from 2022–23 for clarity. However, the rationale, methodology and substance of the measure did not change.

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

Performance measure: 3.7. Percentage of reporting entities who advise our sector-based risk insight products had a MODERATE (or higher) influence on their risk mitigation attitudes or behaviours, per product.		Result
Target: 50% or greater	**Source:** AUSTRAC corporate Plan 2023–27 page 30; AUSTRAC PBS 2023–24, Program 1.1. page 231	Not achieved 0%
Prior results		
2022–23: Achieved – 84% (target, 50% or greater) **2021–22:** Achieved – results ranged from 64% to 100% (target, establish a baseline) Not reported prior to 2021–22		

Sector-based risk insight products are developed to assist reporting entities to identify and disrupt ML/TF risks to Australia's financial system, and report suspected crimes to AUSTRAC.

AUSTRAC's efforts during the reporting period were focused on the development and completion of our national risk assessments (NRAs) on money laundering and terrorism financing.[19] These NRAs provide a strategic overview of the threats and vulnerabilities associated with money laundering, proliferation financing, and terrorism financing in Australia. They are intended to guide law enforcement, regulatory, investigative and policy agencies to combat money laundering and other related crimes.

We did not achieve the target for this measure as no sector-based risk insight products were produced for the purposes of this measure during 2023–24. As such, no surveys were issued to reporting entities on insight products and no feedback received on whether there was an influence on risk mitigation attitudes or behaviours. Historically, our results have been well above the target demonstrating the positive influence on industry of these types of products.

19 austrac.gov.au/business/how-comply-and-report-guidance-and-resources/guidance-resources/risk-assessments

Further context
As part of our annual review of performance measures we have assessed this measure as not providing a meaningful contribution to the achievement of AUSTRAC's purpose. We removed this measure from our 2024–28 corporate plan. The impact of AUSTRAC's strategic analysis products is captured under measure 1.2.

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

Performance measure: 3.8. Number of Fintel Alliance-coded suspicious matter reports (SMRs) received, annually.		Result
Target: 5,564 or greater	**Source:** AUSTRAC corporate plan 2023–27 page 31; AUSTRAC PBS 2023–24, Program 1.1. page 232	Achieved 12,670
Prior results		
2022–23: Achieved – 8,433 (target, 5,455 or greater) Not reported prior to 2022–23		

Fintel Alliance partners work with AUSTRAC, sharing and analysing financial intelligence to investigate and disrupt criminal and terrorist activities. We have an established set of strategic priorities[20] focused on agreed themes, such as crimes targeting vulnerable community members, professional money laundering, and threats to Australia's domestic and international interests.

Information generated from SMRs is important in assisting AUSTRAC to detect and disrupt the flow of illegal funds through Australia's financial system. Fintel Alliance uses codes in SMRs to exchange information regarding entities of interest and proactively report suspicious activity according to specific Fintel Alliance themes and projects.

20 Refer to the Fintel Alliance section of this report for more information on the Fintel Alliance work program.

During 2023–24, AUSTRAC received 12,670 Fintel Alliance-coded SMRs (8,433 in 2022–23). This increased compared to the previous reporting period and significantly exceeded our target (5,564 or greater). Fintel Alliance applied lines of effort focused on crimes affecting our most vulnerable community members and complex financial crime. The projects undertaken by Fintel Alliance during 2023–24 were reflective of these themes and account for a considerable increase in related SMRs. The projects covered:

- text fields being used as a method of criminal communication or abuse
- efforts to mitigate the money laundering risks posed by money mules (including the release of a public financial crime guide).

Fintel Alliance partners continue to report on risks using Fintel Alliance coded SMRs. The 2 topics below are enduring issues and account for a significant amount of Fintel Alliance coded SMRs:

- detecting child exploitation material payments
- scam activity, with the establishment of the National Anti-Scam Centre in 2023–24.

Further context

While there continues to be strong use of the codes by industry, many of these SMRs record codes from previous financial years, in addition to codes that were established during 2023–24. We are working with our partners to ensure that the use of these codes is accurate and appropriately demonstrates the effectiveness of our Fintel Alliance work program.

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

Performance measure: 3.9. Levy collection costs as a percentage of the disbursed industry contribution levy, annually		Result
Target: <0.1%	**Source:** AUSTRAC corporate plan 2023–27 page 32; AUSTRAC PBS 2023–24, Program 1.1. page 232	Not achieved 0.12%
Prior results		
2022–23: Achieved – 0.056% (target, <0.1%) Not reported prior to 2022–23		

AUSTRAC is funded through an industry contribution levy. This an annual payment that some reporting entities must pay to cover AUSTRAC's operating costs, including amortisation and the annual depreciation costs of assets that we use to undertake regulatory and intelligence activities. Under paragraph 9(2)(a) of the *Australian Transaction Reports and Analysis Centre Industry Contribution Act 2011*, the Minister is required to make a ministerial determination to set the industry contribution levy for each financial year.

The direct costs in managing the levy include the direct staff costs and time incurred in:

- update and analysis of the levy calculation model
- ministerial and industry consultation
- issuance and collection of the levy
- management of disputes in relation to the levy.

In 2023–24, levy collections costs were 0.12% of the disbursed industry contribution levy. This was an increase compared to prior years and we did not meet the target against this measure. The increase was due to the increase in levy collection costs during 2023–24 resulting from:

- reviewing the methodology of the calculation to capture direct staff costs for 2023–24 compared to prior years, to more accurately reflect effort involved by staff, as well as all staffing involved
- undertaking a review of the levy consultation paper and associated levy processes
- a significant increase in the number of disputes to be considered when compared to prior years.

Further context

- The wording of this measure was simplified from 2022–23 for clarity. However, the rationale and substance of the measure did not change.
- As part of our annual review of performance measures, we assessed this measure as being more operational in nature, rather than clearly demonstrating AUSTRAC's impact in achieving its overall purpose. As such, it was removed from our 2024–28 corporate plan.

DISRUPT - AUSTRAC collaborates with partners to disrupt criminal exploitation of Australia's financial system.

Performance measure: 4.1. Sum of ATO-recovered revenues and liabilities attributable to AUSTRAC data and AUSTRAC financial intelligence over the preceding 12 month period.		Result
Target: Not practicable to set a target	**Source:** AUSTRAC corporate plan 2023–27 page 34; AUSTRAC PBS 2023–24, Program 1.1. page 232	$830.75 million total liabilities raised; at least $291.8 million revenue recouped

Prior results

2022–23: Achieved – $330 million total liabilities raised; at least $139 million revenue recouped (target, not practicable to set a target)
2021–22: Achieved – $105 million liabilities raised through AUSTRAC data and $473 million liabilities raised by SFCT (total $578 million); at least $79 million revenue recouped (target, not practicable to set a target). Not reported prior to 2021–22

AUSTRAC contributes to the ATO's recovery of revenue and liabilities in 2 ways:

- contributing to the outcomes achieved by the ATO-led SFCT through the provision of financial intelligence.
- providing of high-volume transaction report data via AWB and directly into ATO systems, enabling the ATO to identify undeclared foreign-source income and serious non-compliance.[21]

During 2023–24, the ATO found:

- The SFCT raised approximately $696.9 million in tax liabilities, with approximately $291.8 million recouped by the ATO in 2023–24.
- Excluding AUSTRAC's contribution to the SFCT 1,893 of their cases used AUSTRAC's data, available via AWB, to contribute to $134.15 million of liabilities raised.

21 Refer to measure 4.3. for more information on AWB.

Table 5: Liabilities raised attributable to AUSTRAC data and financial intelligence

Method	Liabilities raised
Contributions to SFCT	$696.9 million
Provision of AUSTRAC data	$134.15 million
Total	**$830.75 million**

Table 6: AUSTRAC data use by the ATO (outside of the SFCT)

Year	No. of cases	Liabilities raised
2023–24	1,893	$134.15 million
2022–23	3,004	$37.2 million
2021–22	2,501	$105 million
2020–21	2,355	$38 million
2019–20	586	$62.9 million

Further context

- We are reliant on data captured and provided by a third party (ATO) for this measure, making it difficult for AUSTRAC to independently validate the reliability and verifiability of the data source and methodology.
- Due to limitations in data made available from the ATO, we cannot ascertain exactly what component of revenue was recouped out of the $830.75 million in liabilities raised, using AUSTRAC's data.
- Taking into consideration the above context and to ensure we meet our legislative obligations of reliability and verifiability, we removed this measure from our 2024–28 corporate plan.

DISRUPT - AUSTRAC collaborates with partners to disrupt criminal exploitation of Australia's financial system.

Performance measure: 4.2. Percentage of stakeholders who rated the impact of AUSTRAC's financial intelligence to their work as having SOMEWHAT OF AN IMPACT (or higher), annually.		Result
Target: 75% or greater	**Source:** AUSTRAC corporate plan 2023–27 page 35; AUSTRAC PBS 2023–24, Program 1.1. page 232	Achieved 88%

Prior results

2022–23: Achieved – 84% (target, 75% or greater)
2021–22: Achieved – 89% (target, 65%)
Not reported prior to 2021–22

AUSTRAC provides actionable intelligence to support our partner agencies in disrupting serious crimes and national security threats and hardening the financial sector.

We achieved the target against this measure with 88% of respondents to our external agency performance survey[22] rating the impact of financial intelligence on their work as having somewhat of an impact or higher (84% in 2022–23). Results against this measure has consistently met the target over the previous reporting periods highlighting the strong impact of our intelligence for our partners.

Overall, respondents to the survey rated highly the quality of data provided by AUSTRAC and timeliness in response to queries. Feedback from respondents noted that products provide actionable intelligence with outcomes generated[23] from the use of AUSTRAC's intelligence products including:

- providing new information (83%)
- opening new lines of investigation (48%)
- aiding disruption activities (34%).

22 Refer to the AUSTRAC's agency performance survey 2023–24 section of this report for an explanation of our survey methodology.

23 Respondents were able to choose more than one outcome generated.

Further context
Survey limitations as identified in measure 2.4.

DISRUPT - AUSTRAC collaborates with partners to disrupt criminal exploitation of Australia's financial system.

Performance measure: 4.3. Percentage of AWB users who rated the impact of AUSTRAC's data available via AWB on their work as SOMEWHAT OF AN IMPACT (or higher), annually.		Result
Target: 60% or greater	**Source:** AUSTRAC corporate plan 2023–27 page 36; AUSTRAC PBS 2023–24, Program 1.1. page 232	Achieved 94%

Prior results
2022–23: Achieved – 92.7% (target, 60% or greater) Not reported prior to 2022–23

AWB is a suite of tools used by AUSTRAC to deliver near real-time analytics and actionable intelligence for designated partner agencies to inform their work. It gives users access to AUSTRAC's data holdings to assist in enquiries and investigations, improves our collective understanding of ML/TF risks and enables disruption of criminal exploitation of the financial system.

At 30 June 2024, AWB supported 5,331 active external users across 41 partner agencies (5,171 users across 39 partner agencies in 2022–23). The AUSTRAC CEO may authorise specified officials of a Commonwealth, state or territory agency to access AUSTRAC information via AWB. Access arrangements are set out in a memorandum of understanding (MOU) between AUSTRAC and each partner agency that specifies the legal, security and handling requirements of AUSTRAC information.

During 2023–24 partner agency users' accessed AUSTRAC data via AWB 10,343,108 times (10,043,569 times in 2022–23). 'Accessed' is defined as a single search event in AWB, inclusive of filtering instances. The partner agencies with the highest AWB use based on number of query events were the Department of Home Affairs, Australian Federal Police and ATO. During the reporting period a new training module was released to partner agencies. Other online training and in-person training was also provided to AWB users to improve their understanding of AUSTRAC and AWB.

We conducted a survey of AWB users to assess the impact of AWB data on their work. We received 84 responses, of which 94% rated the impact of our data as having somewhat of an impact (or higher), based on a 7-point scale.[24] This result continues to greatly exceed our target and is an improvement of our 2022–23 results, indicative of the high value data, tools and training made available to AUSTRAC partners. Responses to our external agency performance survey affirmed this with individual feedback noting that AWB is well maintained and training provided enables them to gather information for their intelligence needs.

Further context
As part of our annual review of performance measures, we have adjusted the wording of this measure[25] for 2024–25 to more accurately reflect the users from whom AUSTRAC seeks feedback i.e. our partner agencies. This will not change the way we will assess or report on this measure. This has been reflected in our 2024–28 corporate plan.

AUSTRAC'S AGENCY PERFORMANCE SURVEY 2023–24

This was the third year that AUSTRAC conducted an external agency performance survey to assess performance against several performance measures and key activities in our 2023–27 corporate plan. Five measures were assessed using this survey – 2.3., 3.4., 3.5., 2.4. and 4.2.[26]

We procured an independent provider (JWS Research) to conduct our 2023–24 survey and analyse the data.[27] The survey gauged the perceived performance and value of AUSTRAC through the eyes of our key stakeholders. The structure and survey questions remained similar to those in previous years with all questions using a 7-point scale (see Table 7). The results of each measure assessed were determined based on a single question in the survey specific to the respective measure.

24 1=No impact, 2=Low impact, 3=Slight impact, 4=Neutral, 5=Somewhat of an impact, 6=Significant impact, 7=Extreme impact.

25 In 2024–25 this measure has been adjusted to 'Percentage of partner agency AWB users who rate the impact of AUSTRAC's data available via AWB on their work as having SOMEWHAT OF AN IMPACT (or higher), annually'.

26 Measures 2.5. and 4.3. were re-numbered to 2.4. and 4.2. in 2023–24 due to the removal of some measures from our 2023–27 corporate plan.

27 This is the same provider used for our 2021–22 and 2022–23 surveys.

Table 7: Response rating scales and survey questions for 2023–27 corporate plan measures

Measure	No. of cases	Liabilities raised
2.3.	How would you rate the usefulness of AUSTRAC's guidance materials?	1=Not at all useful; 2=Low usefulness; 3= Slight usefulness; 4=Neutral; 5=Moderately useful; 6=Very useful; 7=Extremely useful
2.4.	What impact does the use of AUSTRAC's intelligence products have on your understanding of vulnerabilities in the financial system?	1=No impact; 2=Low impact; 3=Slight impact; 4=Neutral; 5=Moderate impact; 6=Significant impact; 7=Extreme impact
3.4.	How would you rate the level of collaboration from AUSTRAC in the development of AML/CTF rules and policy settings?	1=Never collaborative; 2=Rarely collaborative; 3=Occasionally collaborative; 4=Neutral; 5=Sometimes collaborative; 6=Usually collaborative; 7=Always collaborative
3.5.	What level of trust do you believe reporting entities have in AUSTRAC as a result of AUSTRAC's efforts to harden the industry against ML, TF and other crime risks?	1=No trust; 2=Low trust; 3= Slight trust; 4=Neutral; 5=Moderate trust; 6=Significant trust; 7=High trust
4.2.	What impact did AUSTRAC's data and financial intelligence have on your work?	1=No impact; 2=Low impact; 3=Slight impact; 4=Neutral; 5= Somewhat of an impact; 6=Significant impact; 7=Extreme impact

Two surveys were conducted assessing performance against separate aspects of AUSTRAC's operations with respondents anonymised.

INDUSTRY ASSOCIATION SURVEY

For measures 2.3, 3.4 and 3.5, AUSTRAC surveyed 51 industry association stakeholders, from 45 industry associations representing AUSTRAC's reporting entities, with multiple contacts identified at some associations. Participants were emailed a unique, secure survey link to access the survey online. Overall, 14 responses were received. Survey fieldwork commenced on 3 June and closed on 16 June 2024.

Table 8: Industry association survey results across the past 3 reporting periods

Period	Responses	Measure 2.3.	Measure 3.4.	Measure 3.5.
2021–22	8	100% (target, 70%)	75% (target, 70%)	100% (target, 70%)
2022–23	9	67% (target, 72% or greater)	67% (target, 72% or greater)	78% (target 72% or greater)
2023–24	14	71% (target, 74% or greater)	43% (target, 74% or greater)	86% (target, 74% or greater)

INTELLIGENCE PARTNER SURVEY

For measures 2.4. and 4.2., survey participants consisted of recipients of AUSTRAC's intelligence products from our:

- domestic partners – Australian federal government departments or agencies, Australian law enforcement agencies, Australian state or territory departments or agencies and Fintel Alliance members.
- international partners – foreign FIUs with whom we have MOU for sharing intelligence.

JWS Research disseminated the survey to domestic partners whilst our international partners were provided the survey through our secure international information exchange platform or deployed staff. Survey fieldwork commenced on 3 June 2024 and closed on 18 June 2024. We surveyed 69 partners, consisting of 37 domestic and 32 international partners. 71 stakeholder participants (from 32 partners) completed the survey, consisting of 48 domestic and 23 international respondents.

Data was de-identified and responses were weighted as per our survey methodology, where multiple responses from one partner holds the same weight as a single respondent from another partner. As we are unable to define how many stakeholders the survey was disseminated to, we are unable to define response rates for this survey.

Table 9: Intelligence partner survey results across the past 3 reporting periods

Period	Surveyed	Responses	Measure 2.4.	Measure 4.2.
2021–22	72 – 30 domestic, 42 international	56 – 28 domestic, 28 international	80% (target, establish a baseline)	89% (target, 65%)
2022–23	80 – 39 domestic, 41 international	57 (from 29 partners) – 20 domestic, 37 international	71% (target, 70-85%)	84% (target, 75% or greater)
2023–24	69 – 37 domestic, 32 international	71 (from 32 partners) – 48 domestic, 23 international	82% (target, 70-85%)	88% (target, 75% or greater)

72

FINTEL
ALLIANCE

ABOUT FINTEL ALLIANCE

Fintel Alliance is an AUSTRAC-led initiative established in 2017 to increase the resilience of the financial sector to criminal exploitation and support law enforcement investigations into serious crime and national security matters.

A world-leading public-private partnership, Fintel Alliance brings together experts from organisations involved in the fight against money laundering, terrorism financing and other serious crime.

Disrupting and preventing crime using financial intelligence works best when the right people with the right skills collaborate. Fintel Alliance's operating model is built on the core principles of shared governance, strategy and capability development through sharing knowledge, insights and experience.

The Fintel Alliance model sees AUSTRAC, as Australia's financial intelligence unit (FIU), working in close partnership with key Australian government agencies and leading financial institutions. The multilateral and collaborative approach ensures Fintel Alliance generates unique intelligence insights from a multi-sector view of Australia's financial systems and criminal threat landscape. These insights support financial service providers and the broader community to identify, report and disrupt financial crime threats

THE WORK

The public-private partnership has grown substantially since its inception. Fintel Alliance leverages its resources and expertise to address risks across the financial sector and deliver on government intelligence priorities.

Fintel Alliance's work includes developing AUSTRAC's financial crime guides and leveraging working groups to share approaches to fighting crimes.

Information sharing is at the heart of Fintel Alliance, facilitated through staff secondments and partner co-location. Together, Fintel Alliance generates a greater understanding of financial crime methods, identifies and targets suspected offenders, and shares learnings to harden the financial environment.

YEAR IN REVIEW

This financial year saw Fintel Alliance maintain a high operational pace, while simultaneously uplifting our collective capabilities and transforming the operational strategies to align to new financial crime threats. Key activities included:

- refreshing our strategic priorities
- launching an information-sharing platform to enable secure and classified information sharing in real time
- undertaking a proof of concept to enable data exchange across a shared platform to generate threat insights and target development
- continuing a range of working groups with key partners
- generating threat alerts to combat threat actors early
- expanding our international outreach
- commencing a review of our Member Protocol to enhance information sharing.

These efforts have been calibrated to enhance our operational effectiveness and explore new processes.

South Australia Police was welcomed to Fintel Alliance, joining as a full member during the financial year, further strengthening our membership among state law enforcement partners.

FINTEL ALLIANCE CONTINUES ITS EVOLUTION

NEW STRATEGIC PRIORITIES ENDORSED

Financial crime enterprises are complex, involving globally dispersed, multi-layered networks. Serious organised crime groups are adaptable, employing professional facilitators and outsourcing money laundering to manage their risk. They exploit established channels such as cash and real estate, as well as new opportunities arising from emerging payment platforms and advances in financial technology.

This complex, challenging threat environment requires a collective response. Fintel Alliance must continue to lead collaboration on financial crime priorities. This includes complementing the work of other government initiatives, avoiding duplication of effort and fostering its relationship with key partner agencies, while extending its reach to non-traditional partners.

To best place itself to address emerging and persistent financial crime risks, Fintel Alliance will focus on 6 priority streams of work:

- development of a collaborative data-analytics hub
- detect, deter and prevent enduring and persistent financial crime threats
- detect and prevent exploitation of emerging technologies and fintech capabilities
- identify criminal activity in high-risk sectors and jurisdictions
- protect the community from emerging and complex crimes
- national security threats.

INFORMATION SHARING PLATFORM

Fintel Alliance harnesses the efforts of partners for complex, multilateral projects focused on high-risk, serious financial crime activity. With information sharing at the heart of Fintel Alliance, a dedicated and secure information-sharing platform was successfully developed for the public-private partnership and launched in early 2024. The majority of members are now onboarded and work more effectively across government and industry in a virtual environment, up to the Protected classification level. This complements members' already strong physical presence in the Fintel Alliance Operations Hubs in Sydney and Melbourne.

The platform enables instant communications, secure information sharing, an intelligence document repository, and the ability to collaborate on joint intelligence products in real time. The platform allows members to upload information and insights that are readily accessible. This enables a capability uplift of participating members, through sharing the latest trends in financial crime and ensuring a contemporary understanding of the landscape.

Further demonstrating the platform's utility in members working collaboratively, it is being used to prepare and seek feedback on a project plan for our next efforts to protect the community.

COLLABORATIVE ANALYTICS HUB

The Collaborative Analytics Hub is a Fintel Alliance data analytics initiative designed to speed up analysis of financial data, to both strengthen industry controls and provide law enforcement referrals.

In a 2023 proof of concept, participating financial institutions shared transactional data with AUSTRAC to identify common trends, patterns and undetected risks. AUSTRAC and the Australian Financial Crimes Exchange entered into an information-sharing agreement to analyse the combined data set obtained under notice from the participating financial institutions.

The proof of concept successfully demonstrated the benefits of collaboration, combining data sets and advanced analytics. While the proof of concept was successful in enabling faster identification of hot spots and geographic anomalies, further phases are planned to ensure it can be optimised and applied across different typologies.

Through this work, Fintel Alliance will look to harness the combined data of participating members to identify patterns and trends, inform target selection and methodology identification and develop a stronger understanding of the money laundering landscape in Australia.

MEMBER PROTOCOL UNDER REVISION

Fintel Alliance commenced a refresh of its operating model and protocol to better position it for the future. One of Fintel Alliance's primary objectives is developing an operating environment for exchanging real-time intelligence and sharing business delivery of:

- shared information, skills, resources and capabilities
- joint review and analysis of shared information, and production of financial intelligence
- exploring new approaches to discover and disrupt financial crime
- collaboration based on operational and strategic priorities.

The updated Member Protocol will also better accommodate different levels of engagement among participants. A **strategic** level will be offered to members who commit to strong participation in our governance and oversight structures, and project involvement. An **operational** level will be offered for members who are keen to engage in working group projects and regular meetings where their interests align. An **intelligence** level exists for members who wish to receive information and opt in to certain pieces of work on ad hoc basis, while still supporting the public-private partnership objectives.

OPERATIONAL HIGHLIGHTS

Throughout 2023–24 Fintel Alliance's principal themes of operation were:

- responding to the most complex money laundering typologies, through innovative approaches to data collection and information sharing
- exploitation of government revenues – protecting Australia's tax system and other government programs from abuse
- crimes affecting our most vulnerable community members – protecting children, the elderly and people with disability
- networked and complex financial crime – disrupting organised criminal enterprises that seek to exploit multiple businesses and industries
- nationally significant task forces and campaigns – supporting national operations, including targeting Australia's most wanted criminals, illicit drugs, transnational and serious organised crime, illegal firearms and support to other national efforts
- responding to regional and community harms – helping to address localised crime, regional programs and collaborate with regional partners.

SEVEN SYNDICATE MEMBERS CHARGED FOR ALLEGEDLY LAUNDERING ALMOST $229 MILLION

Through closely working with private industry partners, Fintel Alliance demonstrated the effectiveness of the public-private partnerships against the complex threat of transnational organised crime in Australia.

Seven members of an alleged money laundering syndicate operating a prominent, multi-billion-dollar registered remittance business in Australia, were charged under the most complex Australian Federal Police (AFP) led money laundering investigation in the nation's history. Under AFP-led Operation Avarus-Nightwolf, the money laundering syndicate is accused of laundering at least $229 million of proceeds of crime in the past 3 years, with the AFP-led Criminal Assets Confiscation Taskforce obtaining restraining orders over a significant value of assets in connection with the alleged offending.

In addition to dedicated AUSTRAC analytic effort to the AFP-led Money Laundering Taskforce, collaborative financial analysis was provided by Fintel Alliance and private industry partners. This resulted in the syndicate's financial structures being fully identified and comprehensively dismantled, highlighting the important role played in combating complex transnational organised crime.

Continuing its strong support of the operation, following charges laid by the AFP, AUSTRAC exercised our regulatory powers to suspend the registrations of 6 remittance and one digital currency exchange businesses associated with the charged individuals. This prevents the ability for these businesses to continue operating.

ENVIRONMENTAL CRIME AND MONEY LAUNDERING

As part of its commitment to combating environmental crime, Fintel Alliance harnessed its ability to combine valuable financial intelligence in response to a request for assistance from a government partner, identifying numerous anomalies in financial activity.

In addition to the partner using this information to progress its investigation, Fintel Alliance determined the intelligence to be of value to a number of member agencies, and proactively shared with the Australian Border Force (ABF). Identifying trade-based money laundering concerns prompted a border 'stop and search' at Melbourne's International Airport, where the following undeclared items were found:

- $590,000 worth of luxury goods
- $15,000 cash.

As a direct result of Fintel Alliance's proactive sharing of financial intelligence to its partners, the traveller was ordered to pay $94,000 in GST, customs duties and administrative penalties to have the goods released.

Apprehension of fugitives

Fintel Alliance partnered with the AFP to apprehend 9 of Australia's most wanted fugitives, through the sharing and analysis of financial intelligence. Fugitives in Australia and overseas, the subject of arrest warrants for crimes including murder, manslaughter, child exploitation, drug trafficking, money laundering and serious fraud, were arrested.

The collective resources of partners were harnessed to operationalise financial intelligence to locate, target and arrest offenders. Two of these fugitives were arrested as part of National Child Protection Week. The APF was appreciative of Fintel Alliance expertise, which directly assisted with formulating arrest strategies.

Supporting the National Disability Insurance Scheme

The National Disability Insurance Scheme (NDIS) provides eligible Australians, who have a permanent or significant disability, with funding to assist them in their daily life. Administered by the National Disability Insurance Agency (NDIA), the scheme can be subject to abuse by criminals.

As a proactive measure to aid the prevention and detection of fraud against government payment programs, in 2020 Fintel Alliance, in collaboration with the NDIA, published a financial crime guide to help the financial services sector to identify, monitor and report suspected misuse against the NDIS. The financial crime guide and the awareness it raised in the financial services sector has seen an enduring body of reporting develop, which Fintel Alliance continues to share with the NDIA.

As a result of education provided to the financial industry, during 2023–24 suspicious matter reports (SMRs) that identified suspected NDIS fraud were proactively referred to the NDIA for further investigation. These referrals prevented the misuse of funds intended to improve outcomes for those who need it most. Financial intelligence was used by the NDIA to investigate funds that were:

- fraudulently sent offshore
- laundered through the Australian financial system
- spent on gambling activity
- used to illegally purchase assets such as property and vehicles
- connected to criminal networks.

This financial intelligence has proven critical to detect and disrupt criminals who attempt to defraud the NDIS. This safeguards government payment program funds and helps to ensure vital financial support reaches Australians living with a disability.

RMIT University/ABF trade-based money laundering education program

Following the publication of its 2022 financial crime guide *Preventing trade-based money laundering in Australia*, Fintel Alliance collaborated with RMIT University and the ABF to help promote anti-money laundering and counter-terrorism financing efforts to Association of Southeast Asian Nations (ASEAN) partners. A trade-based money laundering seminar was produced as part of the 'Advancing ASEAN Customs Enforcement program' to help emerging ABF leaders understand and address money laundering and transnational crime in their region. This included highlighting the benefits of engaging with the financial services sector. Collaborative international efforts showcase the role we all play in achieving AUSTRAC's mission to fight financial crime together.

THREAT ALERTS

Fintel Alliance threat alerts are developed in response to contemporary or emerging financial crime threats, identified by government agencies and industry partners working collaboratively in Fintel Alliance. Threat alerts support government agencies to understand how criminals are targeting businesses and the community, and assist the financial sector to identify and report suspicious activity and enhance their internal controls.

Virtual kidnapping

In 2023 law enforcement agencies reported virtual kidnapping scams were increasingly impacting Chinese-speaking university students across Australia. Virtual kidnappings involve scammers often impersonating a Chinese military or government official, convincing victims they have been implicated in a crime, then demanding large payments from victims under the threat of being deported or arrested. When the victim can't pay the sum of money, they are forced to fake their own kidnapping, enabling the scammers to demand a ransom from the victim's family for their safe return. This can be extremely traumatic for the victims, and some students have been scammed out of nearly $500,000.

Collaboration between Fintel Alliance, state policing agencies, industry and universities increased to prevent students falling victim to further virtual kidnapping scams. AUSTRAC analysis assisted with the development of financial indicators and identifying methodologies used by the scammers. This intelligence was developed into a threat alert and shared with government, law enforcement and financial organisations, to aid in the detection and disruption of virtual kidnappings.

AUSTRAC informed the New South Wales Police Force of a number of potential victims. This led to police welfare checks and intervention to prevent further funds being sent to the scammers. The alert was also shared with AUSTRAC's counterparts in China and Hong Kong, to assist with the education of and support to overseas students travelling to Australia.

Money mules exploiting digital currency exchanges

The Fintel Alliance Virtual Asset working group collaborated to understand an observed increase in money mules targeting and exploiting digital currency exchange providers to move illicit funds. The working group developed a threat alert to highlight this risk and map an identified emerging methodology, and shared associated financial crime indicators with Fintel Alliance members. In support of Fintel Alliance's strategic priority to detect and prevent exploitation of emerging technologies and financial channels by criminal groups, this alert was shared with digital currency exchange providers registered in Australia. Sharing the threat alert raises awareness and encourages the hardening of controls to prevent businesses from becoming targets of criminal abuse.

Funding illicit drug importations with personal loan fraud

Following law enforcement observations of an increase in multiple, large commercial drug importations enabled by the use of identity takeover, Fintel Alliance collaborated with the AFP and developed a threat alert. Investigations and analysis revealed that often these importations were funded via personal loan application fraud, with fraudulent loan application data frequently being a common factor linking multiple importations.

The alert documented identity takeover victim commonalities, the loan fraud process, resulting money movements and financial indicators. Acknowledging the potential value of the alert to a wider audience in addition to Fintel Alliance partners, the alert was shared with financial services providers including digital currency exchange providers, and internationally via the J5 Global Financial institutions Partnership.[28]

28 The Global Financial Institutions Partnership serves as an international public-private partnership to leverage the combined capabilities and resources of the public and private sectors, to support the J5 Joint Chiefs of Global Tax Enforcement mission.

Financial crime guides

Fintel Alliance released a new financial crime guide to enable businesses to identify and report suspicious activity related to criminal networks targeting vulnerable international students and temporary residents as money mules. The guide was developed in partnership with the AFP and ABF.

A money mule is the go-between for criminals who have obtained funds illegally. Criminal networks often exploit vulnerable members of the community to move the proceeds of crime and launder illicit funds on their behalf. This is to create distance between themselves and the crime, and help avoid detection by law enforcement.

Criminal networks are known to target international students and other temporary residents as money mules, offering them a way to make money while living in Australia. Some money mules are unaware this activity is illegal, often believing their facilitation of funds transfers is legitimate employment.

The financial crime guide also provides indicators and behavioural methodologies for our partner agencies and financial service providers, to help target and disrupt financial transactions associated with money mule activity.

Micro-laundering of illegal online gambling proceeds and recruitment of money mules from the South-East Asian community in Australia

Through strong collaboration among Fintel Alliance partners, an emerging money laundering methodology was identified. The methodology sees money mules recruited to create and use broad networks of accounts with various financial service providers, before being used to funnel and launder illegal online gambling proceeds.

Drawing on the combined insights provided by Fintel Alliance partners, 2 alerts were developed, mapping these newly identified emerging crime threats. The alerts were shared with domestic banks, digital currency exchange providers and remitters, to support the identification of these networks and the associated methodology. Through sharing these threat alerts, Fintel Alliance supported industry partners in their detection and reporting of micro-laundering, and increased their resilience to criminal exploitation.

WORKING GROUPS

Virtual Assets Working Group

The Fintel Alliance Virtual Assets Working Group brings together experts from digital currency exchange providers, law enforcement and government agencies, in the fight against money laundering and terrorism financing (ML/TF) and other serious crime. Since its establishment in 2022, the Virtual Assets Working Group has delivered:

- capability and tradecraft uplift for partners, focused on understanding and responding to financial crime through virtual assets
- increases in the quantity and quality of reporting related to suspicious activity involving virtual assets
- identification of new and emerging financial crime risks impacting digital currency exchange providers and the wider Australian community.

The working group involves two-way information sharing between industry and government, including new and emerging trends, methodologies and risks relating to financial crime. In 2023–24 the working group continued to focus on:

- disrupting ML/TF sanctions evasion enabled by cryptocurrency
- awareness and prevention of cryptocurrency-related scams
- combating child exploitation where virtual assets are part of the typology.

Insights and learnings developed and captured by the working group were shared internationally, to support public and private partners improve capability in the virtual asset space.

National Security Working Group

The Fintel Alliance National Security Working Group is a trusted partnership between government, law enforcement and private industry that leverages financial intelligence, forensic accounting, criminal investigative skills and national security knowledge. The working group focuses on identifying terrorism financing and national security risks, and developing protocols to support the Joint Threat Financing Group in crisis situations.

Areas of focus for 2023–24 included:

- implementing national security crisis coordination processes related to financial intelligence to ensure a unified, coordinated approach to terrorism situations and investigations
- developing a set of financial indicators and data analysis tools to identify national security risks across the threat spectrum
- support for discrete operations.

In 2023 AUSTRAC established an operational response to the unfolding Israel/Gaza conflict. Known as Operation Salem, Fintel Alliance partners were provided with guidance on how industry monitoring and reporting could assist.

This included identification of:

- direct funds transfers to conflict regions where there is a concern of terrorism financing, including crowd funding and diversion of donations to charities
- planned travel of individuals to take part in the conflict
- sanctions monitoring for transactions related to Hamas, Hezbollah and Islamic Revolutionary Guard Corps
- domestic financial activity that indicates a rise in religiously, racially or ideologically motivated violent extremism activity in response to the conflict.

Casino Working Group

Despite industry reforms and sustained regulatory and law enforcement efforts, casinos continue to be exploited for money laundering. The Fintel Alliance Casino Working Group brings together financial crime leads from law enforcement, government, AUSTRAC and representatives from all Australian casinos, to build a strong community of best practice. It has provided a forum for members to share information and views on new and emerging money laundering trends in the casino sector and explore measures to strengthen controls across the industry.

Five Eyes public-private partnership round table

The Fintel Alliance-led public-private round table between Five Eyes FIUs continued this financial year, focused on:

- sharing learnings on disrupting terrorism financing and professional money laundering
- understanding how financial systems are misused to cause harm to vulnerable individuals
- enhancing public-private data sharing between industry and government
- opportunities for collaboration on operational priorities between Five Eyes public-private partnerships
- combating the rise of illicit use of fentanyl and synthetic opioids.

The quarterly round table resulted in sharing insights gained into current financial crime trends, increased understanding of new and emerging financial crime risks, and strengthening relationships regionally. Next year will see the round table expand on opportunities to collaborate operationally across borders, to fight criminal abuse of financial systems globally.

PROJECT CLOSURES

Performance analysis of Fintel Alliance projects and working groups are a critical deliverable for transitioning out of Fintel Alliance and into business-as-usual activities. This year, 2 projects and a working group were transitioned out of Fintel Alliance operations, in recognition of the considerable progress made on these risks due to a dedicated Fintel Alliance focus.

Illegal wildlife trafficking project

In November 2019 Fintel Alliance and the Department of Climate Change, Energy, the Environment and Water (DCCEEW) initiated a collaborative project that lasted for 3 years, focusing on the illegal wildlife trade in Australia.

The project supported investigations into wildlife trafficking and provided the financial sector with a better understanding of how to monitor, detect and help disrupt this illicit activity. The project resulted in: a 1,000% increase in related suspicious matter reporting; a public financial crime guide; and recognition internationally with the INTERPOL Partnerships in Conservation Award in 2021.

The project also resulted in public-private collaboration expanding to include additional environmental crime types, such as illegal movement and management of regulated waste. DCCEEW now has an expanded relationship with key government agencies and the financial sector, providing a broader network to combat illegal wildlife trade in Australia, and recently obtained direct access to AUSTRAC data.

Approved government partners have access to a suite of tools used by AUSTRAC to deliver near real-time analytics and actionable intelligence to inform their work. It gives users access to AUSTRAC's data holdings to assist in enquiries and investigations, improves our collective understanding of ML/TF risks, and enables disruption of criminal exploitation of the financial system. AUSTRAC provides in-person and online training and guidance materials to increase user understanding of AUSTRAC information and how to best access it.

AUSTRAC continues to support international partners combating this crime type. Under the umbrella of the Financial Transactions and Reports Analysis Centre of Canada's (FINTRAC) public-private partnership Project Anton, Fintel Alliance contributed to a toolkit developed in conjunction with participating FIUs. The toolkit contains established money laundering indicators, keywords and open-source references relevant to illegal wildlife trade financing. It aims to improve detection and analysis capabilities and further support government and industry partners combating this risk.

Tax Crime and Evasion Working Group

The Tax Crime and Evasion Working Group operated throughout 2020 to 2023. It brought together Fintel Alliance partners to improve capability and information sharing across industry and government, regarding tax crime and evasion. Industry partners Westpac, National Australia Bank and ANZ co-led the group with AUSTRAC and the Australian Taxation Office (ATO), supported by Fintel Alliance members.

The group's work strengthened industry contribution to goals, and successfully reflected the spirit of the public-private partnership model. The working group fostered the cultivation of domestic and international partnerships, establishing a stronger collaborative response to tax crime and evasion.

The working group's operation resulted in:

- 11 formal disseminations to assist in the identification and disruption of tax crime or evasion risks
- 26 targeted information sessions held regarding tax crime or evasion risk
- outcomes for government and law enforcement involving COVID-19 stimulus measure fraud, pay-as-you-go withholding fraud, offshore tax evasion, and goods and services tax refund fraud
- 9,700 SMRs submitted referencing Fintel Alliance tax crime and evasion reference codes.

The working group's closure saw operational work transition within AUSTRAC, to provide support to the ATO-led Serious Financial Crime Taskforce. This shift was made possible by the relationships developed between industry and government participants, and the capability built via the operation of the working group.

Fintel Alliance is also establishing a dedicated tax crime typology library in its secure information-sharing platform, to enable ongoing information sharing and help build and maintain an enduring tax crime capability among Fintel Alliance partners.

Payment reference project

The payment reference project operated from 2020 to 2023, focusing on domestic payment text fields enabling criminal communication. It resulted in greater awareness of financial transactions as a communication medium vulnerable to criminal exploitation. Payment text fields were found to enable a diverse range of technology-facilitated abuse including threats, extortion, criminal communication, threats of self-harm and circumvention of protection orders.

Key achievements of the project include:

- increased public awareness and community protection around payment abuse, including the publication of a financial crime guide
- 12 offenders arrested, including high-risk domestic violence perpetrators for breaches of protection orders
- police and industry interventions to assist vulnerable members of the community with mental health disorders, or whose safety was compromised
- an increase in the quality and quantity of SMRs submitted to AUSTRAC detailing suspected technology-facilitated abuse
- 382 AUSTRAC intelligence referrals to law enforcement
- identification of additional crime types including child exploitation, drug trafficking and identity fraud
- financial institutions implementing controls to block or restrict abusive and offensive messaging.

To combat the misuse of payment text fields, financial institutions:

- initiated safety reporting options for customers being victimised
- blocked payments containing explicit or threatening language
- employed machine-learning models and algorithms to detect offending.

Each year the Australian Public Service Commission shares insights into the diversity of work undertaken by the Australian Public Service, and the range of ways agencies and their employees serve the community. In 2023 the payment reference project featured in the State of the Service 2022–23 report, showcasing how the AUSTRAC-led Fintel Alliance collaborates across sectors to deliver on objectives.

Upon closure of the project, this work transitioned to AUSTRAC's business-as-usual functions, with law enforcement partners directly accessing and retrieving AUSTRAC holdings relating to this risk.

PARTNERS

- Attorney-General's Department
- AUSTRAC
- Australia and New Zealand Banking Group Limited
- Australian Border Force
- Australian Competition and Consumer Commission
- Australian Criminal Intelligence Commission
- Australian Federal Police
- Australian Financial Crimes Exchange Ltd
- Australian Government Treasury
- Australian Securities and Investments Commission
- Australian Taxation Office
- Bendigo and Adelaide Bank Ltd
- Commonwealth Bank of Australia
- Deakin University
- HSBC Bank Australia Limited
- Macquarie Bank Limited
- MoneyGram Payment Systems Inc.
- National Australia Bank Limited
- National Crime Agency (UK)
- New South Wales Crime Commission
- New South Wales Police Force
- New Zealand Police Financial Intelligence Unit
- PayPal Australia Pty Limited
- Queensland Police Service
- Services Australia
- South Australia Police
- Tabcorp Ltd
- Western Australia Police Force
- Western Union Financial Services (Australia) Pty Ltd
- Westpac Banking Corporation

90

MANAGEMENT AND ACCOUNTABILITY

CORPORATE GOVERNANCE

AUSTRAC's governance framework

Good governance is key to ensuring that all parts of the agency operate together optimally, through leadership, accountability, investment and performance. AUSTRAC's governance framework sets out the structures and processes that ensure well-informed, robust and transparent decision making occurs, to deliver on the agency's purpose.

We review our governance framework annually to ensure it remains fit-for-purpose and supports agency decision making. In 2023–24 we continued to undertake periodic reviews of committee standard operating procedures and templates, and improve secretariat functions to ensure the committees continued to support decision making and advice in the agency in the most efficient and effective way possible.

GOVERNANCE COMMITTEE

The Governance Committee is AUSTRAC's principal decision-making committee and is responsible for the strategic operations of the agency. It is chaired by the AUSTRAC CEO and comprises all Deputy CEOs (DCEOs). AUSTRAC's Chief of Staff and authors of papers attend as observers. National managers attend as required, to provide briefings and advice.

The Governance Committee supports agency governance by making decisions and providing advice and oversight for agency-wide issues related to the effective management and performance of AUSTRAC. It also serves as an escalation point for subcommittees and working groups, including the following.

- Capability Sub-Committee and the Reporting Entity System Transformation Program Board – support effective program governance by overseeing AUSTRAC's capability enhancement programs, including new and enhanced organisational capabilities and transformation programs.
- Finance and Resourcing Sub-Committee – provides advice and assurance on resource allocation for operational and capital activities, to promote long-term financial sustainability consistent with AUSTRAC's priorities, risks and legislative obligations.
- Data Sub-Committee – provides advice and oversight on all AUSTRAC data assets across the lifecycle of the data. This includes AUSTRAC's main transaction data assets, operational and supplementary data, and corporate data.

AUDIT AND RISK COMMITTEE

The AUSTRAC Audit and Risk Committee (ARC) provides independent advice to the CEO on the appropriateness of agency financial reporting, performance reporting, systems of risk oversight and management, and systems of internal controls. Its functions are summarised in the ARC Charter, which is endorsed by the CEO annually. The ARC Charter is on the AUSTRAC website.[29]

In 2023–24 the committee comprised 4 external members to 31 December 2023, and 3 external members to 30 June 2024, including the Committee Chair.

Table 10: Audit and Risk Committee members for 2023–24

Member name	Qualifications/knowledge/skills/experience	Number of meetings attended/ total number of meetings	Total annual remuneration
Mr Lee Walton (Committee Chair 1 January 2024–present)	• Over 35 years experience as a Chartered Engineer, including 15 years as a senior executive in the Australian Public Service (APS) in national security and law enforcement, primarily in Chief Information Officer and Chief Operating Officer positions. • Extensive governance experience in the government and not-for-profit sectors, including financial and performance reporting, information and communications technology (ICT) and cybersecurity, program and project delivery, and risk management. • Independent member of several government audit and risk committees. Experience as the board chair of a not-for-profit organisation. • Graduate of the Australian Institute of Company Directors and Member of the Institute of Engineering and Technology.	5/5	$29,213

29 austrac.gov.au/about-us/corporate-information-and-governance/reports-and-accountability/austrac-audit-and-risk-committee-charter.

Member name e	Qualifications/knowledge/skills/experience	Number of meetings attended/ total number of meetings	Total annual remuneration
Mr Geoff Knuckey (former Committee Chair 1 July–31 December 2023)	• 32-year career with Ernst & Young, specialising in audit and assurance services in both the public and private sectors across a range of industries. • Full-time company director and audit committee member since 2009, serving on boards for multiple private sector entities. • Extensive experience as an Audit Committee member and chair. Currently serving on audit committees for numerous government entities. • Bachelor of Economics (Australian National University –ANU), Fellowship of Chartered Accountants, a Graduate member of the Australian Institute of Company Directors, and a Registered Company Auditor.	5/5	$15,764

Member name e	Qualifications/knowledge/skills/experience	Number of meetings attended/ total number of meetings	Total annual remuneration
Ms Janine McMinn	• Independent director and executive adviser with over 34 years experience in internal audit and IT. • Member of 4 audit and risk committees. • Former Partner for Oakton's ICT Assurance and Security business, advising many organisations in the management of risk and cybersecurity. • Experience conducting assurance and cybersecurity reviews in public and private organisations. • Bachelor of Arts in Computing and Statistics (ANU), a Fellow of the Australian Institute of Company Directors, Certified Information Systems Auditor and Certified Information Security Manager. • Vice-President of the Australian War Memorial Voluntary Guides. Provides mentoring and coaching support to senior executives, and Computing Masters students at ANU.	4/5	$5,375

Member name e	Qualifications/knowledge/skills/experience	Number of meetings attended/ total number of meetings	Total annual remuneration
Ms Elizabeth Montano (Committee member from 1 July–31 December 2023)	• Over 25 years experience as a non-executive chair, deputy chair and member of boards and audit committees across a range of government and not-for-profit entities in regulation, law enforcement, scientific research, service delivery and social justice programs. • Extensive experience in governance and the machinery of government, including in financial and performance reporting, risk, assurance, and program and project management and oversight. • Bachelor of Arts and Bachelor of Laws (UNSW) and Fellow of the Australian Institute of Company Directors. • Former CEO of AUSTRAC, Australian Securities and Investments Commission SES Officer responsible for corporate law, and former financial services consultant and senior lawyer with King & Wood Mallesons. • As CEO of AUSTRAC, first woman to lead a Commonwealth law enforcement/ regulatory agency.	3/3	$27,944

PLANNING AND PERFORMANCE REPORTING

The AUSTRAC corporate plan forms part of the agency's planning and performance framework. It articulates our purpose, strategic activities, performance measures, and risk oversight and management approaches in performing our functions.

Internally, the corporate plan is supplemented by branch business plans that outline the work and projects being delivered by branches, resource planning and risks being managed in support of branch performance. Branch plans provide AUSTRAC staff with a clear line of sight between their work and the broader agency strategic direction, operating environment, risks and performance measures outlined in the corporate plan. All of AUSTRAC's branches had an endorsed plan in place throughout 2023–24. These plans are considered living documents to evolve and be updated as internal and/or external factors shape the branch over the course of the year.

AUSTRAC's internal reporting processes require branches to report against performance measures 3 times a year. This process ensures the Governance Committee and AUSTRAC's accountable authority can monitor agency performance throughout the year, and make resource and operational decisions accordingly.

RISK MANAGEMENT

AUSTRAC's enterprise risk management framework is administered in line with the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the Commonwealth Risk Management Policy. The Governance Committee and ARC support the CEO's oversight of risk management and application of the framework across the agency.

Maintaining an appropriate system of risk oversight and management ensures AUSTRAC can fulfil our purpose. Our enterprise risk management framework ensures we engage with risk in all aspects of our business and identify, evaluate and respond to risks – both threats and opportunities.

During 2023–24 AUSTRAC continued to mature our framework to align with the Commonwealth Risk Management Policy, ensuring it remains appropriate for our operating environment and embeds a positive risk management culture within the agency. Our approach to risk management includes identifying areas of emerging and strategic risk which, if realised, could affect our ability to achieve our purpose and objectives.

DCEOs are accountable to the CEO for the management of risk in the agency. Our framework empowers DCEOs and the broader executive cohort to use their professional judgement and experience to make risk-informed decisions. It also enables them to provide direction for applying risk management approaches across their divisions and branches, in line with the agency's risk appetite and tolerance and our governance and accountability arrangements. All staff in the agency actively contribute to risk management by identifying, assessing, controlling, communicating, monitoring and reporting risks in accordance with the *AUSTRAC Risk Management Policy and Framework*.

INTERNAL AUDIT

AUSTRAC's internal audit function provides objective, independent assurance to the CEO about the efficiency and effectiveness of the agency's governance, risk management, financial and operational controls. It is designed to add value and improve AUSTRAC's operational capability.

The annual internal audit work plan takes into consideration: agency-wide and organisational business unit risks; previous and proposed Australian National Audit Office (ANAO) coverage; previous internal audit coverage; and environmental changes (actual or anticipated). The program is approved by the AUSTRAC CEO and delivered using an external audit service provider. It seeks to ensure that a systematic and disciplined approach is used to evaluate and improve the effectiveness of risk management, control and governance processes, in response to operating environment changes and business risks. ARC provides independent objective assessments of the audits undertaken and actions taken by AUSTRAC in response to audit recommendations.

During the reporting period, AUSTRAC undertook a program of compliance audits and performance reviews.

FRAUD CONTROL AND INTEGRITY

AUSTRAC is committed to meeting the high standard of ethics expected in performing our functions as Australia's anti-money laundering and counter-terrorism financing regulator and specialist financial intelligence unit (FIU). We are dedicated to the continued improvement of our integrity framework to support an honest, professional and fair workforce that embodies the APS Values and Code of Conduct.

We have continued to adopt improvements to mature our fraud and corruption detection and resilience. We regularly review and continue to enhance our insider threat frameworks and policies. We also participate in regular Commonwealth Chief Security Officer Forum meetings, Commonwealth Senior Officer Fraud Forums and communities of practice, which have helped share knowledge and grow relationships across the APS between integrity and fraud prevention officers.

This year we hosted agency-wide fraud and corruption awareness sessions, which saw a positive increase in fraud and corruption risk awareness and outreach from staff following these sessions.

AUSTRAC's fraud prevention, detection, investigation, reporting and data collection procedures and processes align with the requirements of the Commonwealth Fraud Control Framework 2017. During the reporting period, AUSTRAC reviewed our fraud and corruption framework in preparation for the implementation of the Commonwealth Fraud and Corruption Control Framework 2024 on 1 July 2024.

Our fraud and corruption control framework complies with the requirements of section 10 of the *Public Governance, Performance and Accountability Rule 2014* and the Commonwealth Fraud Control Policy.

SIGNIFICANT NON-COMPLIANCE ISSUES WITH FINANCE LAW

During 2023–24 AUSTRAC did not identify any significant issues relating to non-compliance with the finance law. In determining the significance of any issues, AUSTRAC took into account the guidance as outlined in Resource Management Guide 214—*Notification of significant non-compliance with the finance law.* As such, the accountable authority did not report to the responsible Minister any serious non-compliance as required by paragraph 19(1)(e) of the PGPA Act.

COMMONWEALTH CHILD SAFE FRAMEWORK

AUSTRAC is committed to upholding a culture that promotes and ensures the safety and wellbeing of children and young people. In supporting child safety, AUSTRAC complies with the Commonwealth Child Safe Framework[30] and upholds children's rights. Our intelligence is invaluable to achieving law enforcement outcomes, including counter-child exploitation and counter-child abuse efforts.

AUSTRAC has a suite of sophisticated financial profiles and enhanced data capabilities to detect entities of interest, patterns of behaviour and transactions that may be indicative of these serious crimes. AUSTRAC continues to identify, and with partners:

- disrupt payments linked to child exploitation
- prevent and disrupt livestreamed child sexual abuse
- intercept material and offenders at the border
- identify possible offending within the community.

30 childsafety.gov.au/resources/commonwealth-child-safe-framework-policy-document

AUSTRAC's Child Sexual Exploitation Response Team works collaboratively with law enforcement and industry partners to proactively identify transactions that relate to child sexual exploitation.

AUSTRAC works directly with the Australian Centre to Counter Child Exploitation (ACCCE), domestic and international law enforcement, and FIUs, to identify offenders, networks, victims and emerging trends linked to child abuse.

Areas of focus during 2023–24 included:

- detecting live online child sexual abuse
- persons travelling overseas to offend
- self-production of child sexual abuse material for profit
- purchases of child-like sex dolls
- sextortion of minors.

As a result, AUSTRAC initiated and supported many investigations with a high success rate of arrested offenders and rescued children.

During 2023–24 we contributed to Operation Huntsman, an ongoing co-led operation between AUSTRAC and the Australian Federal Police/ACCCE, targeting the sextortion of minors for financial gain. AUSTRAC leads the global financial direction on countering sextortion, and provides advice and guidance to domestic and international law enforcement, industry and FIUs.

In undertaking the agency's work, AUSTRAC officers do not have any direct interaction with children; therefore, the overall risk is assessed as low.

AUSTRAC continues to conduct suitability assessments and at a minimum, Baseline security clearances, for all prospective staff. This includes criminal history checks through the National Police Checking Service. The aim of these checks is to prevent personnel assessed as unsuitable, due to security risks, being engaged by the agency. A security risk includes any identified actual or potential risk to children.

External scrutiny

MINISTERIAL AND PARLIAMENTARY OVERSIGHT

AUSTRAC's transparency and accountability to Parliament includes responding to questions on notice and publishing information required by Senate Orders. AUSTRAC appears before Parliamentary committees (including Senate Estimates) and provides submissions to Parliamentary inquiries as appropriate.

During 2023–24 AUSTRAC witnesses appeared before the Senate Legal and Constitutional Affairs Legislation Committee at Budget Estimates.

In 2023–24 there were no judicial decisions, decisions of administrative tribunals, or decisions by the Australian Information Commissioner that had a significant impact on AUSTRAC's operations.

On 14 June 2024 the Auditor-General tabled a performance audit of AUSTRAC's management of cybersecurity incidents. The objective of the audit was to assess the effectiveness of AUSTRAC's implementation of arrangements for managing cybersecurity incidents, in accordance with the Protective Security Policy Framework and relevant Australian Signals Directorate 'Cyber Security Guidelines'.

AUSTRAC welcomes the ANAO's 9 recommendations, which will support us to strengthen our approach to cybersecurity incident management, through greater clarity and certainty by documenting much of our existing approach and enhancing it where gaps have been identified. Our processes for managing cybersecurity incidents include prioritisation, escalation and seeking internal and external expertise to inform our effective cybersecurity incident response. In response to the ANAO's recommendations, we will update key incident response plans and documents, and develop testing schedules consistent with our risk profile and appetite, and operational requirements.

In 2023–24 there were no reports on AUSTRAC's operations given by a Parliamentary Committee or the Commonwealth Ombudsman. There were no capability reviews of the agency.

FREEDOM OF INFORMATION

Entities subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and replaces the former requirement to publish a section 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements.

AUSTRAC's IPS plan is available on our website.[31]

31 austrac.gov.au/about-us/corporate-information-and-governance/freedom-information/information-publication-scheme-plan

In 2023–24 AUSTRAC received 537 FOI requests. Our compliance with the allowable legislative processing time period remains high, resulting in 99% of requests processed within legislative time.

Table 11: Freedom of information requests

Financial year	Requests received	Legislative processing time period compliance
2023–24	537	99%
2022–23	403	98%
2021–22	413	98%
2020–21	374	98%
2019–20	470	96%
2018–19	509	99%

Statistical information about FOI requests, including costs incurred, is published by the Office of the Australian Information Commissioner.

PROCUREMENT, ASSETS AND GRANTS

PURCHASING

Our procurement policies and practices follow the principles detailed in the Commonwealth Procurement Rules. We focus on: obtaining value for money; encouraging competition; efficient, effective, economical and ethical use of government resources; accountability and transparency in all of our business transactions; and compliance with other Australian Government policies.

We make use of a centralised Procurement and Contracts team to provide advice to agency staff on procurement, and establish contracts that support the agency's purpose and strategic priorities. The team performs a compliance role to encourage procurement and contract management practices that are consistent with legislative obligations and Commonwealth Government procurement policies.

An annual procurement plan is published on AusTender, which is periodically reviewed and updated as required to notify significant procurements. Information about the value of contracts and consultancies is available on the AusTender website.

CONSULTANTS AND CONTRACTS

EXPENDITURE ON REPORTABLE CONSULTANCY CONTRACTS

During 2023–24, 6 new reportable consultancy contracts were entered into, involving total actual expenditure of $576,448. In addition, 2 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of $391,632.

Table 12: Reportable consultancy contracts 2023-24

Reportable consultancy contracts 2023–24	Number	Expenditure (GST inclusive)
New contracts entered into during the reporting period	6	$576,448
Ongoing contracts entered into during a previous reporting period	2	$391,632
Total	8	$968,080

Table 13: Organisations receiving share of reportable consultancy contract expenditure 2023–24

Organisations receiving a share of reportable consultancy contract expenditure 2023–24	Expenditure (GST inclusive)	Proportion of 2023–24 total spend
Callida Pty Ltd aka Callida Consulting (ABN 40 154 007 664)	$391,632	40%
KPMG (ABN 51 194 660 183)	$292,547	30%
Holan Group Pty Ltd (ABN 47 649 610 220)	$225,995	23%
Two Twigs Pty Ltd (ABN 51 663 977 731)	$39,006	4%
Sue Bird Consulting and People Services Pty Ltd (ABN 20 639 870 750)	$18,900	2%
Total	$968,080	100%

Our annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

Prior to engaging consultants, we consider the skills and resources required for the task, the skills available internally, and the perceived value for money obtained through engaging external expertise. Decisions to engage consultants in 2023–24 were made in accordance with the PGPA Act and related regulation including the Commonwealth Procurement Rules and internal policies.

AUSTRAC engages consultants primarily through:

- the mandatory Management Advisory Service Panel
- domain-specific panel arrangements where the Management Advisory Service Panel does not apply
- adopting a limited tender where there is not an available panel arrangement.

AUSTRAC engages consultants when we require specialist expertise: on financial modelling and policy design; to review data management practices and for governance and structural review.

EXPENDITURE ON REPORTABLE NON-CONSULTANCY CONTRACTS

During 2023–24, 105 new reportable non-consultancy contracts were entered into, involving total actual expenditure of $10,242,509. In addition, 216 ongoing reportable non-consultancy contracts were active during the period, involving total actual expenditure of $32,307,004.

Table 14: Reportable non-consultancy contracts 2023–24

Reportable non-consultancy contracts 2023–24	Number	Expenditure (GST inclusive)
New contracts entered into during the reporting period	105	$10,242,509
Ongoing contracts entered into during a previous reporting period	216	$32,307,004
Total	321	$42,549,512

Table 15 represents the top 5 organisations receiving a share of reportable non-consultancy contract expenditure in 2023–24.

Table 15: Organisations receiving a share of reportable non-consultancy contract expenditure 2023–24

Organisations receiving a share of reportable non-consultancy contract expenditure 2023–24	Expenditure (GST inclusive)	Proportion of 2023–24 total spend
The Trust Company (Australia) Ltd (ABN 21 000 000 993)	$3,302,599	8%
Palantir Technologies Australia Pty Ltd (ABN 48 144 948 309)	$2,750,000	6%
The Recruitment Hive (ABN 13 155 397 541)	$2,294,205	5%
Walker Collins St. Building 4D Pty Ltd (ABN 13 937 361 681)	$2,098,417	5%
Arney Recruitment (ABN 28 600 120 705)	$1,719,993	4%
Total	$12,165,214	29%

Our annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the reportable non-consultancy contracts' value is available on the AusTender website.

EXEMPT CONTRACTS

During 2023–24 AUSTRAC did not exempt any contracts valued at more than $10,000 (GST inclusive) from publication on AusTender.

ANAO ACCESS CLAUSES

In 2023–24 AUSTRAC entered into 2 contracts with a value of $100,000 or more (GST inclusive) that did not provide for the Auditor-General to have access to the contractor's premises. These contracts are detailed in Table 16.

Table 16: Contracts exceeding $100,000 that did not include clauses for ANAO access

Entity name	Contract value (GST inclusive)	Contract purpose	Reason for standard access clause not included
ForgeRock Ltd t/a Ping Identity Ltd.	$293,158	Software licence for identity management application.	Utilises contractor licence terms for use of proprietary software.
Atlassian Pty Ltd	$268,060	Renewal of Atlassian software module	Utilises contractor licence terms for use of proprietary software

PROCUREMENT INITIATIVES TO SUPPORT SMALL BUSINESS

AUSTRAC supports small business participation in the Commonwealth Government procurement market. Small and medium enterprises and small enterprise participation statistics are available on the Department of Finance's website.[32]

Our procurement practices support small and medium business enterprises by:

- promoting use of the Commonwealth Contracting Suite for low-risk procurements valued under $200,000 (GST inclusive)
- promoting the relevant consideration of the Indigenous Procurement Policy for procurements between $80,000 and $200,000 (GST inclusive)
- encouraging credit card payments for procurements valued under $10,000 (GST inclusive)
- motivating competitive participation by using standard documentation and conditions ensuring offers are clear, in plain English and accessible.

32 finance.gov.au/government/procurement/statistics-australian-government-procurement-contracts

AUSTRAC recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website.[33]

ADVERTISING AND MARKET RESEARCH

During 2023–24 AUSTRAC did not conduct any advertising campaigns. The following payments were made to media advertising agencies in 2023–24:

- $73,701.00 (exclusive of GST) to Department of Home Affairs for media monitoring services
- $97,743.62 (exclusive of GST) for recruitment advertising.

AUSTRAC did not make any payments related to direct mail, market research or polling purposes.

GRANTS

AUSTRAC did not award any grants during 2023–24. Information on grants awarded by the Australian Government is available on the Australian Government GrantConnect website.[34]

LEGAL SERVICES EXPENDITURE

The total expenditure on legal services for the financial year ended 30 June 2024 was $9,069,817 (GST exclusive). In accordance with Office of Legal Services Coordination reporting requirements, this includes the cost of providing internal and external legal services.

- $7,252,303 (GST exclusive) was spent on purchasing external legal services.
- $1,817,514 (GST exclusive) was spent on purchasing internal legal services.

ASSET MANAGEMENT

Asset management is not a significant part of AUSTRAC's activities. Management of AUSTRAC's assets is governed by the Accountable Authority Instructions, in line with the Australian Accounting Standards and supporting financial management procedures in accordance with government best practice. AUSTRAC maintains an asset register and conducts a stocktake annually to ensure the accuracy of the information recorded on the asset register. AUSTRAC's fixed assets include internally developed and purchased software, office fit outs and computer equipment. Further details on AUSTRAC's asset policies are in the financial statements.

33 treasury.gov.au.

34 grants.gov.au

ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE

AUSTRAC is committed to meeting our obligations under the *Environment Protection and Biodiversity Conservation Act 1999*, by continually improving our environmental performance and sustainable business practices. Our green office principles help to reduce the impact of AUSTRAC's ecological footprint, including:

- conserving energy and water use
- reducing office consumables and waste
- maximising reusable resources
- increasing opportunities for recycling
- avoiding purchase and use of unrecyclable, non-reusable products
- incorporating sustainable initiatives into business decisions
- developing an Emissions Reduction Plan in accordance with the Climate Action in Government Operations strategy, to assist in achieving our emissions reduction.

AUSTRALIAN PUBLIC SERVICE NET ZERO 2030 EMISSIONS REPORTING

APS Net Zero 2030 is the government's policy for the APS to reduce its greenhouse gas emissions to net zero by 2030, and transparently report on its emissions. As part of the Net Zero in Government Operations Strategy,[35] non-corporate Commonwealth entities, corporate Commonwealth entities and Commonwealth companies are required to report on their operational greenhouse gas emissions.

The Greenhouse Gas Emissions Inventory presents greenhouse gas emissions over the 2023–24 period. Results are presented based on carbon dioxide equivalent (CO2-e) emissions. Greenhouse gas emissions have been calculated in line with the APS Net Zero Emissions Reporting Framework, consistent with the Whole-of-Australian Government approach as part of the APS Net Zero 2030 policy. Not all data sources were available at the time of the report, and amendments to data may be required in future reports.

35 finance.gov.au/government/climate-action-government-operations/aps-net-zero-emissions-2030.

Table 17: 2023-24 Greenhouse Gas Emissions Inventory – location-based method

Emission source	Scope 1kg[36] CO_{2-e}	Scope 2kg[37] CO_{2-e}	Scope 3kg[38] CO_{2-e}	Total kg CO_{2-e}
Electricity (location-based approach)	N/A	323.465	29.555	353.020
Natural gas	0	N/A	0	0
Solid waste*	N/A	N/A	0	0
Refrigerants*	0	N/A	N/A	0
Fleet and other vehicles	0.750	N/A	0.191	0.940
Domestic commercial flights	N/A	N/A	211.000	211.000
Domestic hire car*	N/A	N/A	0.186	0.186
Domestic travel accommodation*	N/A	N/A	122.086	122.086
Other energy	0	N/A	0	0
Total t CO2-e	0.750	323.465	363.018	687.232

Note: the table above presents emissions related to electricity usage using the location-based accounting method. CO2-e = Carbon Dioxide Equivalent.

*indicates emission sources collected for the first time in 2023–24. The quality of data is expected to improve over time as emissions reporting matures.

36 Direct emissions from entity facilities and company owned vehicles.

37 Indirect emissions from purchased electricity, steam, heating and cooling for own use.

38 All other indirect emissions, including from leased assets up and down stream.

Table 18: 2023-24 Electricity greenhouse gas emissions

Emission source	Scope 2 t CO_{2-e}	Scope 3 t CO_{2-e}	Total t CO_{2-e}	Percentage
Location-based electricity emissions	323.465	29.555	353.020	100.00%
Market-based electricity emissions	261.584	32.294	293.879	71.03%
Total renewable electricity	-	-	-	28.97%
Mandatory renewables[39]	-	-	-	*18.72%*
Voluntary renewables[40]	-	-	-	*10.25%*

Note: the table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO2-e = Carbon Dioxide Equivalent.

CORRECTION OF MATERIAL ERRORS IN PREVIOUS ANNUAL REPORT

The following errors were identified in the 2022–23 AUSTRAC annual report.

Reportable consultancy contracts

Page 134: Table 23: Organisations receiving a share of reportable consultancy contract expenditure 2022–23, last row should read (vendor name corrected):

Organisations receiving a share of reportable consultancy contract expenditure	Expenditure (GST inclusive)	Proportion of 2022–23 total spend
Intelligent People Pty Ltd (ABN 81 660 534 949)	$37,125	8%

39 Mandatory renewables are the portion of electricity consumed from the grid that is generated by renewable sources. This includes the renewable power percentage.

40 Voluntary renewables reflect the eligible carbon credit units surrendered by the entity. This may include purchased large-scale generation certificates, power purchasing agreements, GreenPower and the jurisdictional renewable power percentage (ACT only).

110

MANAGEMENT OF HUMAN RESOURCES

PEOPLE

In 2023–24 AUSTRAC continued to strategically build a workforce capable of achieving our plans and needs for the future. Our geographically dispersed workforce and hybrid work model provide a resilient and flexible framework for our workforce that includes both office-based and home-based work.

AUSTRAC's hybrid working arrangements are based on the principles of trust, connection, recognition of differing role requirements, and two-way flexibility. We continue to mature this model, through guidance and strategies designed to ensure we provide sustainable, well-connected and flexible ways of working, with positive outcomes for the agency and our people.

Our people strategy encapsulates our goals and aspirations across a set of people initiative areas. This provides a clear direction for future planning and decision making across the agency.

We also continued to support the AUSTRAC leadership strategy, which provides a clear and consistent approach to leadership development in the agency, and identifies the pivotal qualities and behaviours required for effective leadership.

In addition, our strategic workforce plan presents a 4-year vision for the agency's workforce. The plan identifies key themes that are essential to future-proof our workforce, enhance our capabilities and strengthen our position as a forward-leaning, high-performing agency. This year we continued building capability and delivering outcomes from our operational workforce planning activities. These provide our leaders with workforce data insights and support evidence-based decision making.

OUR CULTURE

AUSTRAC's culture is underpinned by our philosophy of 'one AUSTRAC', which reinforces the belief that we are individually and collectively responsible for achieving our agency priorities. Our united behaviours and mindsets support our agency today and will guide us into the future.

The AUSTRAC culture statement reflects the values and behaviours that we expect of each other, fostering a positive and productive work environment. The culture statement centres around 4 pillars: that we are trusted, inclusive, collaborative and impactful.

We remain committed to modelling AUSTRAC's cultural values and embedding them into all that we do, including our communications, decision making and formal employee recognition programs. We continue to provide support and growth opportunities for our employees through professional capability programs, wellbeing and inclusion initiatives, and flexible work practices. Our positive workplace culture is reflected in our Australian Public Service (APS) Census results, which present high-index results in wellbeing, innovation and engagement, with the vast majority of employees noting that they are proud to work at AUSTRAC.

DIVERSITY AND INCLUSION

Our diversity and inclusion initiatives aim to position AUSTRAC as an employer of choice by attracting, supporting, advancing and celebrating employees across all diversity dimensions. The promotion and commitment to an inclusive and barrier-free workplace remained at the cornerstone of our program activities during 2023–24.

We continued to support the inclusion of diverse groups through:

- targeted recruitment practices, including entry-level programs and affirmative measures schemes
- commencing recruitment for a First Nations Liaison Officer and participating in the Australian Disability Network's 'Stepping Into Internship'[41] program for people with a disability
- professional development and mentoring programs
- improving the cultural and disability confidence of our workforce
- celebration of significant dates
- promoting workplace flexibility at all stages of the employment lifecycle
- amplification of diverse perspectives.

Our diversity and inclusion initiatives are supported by our Diversity and Inclusion Leadership Group, which is chaired by a Diversity Champion at the Senior Executive Service (SES) level. The group is supported by the agency's Employee Experience team and oversees the AUSTRAC Pride Network.

41 australiandisabilitynetwork.org.au/students-jobseekers/start-a-stepping-into-internship/

RECONCILIATION

In March 2024 we launched AUSTRAC's *Innovate Reconciliation Action Plan (RAP) 2024–26,*[42] marking a significant step forward in our commitment to reconciliation and closing the gap. This 2 year plan outlines how we will take action to advance the 4 dimensions of reconciliation: relationships, respect, opportunities and governance.

Under the RAP, we aim to achieve better results in attracting, retaining, advancing and celebrating First Nations employees. We will work closely with First Nations community leaders and organisations, as well as our First Nations employees, to ensure that our efforts are inclusive and effective.

In the initial stages of implementing our RAP, we have affirmed our commitment to reconciliation by enhancing our workforce's cultural capability, through structured learning and the recruitment of our new First Nations Liaison Officer position. These steps, and those we will take into the future, aim to foster culturally safe and inclusive work practices.

The RAP Working Group is led by AUSTRAC's Reconciliation Champion – Tim Lear, National Manager, Legal and Enforcement. The working group serves as a mechanism for employee and management participation, consultation and communication on matters relating to our RAP.

AUSTRAC ENTERPRISE AGREEMENT

The employment terms and conditions for non-SES AUSTRAC employees are set out in AUSTRAC's Enterprise Agreement 2024–27 (AUSTRAC EA).

During 2023–24 AUSTRAC participated in service-wide bargaining negotiations, led by the Australian Public Service Commission. This process established a set of common conditions across the APS. To supplement this, AUSTRAC also undertook agency-level bargaining to consider items that fell outside the scope of common conditions.

Following a successful voting process, the Fair Work Commission approved the enterprise agreement on 28 March 2024 and it took effect on 4 April 2024.

42 austrac.gov.au/diversity-and-inclusion

EXECUTIVE REMUNERATION

The terms and conditions of employment for AUSTRAC's SES are established under subsection 24(1) of the *Public Service Act 1999* (PS Act), and outlined in the respective employee's determination. The majority of employment conditions are similar to those set out in the AUSTRAC EA, and comply with the APS Executive Remuneration Policy. The AUSTRAC SES remuneration policy ensures a consistent approach in determining SES remuneration.

At 30 June 2024 there were 14 SES employee determinations in operation. Two further SES employees are substantive Executive Level 2 employees. The pay rate for the SES acting role is determined by the internal SES remuneration policy. SES base salary increases are generally in line with those that apply to non-SES employees. Accordingly, SES employees received a 4% pay increase on 6 June 2024.

No incentive payments were made to AUSTRAC SES employees during 2023–24.

EMPLOYMENT CONDITIONS

The terms and conditions of employment for AUSTRAC's non-SES employees are governed by the AUSTRAC EA, but can be varied through a written individual flexibility arrangement (IFA).

The AUSTRAC IFA policy outlines the underlying principles whereby an IFA may be established, and sets out the approval process and governance of IFAs. AUSTRAC's Governance Committee reviews IFAs annually to ensure they continue to support AUSTRAC's operational requirements.

At 30 June 2024 there were 36 IFAs in effect. The majority of these related to remuneration arrangements.

No AUSTRAC employees were covered by common law contracts in 2023–24. Performance pay was also not applicable.

LEARNING AND DEVELOPMENT

AUSTRAC supports our employees' professional development. We enhance our standing as an employer of choice, through comprehensive learning and development opportunities.

To drive the strategic alignment of staff capability and organisational goals, while remaining agile and adaptive to change, a new ongoing learning and development framework is being developed. This framework includes a commitment to becoming an organisation of continuous learning, and ensuring development opportunities are delivered to AUSTRAC employees in an equitable and accessible manner. Data literacy is a critical skill for our workforce. We have developed a framework of data principles and are prioritising data literacy training.

We continue to use e-learning or blended learning solutions (such as webinars), to ensure we support employees' professional development and capability uplift. This is done through a substantial program of studies assistance and external training opportunities. This allows staff to work towards and attain Australian Qualifications Framework recognised qualifications, or gain professional recognition or accreditation through external training providers in vital professional areas.

Common areas include anti-money laundering and counter-terrorism financing certifications and other skill sets in demand at AUSTRAC, such as intelligence analysis and compliance. Throughout 2023–24 AUSTRAC staff attended external professional development offerings and internally-facilitated sessions, and participated in AUSTRAC's studies assistance program to commence, progress and/or complete an Australian Qualifications Framework recognised qualification. The majority of professional development was undertaken through internally-facilitated sessions.

WORK HEALTH AND SAFETY

AUSTRAC is committed to fostering a positive safety and wellbeing culture, and ensuring the health and safety of our employees, contractors, visitors, and anyone who may be affected by our operations. We ensure we comply with the *Work Health and Safety Act 2011* (WHS Act) and the *Safety, Rehabilitation and Compensation Act 1988*, through:

- prevention – providing and maintaining a healthy and safe working environment, and preventing work-related injury or illness, by adopting a proactive risk management approach to WHS as an integral part of overall business operations
- injury management – reducing the personal, organisational and financial costs of both compensable and non-compensable injuries and illnesses, through active early intervention and return-to-work programs
- wellbeing initiatives – providing programs to enhance the physical and mental wellbeing of our employees, improve engagement and promote a culture of proactive wellness.

There was one notifiable WHS incident reported to Comcare in 2023–24 that resulted in an investigation by Comcare. No non-compliance with the WHS Act was found.

In 2023–24 AUSTRAC did not have any:

- improvement notices issued by Health and Safety Representatives (section 90 of the WHS Act)
- improvement notices issued by Comcare (section 191 of the WHS Act)
- non-disturbance notices issued by Comcare (section 198 of the WHS Act).

AUSTRAC's Comcare premium rate for 2023–24 was 0.12%, well below the overall scheme rate of 0.84%.

DISABILITY REPORTING MECHANISM

Australia's Disability Strategy 2021-2031 is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. The Strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families and carers.

All levels of government have committed to deliver more comprehensive and visible reporting under the Strategy. A range of reports on progress of the Strategy's actions and outcome areas will be published and available at disabilitygateway.gov.au/ads. Disability reporting is included the APS Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at apsc.gov.au.

Employee statistics

Table 19: All ongoing employees current report period (2023–24)

	Man/Male			Woman/Female			Non-binary		
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*
NSW	85	1	**86**	111	15	**126**	0	0	0
QLD	14	0	**14**	24	6	**30**	0	0	0
SA	0	0	**0**	2	0	**2**	0	0	0
TAS	0	0	**0**	0	0	**0**	0	0	0
VIC	72	3	**75**	77	16	**93**	0	0	0
WA	2	0	**2**	3	0	**3**	0	0	0
ACT	35	5	**40**	39	6	**45**	0	0	0
NT	0	0	**0**	0	0	**0**	0	0	0
External Territories	0	0	**0**	0	0	**0**	0	0	0
O/S	3	0	**3**	2	0	**2**	0	0	0
Total	**211**	**9**	**220**	**258**	**43**	**301**	**0**	**0**	**0**

Note: Figures are based on actual headcounts of employees under paragraphs 22(2)(a) and 22(2)(b) of the *Public Service Act 1999* (PS Act) and include staff on long-term leave. The appointed AUSTRAC CEO is not included in the table as they are not engaged under section 22 or section 72.

Table 19: All ongoing employees current report period (2023–24) cont.

	Prefers not to answer			Uses a different term			Total
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Total*
NSW	0	0	0	0	0	0	**212**
QLD	0	0	0	0	0	0	**44**
SA	0	0	0	0	0	0	**2**
TAS	0	0	0	0	0	0	**0**
VIC	0	0	0	0	0	0	**168**
WA	0	0	0	0	0	0	**5**
ACT	0	0	0	0	0	0	**85**
NT	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	**0**
O/S	0	0	0	0	0	0	**5**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**521**

Table 20: All non-ongoing employees current report period (2023–24)

	Man/Male			Woman/Female			Non-binary		
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*
NSW	4	0	**4**	6	3	**9**	0	0	0
QLD	3	0	**3**	0	0	**0**	0	0	0
SA	0	0	**0**	2	0	**2**	0	0	0
TAS	0	0	**0**	0	0	**0**	0	0	0
VIC	2	0	**2**	2	2	**4**	0	0	0
WA	0	0	**0**	0	0	**0**	0	0	0
ACT	1	1	**2**	3	1	**4**	0	0	0
NT	0	0	**0**	0	0	**0**	0	0	0
External Territories	0	0	**0**	0	0	**0**	0	0	0
O/S	0	0	**0**	0	0	**0**	0	0	0
Total	**10**	**1**	**11**	**13**	**6**	**19**	**0**	**0**	**0**

Note: Figures are based on actual headcount of employees engaged under subsection 22(2) of the PS Act but do not include irregular/intermittent employees.

Table 20: All non-ongoing employees current report period (2023–24) cont.

	Prefers not to answer			Uses a different term			Total
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Total*
NSW	0	0	0	0	0	0	**13**
QLD	0	0	0	0	0	0	**3**
SA	0	0	0	0	0	0	**2**
TAS	0	0	0	0	0	0	**0**
VIC	0	0	0	0	0	0	**6**
WA	0	0	0	0	0	0	**0**
ACT	0	0	0	0	0	0	**6**
NT	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	**0**
O/S	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**30**

Table 21: All ongoing employees previous report period (2022–23)

	Man/Male			Woman/Female			Non-binary		
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*
NSW	70	1	**71**	105	11	**116**	0	0	0
QLD	13	0	**13**	22	3	**25**	0	0	0
SA	0	0	**0**	2	0	**2**	0	0	0
TAS	0	0	**0**	0	0	**0**	0	0	0
VIC	62	5	**67**	66	15	**81**	0	0	0
WA	1	0	**1**	2	0	**2**	0	0	0
ACT	31	4	**35**	35	8	**43**	0	0	0
NT	0	0	**0**	0	0	**0**	0	0	0
External Territories	0	0	**0**	0	0	**0**	0	0	0
O/S	3	0	**3**	1	0	**1**	0	0	0
Total	**180**	**10**	**190**	**233**	**37**	**270**	**0**	**0**	**0**

Note: Figures are based on actual headcounts of employees under paragraphs 22(2)(a) and 22(2)(b) of the PS Act and include staff on long-term leave. The appointed AUSTRAC CEO is not included in the table as they are not engaged under section 22 or section 72.

Table 21: All ongoing employees previous report period (2022–23) cont.

	Prefers not to answer			Uses a different term			Total
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Total*
NSW	0	0	0	0	0	0	**187**
QLD	0	0	0	0	0	0	**38**
SA	0	0	0	0	0	0	**2**
TAS	0	0	0	0	0	0	**0**
VIC	0	0	0	0	0	0	**148**
WA	0	0	0	0	0	0	**3**
ACT	0	0	0	0	0	0	**78**
NT	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	**0**
O/S	0	0	0	0	0	0	**4**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**460**

Table 22: All non-ongoing employees previous report period (2022–23)

	Man/Male			Woman/Female			Non-binary		
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*
NSW	4	0	**4**	5	2	**7**	0	0	0
QLD	2	0	**2**	1	0	**1**	0	0	0
SA	0	0	**0**	1	0	**1**	0	0	0
TAS	0	0	**0**	0	0	**0**	0	0	0
VIC	2	0	**2**	2	1	**3**	0	0	0
WA	0	0	**0**	0	0	**0**	0	0	0
ACT	1	0	**1**	3	2	**5**	0	0	0
NT	0	0	**0**	0	0	**0**	0	0	0
External Territories	0	0	**0**	0	0	**0**	0	0	0
O/S	0	0	**0**	0	0	**0**	0	0	0
Total	**9**	**0**	**9**	**12**	**5**	**17**	**0**	**0**	**0**

Note: Figures are based on actual headcount of employees engaged under subsection 22(2) of the PS Act but do not include irregular/intermittent employees.

Table 22: All non-ongoing employees previous report period (2022–23) cont.

	Prefers not to answer			Uses a different term			Total
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Total*
NSW	0	0	0	0	0	0	**11**
QLD	0	0	0	0	0	0	**3**
SA	0	0	0	0	0	0	**1**
TAS	0	0	0	0	0	0	**0**
VIC	0	0	0	0	0	0	**5**
WA	0	0	0	0	0	0	**0**
ACT	0	0	0	0	0	0	**6**
NT	0	0	0	0	0	0	**0**
External Territories	0	0	0	0	0	0	**0**
O/S	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**26**

Table 23: Australian Public Service Act ongoing employees current report period (2023–24)

	Man/Male			Woman/Female			Non-binary		
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*
SES 3	0	0	**0**	0	0	**0**	0	0	0
SES 2	2	0	**2**	1	0	**1**	0	0	0
SES 1	5	0	**5**	4	0	**4**	0	0	0
EL 2	25	4	**29**	28	5	**33**	0	0	0
EL 1	57	0	**57**	67	12	**79**	0	0	0
APS 6	91	4	**95**	102	23	**125**	0	0	0
APS 5	26	1	**27**	46	1	**47**	0	0	0
APS 4	5	0	**5**	10	1	**11**	0	0	0
APS 3	0	0	**0**	0	0	**0**	0	0	0
APS 2	0	0	**0**	0	1	**1**	0	0	0
APS 1	0	0	**0**	0	0	**0**	0	0	0
Other	0	0	**0**	0	0	**0**	0	0	0
Total	**211**	**9**	**220**	**258**	**43**	**301**	**0**	**0**	**0**

Note: Figures are based on substantive classification as at 30 June 2024.

Table 23: Australian Public Service Act ongoing employees current report period (2023–24) cont.

	Prefers not to answer			Uses a different term			Total
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Total*
SES 3	0	0	0	0	0	0	**0**
SES 2	0	0	0	0	0	0	**3**
SES 1	0	0	0	0	0	0	**9**
EL 2	0	0	0	0	0	0	**62**
EL 1	0	0	0	0	0	0	**136**
APS 6	0	0	0	0	0	0	**220**
APS 5	0	0	0	0	0	0	**74**
APS 4	0	0	0	0	0	0	**16**
APS 3	0	0	0	0	0	0	**0**
APS 2	0	0	0	0	0	0	**1**
APS 1	0	0	0	0	0	0	**0**
Other	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**521**

Table 24: Australian Public Service Act non-ongoing employees current report period (2023–24)

	Man/Male			Woman/Female			Non-binary		
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*
SES 3	0	0	**0**	0	0	**0**	0	0	0
SES 2	0	0	**0**	0	0	**0**	0	0	0
SES 1	0	0	**0**	0	0	**0**	0	0	0
EL 2	1	0	**1**	1	0	**1**	0	0	0
EL 1	0	0	**0**	2	0	**2**	0	0	0
APS 6	5	1	**6**	6	2	**8**	0	0	0
APS 5	2	0	**2**	3	1	**4**	0	0	0
APS 4	2	0	**2**	1	2	**3**	0	0	0
APS 3	0	0	**0**	0	1	**1**	0	0	0
APS 2	0	0	**0**	0	0	**0**	0	0	0
APS 1	0	0	**0**	0	0	**0**	0	0	0
Other	0	0	**0**	**0**	**0**	**0**	0	0	0
Total	**10**	**1**	**11**	**13**	**6**	**19**	**0**	**0**	**0**

Note: Figures are based on substantive classification as at 30 June 2024.

Table 24: Australian Public Service Act non-ongoing employees current report period (2023–24) cont.

	Prefers not to answer			Uses a different term			Total
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Total*
SES 3	0	0	0	0	0	0	**0**
SES 2	0	0	0	0	0	0	**0**
SES 1	0	0	0	0	0	0	**0**
EL 2	0	0	0	0	0	0	**2**
EL 1	0	0	0	0	0	0	**2**
APS 6	0	0	0	0	0	0	**14**
APS 5	0	0	0	0	0	0	**6**
APS 4	0	0	0	0	0	0	**5**
APS 3	0	0	0	0	0	0	**1**
APS 2	0	0	0	0	0	0	**0**
APS 1	0	0	0	0	0	0	**0**
Other	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**30**

Table 25: Australian Public Service Act ongoing employees previous report period (2022–23)

	Man/Male			Woman/Female			Non-binary		
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*
SES 3	0	0	**0**	0	0	**0**	0	0	0
SES 2	2	0	**2**	1	0	**1**	0	0	0
SES 1	5	0	**5**	3	0	**3**	0	0	0
EL 2	26	4	**30**	19	4	**23**	0	0	0
EL 1	40	3	**43**	69	12	**81**	0	0	0
APS 6	78	2	**80**	101	21	**122**	0	0	0
APS 5	23	1	**24**	32	0	**32**	0	0	0
APS 4	6	0	**6**	8	0	**8**	0	0	0
APS 3	0	0	**0**	0	0	**0**	0	0	0
APS 2	0	0	**0**	0	0	**0**	0	0	0
APS 1	0	0	**0**	0	0	**0**	0	0	0
Other	0	0	**0**	0	0	**0**	0	0	0
Total	**180**	**10**	**190**	**233**	**37**	**270**	**0**	**0**	**0**

Note: Figures are based on substantive classification as at 30 June 2023.

Table 25: Australian Public Service Act ongoing employees previous report period (2022–23) cont.

	Prefers not to answer			Uses a different term			Total
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Total*
SES 3	0	0	0	0	0	0	**0**
SES 2	0	0	0	0	0	0	**3**
SES 1	0	0	0	0	0	0	**8**
EL 2	0	0	0	0	0	0	**53**
EL 1	0	0	0	0	0	0	**124**
APS 6	0	0	0	0	0	0	**202**
APS 5	0	0	0	0	0	0	**56**
APS 4	0	0	0	0	0	0	**14**
APS 3	0	0	0	0	0	0	**0**
APS 2	0	0	0	0	0	0	**0**
APS 1	0	0	0	0	0	0	**0**
Other	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**460**

Table 26: Australian Public Service Act non-ongoing employees previous report period (2022–23)

	Man/Male			Woman/Female			Non-binary		
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*
SES 3	0	0	**0**	0	0	**0**	0	0	0
SES 2	0	0	**0**	0	0	**0**	0	0	0
SES 1	0	0	**0**	0	1	**1**	0	0	0
EL 2	2	0	**2**	1	0	**1**	0	0	0
EL 1	1	0	**1**	1	0	**1**	0	0	0
APS 6	5	0	**5**	5	1	**6**	0	0	0
APS 5	1	0	**1**	5	1	**6**	0	0	0
APS 4	0	0	**0**	0	2	**2**	0	0	0
APS 3	0	0	**0**	0	0	**0**	0	0	0
APS 2	0	0	**0**	0	0	**0**	0	0	0
APS 1	0	0	**0**	0	0	**0**	0	0	0
Other	0	0	**0**	**0**	**0**	**0**	0	0	0
Total	**9**	**0**	**9**	**12**	**5**	**17**	**0**	**0**	**0**

Note: Figures are based on substantive classification as at 30 June 2023.

Table 26: Australian Public Service Act non-ongoing employees previous report period (2022–23) cont.

	Prefers not to answer			Uses a different term			Total
	Fulltime	*Part time*	*Total*	*Fulltime*	*Part time*	*Total*	*Total*
SES 3	0	0	0	0	0	0	**0**
SES 2	0	0	0	0	0	0	**0**
SES 1	0	0	0	0	0	0	**1**
EL 2	0	0	0	0	0	0	**3**
EL 1	0	0	0	0	0	0	**2**
APS 6	0	0	0	0	0	0	**11**
APS 5	0	0	0	0	0	0	**7**
APS 4	0	0	0	0	0	0	**2**
APS 3	0	0	0	0	0	0	**0**
APS 2	0	0	0	0	0	0	**0**
APS 1	0	0	0	0	0	0	**0**
Other	0	0	0	0	0	0	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**26**

Table 27: Australian Public Service Act employees by full-time and part-time status current report period (2023–24)

	Ongoing			Non-ongoing			Total
	Fulltime	*Part time*	*Total Ongoing*	*Fulltime*	*Part time*	*Total Non-ongoing*	
SES 3	0	0	**0**	0	0	**0**	**0**
SES 2	3	0	**3**	0	0	**0**	**3**
SES 1	9	0	**9**	0	0	**0**	**9**
EL 2	53	9	**62**	2	0	**2**	**64**
EL 1	124	12	**136**	2	0	**2**	**138**
APS 6	193	27	**220**	11	3	**14**	**234**
APS 5	72	2	**74**	5	1	**6**	**80**
APS 4	15	1	**16**	3	2	**5**	**21**
APS 3	0	0	**0**	0	1	**1**	**1**
APS 2	0	1	**1**	0	0	**0**	**1**
APS 1	0	0	**0**	0	0	**0**	**0**
Other	0	0	**0**	0	0	**0**	**0**
TOTAL	**469**	**52**	**521**	**23**	**7**	**30**	**551**

Note: Figures are based on substantive classification as at 30 June 2024.

Table 28: Australian Public Service Act employees by full-time and part-time status previous report period (2022–23)

	Ongoing			Non-ongoing			Total
	Fulltime	*Part time*	*Total Ongoing*	*Fulltime*	*Part time*	*Total Non-ongoing*	
SES 3	0	0	**0**	0	0	**0**	**0**
SES 2	3	0	**3**	0	0	**0**	**3**
SES 1	8	0	**8**	0	1	**1**	**9**
EL 2	45	8	**53**	3	0	**3**	**56**
EL 1	109	15	**124**	2	0	**2**	**126**
APS 6	179	23	**202**	10	1	**11**	**213**
APS 5	55	1	**56**	6	1	**7**	**63**
APS 4	14	0	**14**	0	2	**2**	**16**
APS 3	0	0	**0**	0	0	**0**	**0**
APS 2	0	0	**0**	0	0	**0**	**0**
APS 1	0	0	**0**	0	0	**0**	**0**
Other	0	0	**0**	0	0	**0**	**0**
TOTAL	**413**	**47**	**460**	**21**	**5**	**26**	**486**

Note: Figures are based on substantive classification as at 30 June 2023.

Table 29: Employment type by location current report period (2023–24)

	Ongoing	Non-ongoing	Total
NSW	212	13	**225**
QLD	44	3	**47**
SA	2	2	**4**
TAS	0	0	**0**
VIC	168	6	**174**
WA	5	0	**5**
ACT	85	6	**91**
NT	0	0	**0**
External Territories	0	0	**0**
O/S	5	0	**5**
TOTAL	**521**	**30**	**551**

Note: Figures are based on actual headcounts of employees under paragraphs 22(2)(a) and 22(2)(b) of the PS Act and include staff on long-term leave but exclude irregular/intermittent employees. The AUSTRAC CEO is not included in the table as the CEO is not engaged under section 22 or section 72.

Table 30: Employment type by location previous report period (2022–23)

	Ongoing	Non-ongoing	Total
NSW	187	11	**198**
QLD	38	3	**41**
SA	2	1	**3**
TAS	0	0	**0**
VIC	148	5	**153**
WA	3	0	**3**
ACT	78	6	**84**
NT	0	0	**0**
External Territories	0	0	**0**
O/S	4	0	**4**
TOTAL	**460**	**26**	**486**

Note: Figures are based on actual headcounts of employees under paragraphs 22(2)(a) and 22(2)(b) of the PS Act 1999 and include staff on long-term leave but exclude irregular/intermittent employees. The AUSTRAC CEO is not included in the table as the CEO is not engaged under section 22 or section 72.

Table 31: Australian Public Service Act Indigenous employment current report period (2023–24)

	Total
Ongoing	6
Non-ongoing	1
TOTAL	**7**

Table 32: Australian Public Service Act Indigenous employment previous report period (2022–23)

	Total
Ongoing	4
Non-ongoing	2
TOTAL	**6**

Table 33: Australian Public Service Act employment arrangements current report period (2023–24)

	SES	Non-SES	Total
Section 24(1) Determination	12	0	**12**
Individual Flexibility Arrangement	0	36	**36**
AUSTRAC Enterprise Agreement	0	503	**503**
Total	**12**	**539**	**551**

Table 34: Australian Public Service Act employment salary ranges by classification level (minimum/maximum) current report period (2023–24)

	Minimum Salary ($)	Maximum Salary ($)
SES 3	N/A	N/A
SES 2	N/A	314,930
SES 1	N/A	252,313
EL 2	139,016	192,990
EL 1	119,267	156,142
APS 6	97,594	152,096
APS 5	87,101	95,497
APS 4	77,657	86,053
APS 3	70,308	76,605
APS 2	62,964	69,261
APS 1	55,620	60,866
Other	N/A	N/A

Note: This table outlines employee salary ranges as at 30 June 2023, including IFAs. The minimum amount is the first pay point under the AUSTRAC Enterprise Agreement.

Executive Remuneration

Table 35: Remuneration for key management personnel

Name	Position Title	Short-term Benefits		
		Base Salary ($)	*Bonuses ($)*	*Other benefits and allowances ($)*
Brendan Thomas	CEO	232,194	0	0
Peter Soros	DCEO	445,501	0	9,629
Katie Miller	DCEO	307,409	0	0
John Moss	DCEO	321,991	0	2,572
Bradley Brown	DCEO	171,018	0	2,789
Total		**1,478,113**	**0**	**14,990**

Note: AUSTRAC Deputy CEOs have equal base salaries. Variations in the above totals reflect individual variations in leave taken, superannuation schemes, additional duties allowance, periods performing the duties of CEO and overall time in the role within the reporting period. CEO remuneration is set by the Remuneration Tribunal—see Remuneration Tribunal (Remuneration and Allowances for Holders of Full-time Public Office) Determination 2021. Any discrepancy between the value in 'Total remuneration' or 'Total' and the sum of all benefits is due to rounding

Table 35: Remuneration for key management personnel cont.

Post-employment	Other long-term Benefits		Termination Benefits	Total Remuneration
Superannuation Contributions ($)	*Long Service Leave ($)*	*Other long-term benefits ($)*	*($)*	*($)*
14,539	5,319	0	0	**252,052**
57,243	7,873	0	0	**520,246**
34,750	7,873	0	0	**350,032**
46,946	7,873	0	0	**379,382**
26,616	3,654	0	0	**204,077**
180,094	**32,592**	**0**	**0**	**1,705,789**

Table 36: Remuneration for senior executives

Total Remuneration Band	Number of senior executives	Short-term Benefits		
		Average Base Salary ($)	Average Bonuses ($)	Average Other benefits and allowances ($)
$0 - $220,000	2	131,018	0	1,611
$245,001 - $270,000	1	229,959	0	2,572
$270,001 - $295,000	2	242,471	0	6,101
$295,001 - $320,000	6	249,440	0	5,547

Note: Any discrepancy between the value in 'Average total remuneration' and the sum of all benefits is due to rounding.

Table 36: Remuneration for senior executives cont.

Post-employment	Other long-term Benefits		Termination Benefits	Total Remuneration
Average Superannuation Contributions ($)	*Average Long Service Leave ($)*	*Average Other long-term benefits ($)*	*Average Termination Benefits ($)*	*Average Total Remuneration ($)*
19,367	2,656	0	0	**154,652**
23,251	3,988	0	0	**259,770**
35,426	6,308	0	0	**290,306**
43,408	6,308	0	0	**304,703**

Table 37: Remuneration for other highly-paid staff

Total Remuneration Band		Short-term Benefits		
	Number of other highly paid staff	*Average Base Salary ($)*	*Average Bonuses ($)*	*Average Other benefits and allowances ($)*
$395,001 – $420,000	2	232,123	0	160,645
$445,001 – $470,000	1	262,629	0	162,131
$495,001 – $520,000	1	237,771	0	233,702

Note: Any discrepancy between the value in 'Average total remuneration' and the sum of all benefits is due to rounding.

Table 37: Remuneration for other highly-paid staff cont.

Post-employment	Other long-term Benefits		Termination Benefits	Total Remuneration
Average Superannuation Contributions ($)	*Average Long Service Leave ($)*	*Average Other long-term benefits ($)*	*Average Termination Benefits ($)*	*Average Total Remuneration ($)*
21,135	3,191	0	0	**417,094**
21,091	3,394	0	0	**449,245**
29,918	4,106	0	0	**505,497**

146

REPORT ON FINANCIAL PERFORMANCE

2023–24 Financial Performance

Our financial statements have been prepared on an accrual basis in accordance with the Financial Reporting Rule and Australian Accounting Standards. As in previous years, the Statement of Comprehensive Income relates to items of revenue and expenses where we are directly responsible for their administration and management.

In 2023–24 we produced a net operating loss of **$12.387 million**, compared with a net operating loss of **$18.184 million** in 2022–23. The net operating loss includes **$17.448 million** of depreciation and amortisation expenses.

Total revenue for 2023–24 was **$108.831 million**: a **$13.205 million** increase over the previous year.

Our financial position as at 30 June 2024 is shown in the Statement of Financial Position. This takes into account movements in assets, liabilities and equity. Total equity has reduced to **$69.202 million** (2022–23: $76.267 million) this reduction is a result of equity transfers to future years of $9.125 million.

Events occurring after balance date

Payment of $67 million received in July 2024 following the outcome of civil penalty proceedings against SkyCity Adelaide Pty Ltd. The Federal Court of Australia imposed a pecuniary penalty in the amount of $67 million over SkyCity's breaches of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act) on 7 June 2024.

The court agreed that the penalty will be paid within 30 days of the date of the order and also ordered SkyCity to pay AUSTRAC's costs of $3 million, paid in June 2024.

AGENCY RESOURCE STATEMENTS 2023–24

Table 38: Agency resource statements 2023–24

	Actual available appropriations for 2023-24 $'000	*Payments Made 2023-24 $'000*	*Balance Remaining $'000*
	(a)	(b)	(a + b)
Ordinary Annual Services			
Prior year appropriation[43,44]	27,831	(26,436)	1,395
Departmental appropriation[45,46]	100,856	(70,398)	30,458
Section 74 Agency receipts per 2023-24 Portfolio Budget Statements	4,798	(4,798)	-
Additional section 74 receipts	11,782	(11,782)	-
Total	145,267	(113,414)	31,853
Total ordinary annual services	145,267	(113,414)	31,853
Departmental non-operating			
Equity injections	11,334	(592)	10,742
Previous years inputs	20,399	(20,399)	-
Total	**31,733**	**(20,991)**	**10,742**
Total Resourcing and Payments	**177,000**	**(134,405)**	**42,595**

43 Appropriation Act No. 1 2022-23

44 Appropriation Act No. 1 DCB 2021-22 and DCB 2022-23

45 Appropriation Act No. 1 2023-24

46 Appropriation Act No. 1 DCB 2023-24

Table 39: Expenses by outcome for 2023–24

Outcome: The protection of the financial system from criminal abuse through actionable financial intelligence, risk-based regulation, and collaboration with domestic and international partners.

	Budget $'000*	*Actual expenses $'000*	*Variation $'000*
	(a)	(b)	(a + b)
Program 1.1: AUSTRAC			
Administered expenses	-	-	-
Administered total	-	-	-
Departmental expenses			
Departmental appropriation	97,675	100,762	(3,087)
s74 External Revenue [47]	4,798	7,842	(3,044)
Expenses not requiring appropriation in the Budget year [48]	12,826	12,655	(171)
Departmental total	**115,299**	**121,259**	**(5,960)**
Administered	-	-	-
Departmental	115,299	121,259	**(5,960)**
Total expenses for Program 1.1	**115,299**	**121,259**	**(5,960)**
	2023–24	2022–23	
Average staffing level (number)	**497**	**466**	

Any discrepancy for any of the totals is due to rounding.

47 Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act

48 Expenses not requiring appropriation in the Budget year are made up of depreciation expenses and audit fees received free of charge

* Full-year budget, including any subsequent adjustments made to the 2023–24 budget at Additional Estimates

Auditors report
Certification

Primary financial statement
- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Cash Flow Statement
- Administered Schedule of Comprehensive Income
- Administered Schedule of Assets and Liabilities
- Administered Reconciliation Schedule
- Administered Cash Flow Statement

Overview

Notes to the financial statements:

1. Departmental Financial Performance
- 1.1 Expenses
  - 1.1A Employee Benefits
  - 1.1B Suppliers
- 1.2 Own-Source Revenue
  - 1.2A Revenue from Contracts with Customers
  - 1.2B Other Revenue
  - 1.2C Revenue from Government

2. Departmental Financial Position
- 2.1 Financial Assets
  - 2.1A Trade and Other Receivables
- 2.2 Non-Financial Assets
  - 2.2A Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Intangibles
- 2.3 Payables
  - 2.3A Suppliers
  - 2.3B Other Payables
- 2.4 Interest Bearing Liabilities

3. Funding
- 3.1 Appropriations
  - 3.1A Annual Appropriations ('recoverable GST exclusive')
  - 3.1B Unspent Departmental Annual Appropriations ('recoverable GST exclusive')
  - 3.1C Special Appropriations ('recoverable GST exclusive')
- 3.2 Net Cash Appropriation Arrangements

4. People and relationships
- 4.1 Employee Provisions
- 4.2 Key Management Personnel Remuneration
- 4.3 Related Party Disclosures

5. Managing uncertainties
- 5.1 Contingent Assets and Liabilities
  - 5.1A Contingent Assets and Liabilities
  - 5.1B Administered Contingent Assets and Liabilities
- 5.2 Categories of Financial Instruments

6. Other
- 6.1 Current/non-current Distinction for Assets and Liabilities

Australian National Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

Opinion

In my opinion, the financial statements of the Australian Transaction Reports and Analysis Centre (the Entity) for the year ended 30 June 2024:

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

(b) present fairly the financial position of the Entity as at 30 June 2024 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2024 and for the year then ended:

- Statement by the Chief Executive Officer and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

Accountable Authority's responsibility for the financial statements

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

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Australian National Audit Office

Michael Bryant

Senior Director

Delegate of the Auditor-General

Canberra

16 September 2024

STATEMENT BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2024 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement there are reasonable grounds to believe that the Australian Transaction Reports and Analysis Centre will be able to pay its debts as and when they fall due.

Signed .....

Brendan Thomas
Chief Executive Officer

12 September 2024

Signed .....

Yvette Whittaker
Chief Finance Officer

12 September 2024

Australian Transaction Reports and Analysis Centre

STATEMENT OF COMPREHENSIVE INCOME

for the period ended 30 June 2024

	Notes	2024 $'000	2023 $'000	Original Budget $'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	**70,255**	63,978	68,099
Suppliers	1.1B	**31,927**	31,320	28,472
Depreciation and amortisation	2.2A	**17,448**	17,344	17,909
Losses from asset sales and disposals		**2**	8	-
Interest on lease liabilities		**852**	896	819
Write-down and disposal of intangible assets		**775**	-	-
Total expenses		**121,259**	113,546	115,299
Own-Source Income				
Own-source revenue				
Revenue from contracts with customers	1.2A	**11,021**	3,177	4,798
Other revenue	1.2B	**135**	135	135
Total own-source revenue		**11,156**	3,312	4,933
Total own-source income		**11,156**	3,312	4,933
Net (cost of) services		**(110,103)**	(110,234)	(110,366)
Revenue from Government - departmental appropriation	1.2C	**97,675**	92,314	97,675
Surplus/(Deficit) attributable to the Australian Government		**(12,428)**	(17,920)	(12,691)
OTHER COMPREHENSIVE INCOME				
Transfers between equity components		**41**	198	-
Adjustments in asset revaluation reserve		**-**	(462)	-
Total other income/(loss)		**41**	(264)	-
Total comprehensive income/(loss) attributable to the Australian Government		**(12,387)**	(18,184)	(12,691)

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

Budget Variances Commentary

Statement of Comprehensive Income for not-for-profit Reporting Entities

Following the successful negotiation of the enterprise agreement employee benefits were increased by an ongoing 4% increase and a one-off 0.92% payment.

The variance in suppliers is due to an increase in enforcement actions resulting in higher legal fees. The cost of these fees have been offset by the court awarded reimbursement of costs.

A writedown and disposal of assets review resulted in two assets being written off. One asset was replaced by a new asset and the other asset was reclassified as a cloud computing arrangement, software as a service.

Revenue is higher than budget due to the finalisation of two legal cases which resulted in legal costs being awarded to AUSTRAC.

Australian Transaction Reports and Analysis Centre

STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	Notes	2024 $'000	2023 $'000	Original Budget $'000
ASSETS				
Financial Assets				
Cash and cash equivalents		2,053	1,735	1,191
Trade and other receivables	2.1A	41,082	46,899	35,385
Total financial assets		43,135	48,634	36,576
Non-Financial Assets				
Leasehold improvements	2.2A	2,620	3,030	-
Property, plant and equipment	2.2A	6,749	8,257	9,952
Buildings	2.2A	33,414	37,310	30,831
Intangibles	2.2A	42,486	38,018	53,413
Prepayments		3,916	3,898	2,980
Total non-financial assets		89,185	90,513	97,176
Total assets		132,320	139,147	133,752
LIABILITIES				
Payables				
Suppliers	2.3A	2,965	2,877	3,224
Other payables	2.3B	4,874	1,978	1,876
Total payables		7,839	4,855	5,100
Provisions				
Employee provisions	4.1	18,943	18,374	17,648
Total provisions		18,943	18,374	17,648
Interest bearing liabilities				
Leases	2.4	36,336	39,651	33,817
Total interest bearing liabilities		36,336	39,651	33,817
Total liabilities		63,118	62,880	56,565
Net assets		69,202	76,267	77,187
EQUITY				
Contributed equity		173,178	167,815	182,330
Reserves		1,312	1,353	1,089
(Accumulated deficit)		(105,288)	(92,901)	(106,232)
Total equity		69,202	76,267	77,187

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

Budget Variances Commentary

Statement of Financial Position

The variances in appropriation receivables and intangibles is due to project delivery delays. A movement of funds to reflect this position was approved after the budget was published.

The increase in other payables is primarily due to unearned revenue received in advance from activities funded by other Government departments. As the activities are delivered the balance will reduce.

Employee provisions have increased in line with the sucessful negotiation of the enterprise agreement.

The variance of contributed equity is attributed to the movement of capital expenditure into forward years as mentioned above.

Australian Transaction Reports and Analysis Centre

STATEMENT OF CHANGES IN EQUITY

for the period ended 30 June 2024

	2024	2023	Original Budget
	$'000	$'000	$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	**167,815**	145,272	167,815
Adjusted opening balance	**167,815**	145,272	167,815
Transactions with owners			
Contributions by owners			
Equity injection - Appropriations	**2,182**	19,501	11,334
Departmental capital budget	**3,181**	3,042	3,181
Total transactions with owners	**5,363**	22,543	14,515
Closing balance as at 30 June	**173,178**	167,815	182,330
RETAINED EARNINGS			
Opening balance			
Balance carried forward from previous period	**(92,901)**	(75,179)	(93,541)
Adjusted opening balance	**(92,901)**	(75,179)	(93,541)
Comprehensive income			
(Deficit) for the period	**(12,428)**	(17,920)	(12,691)
Total comprehensive income	**(12,428)**	(17,920)	(12,691)
Transfers between equity components	**41**	198	-
Closing balance as at 30 June	**(105,288)**	(92,901)	(106,232)
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	**1,353**	1,089	1,089
Adjusted opening balance	**1,353**	1,089	1,089
Transfers between equity components	**(41)**	(198)	-
Adjustments in asset revaluation reserve	**-**	462	-
Closing balance as at 30 June	**1,312**	1,353	1,089

Australian Transaction Reports and Analysis Centre

STATEMENT OF CHANGES IN EQUITY (continued)

for the period ended 30 June 2024

	2024	2023	Original Budget
	$'000	$'000	$'000
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	**76,267**	71,182	75,363
Adjusted opening balance	**76,267**	71,182	75,363
Comprehensive income			
(Deficit) for the period	**(12,428)**	(17,920)	(12,691)
Total comprehensive income	**(12,428)**	(17,920)	(12,691)
Transactions with owners			
Contributions by owners			
Equity injection - Appropriations	**2,182**	19,501	11,334
Departmental capital budget	**3,181**	3,042	3,181
Total transactions with owners	**5,363**	22,543	14,515
Adjustments in asset revaluation reserve	**-**	462	-
Closing balance as at 30 June	**69,202**	76,267	77,187

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

Accounting Policy

Equity Injections

Amounts appropriated as 'equity injections' and departmental capital budgets (DCBs) are recognised directly in contributed equity in the year of receipt.

Budget Variances Commentary

Statement of Changes in Equity

The variance in retained earnings is due to the recognition of the operating result for the year and is in line with the commentary for the Statement of Comprehensive Income.

The variance in equity injection is attributed to the approved movement of capital expenditure.

Australian Transaction Reports and Analysis Centre

CASH FLOW STATEMENT

for the period ended 30 June 2024

	Notes	2024 $'000	2023 $'000	Original Budget $'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		**92,819**	100,450	97,875
Rendering of services		**16,580**	4,379	4,798
GST received		**4,215**	4,654	5,600
Total cash received		**113,614**	109,483	108,073
Cash used				
Employees		**69,372**	62,965	68,099
Suppliers		**38,768**	38,290	28,337
GST paid		**3**	542	5,600
Interest payments on lease liabilities		**852**	896	819
Total cash used		**108,995**	102,693	102,855
Net cash from operating activities		**4,619**	6,790	5,218
INVESTING ACTIVITIES				
Cash used				
Purchase of property, plant and equipment		**1,800**	3,302	23,662
Purchase of internally developed software		**13,164**	15,320	-
Total cash used		**14,964**	18,622	23,662
Net cash used by investing activities		**(14,964)**	(18,622)	(23,662)
FINANCING ACTIVITIES				
Cash received				
Contributed equity		**15,892**	17,380	23,662
Total cash received		**15,892**	17,380	23,662
Cash used				
Principal payments of lease liabilities		**5,229**	5,004	5,218
Total cash used		**(5,229)**	(5,004)	(5,218)
Net cash from financing activities		**10,663**	12,376	18,444
Net decrease in cash held		**318**	544	-
Cash and cash equivalents at the beginning of the reporting period		**1,735**	1,191	1,191
Cash and cash equivalents at the end of the reporting period		**2,053**	1,735	1,191

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

Budget Variances Commentary

Cash Flow Statement

Suppliers increased as a result of an increase in legal fees from new enforcement actions and lower than expected capitialisation in projects due to various project's delayed movement through delivery stages.

The variance in cash received from operating activites is predominately attributed to the sucessful outcome of civil proceedings resulting in substantial legal cost recovery. The signing of new contracts have also led to further variances in total cash received.

Reform preparation efforts have caused some projects to be delayed, resuting in a variance in net cash by investing activities and from financing activities.

Australian Transaction Reports and Analysis Centre

ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME

for the period ended 30 June 2024

	2024	2023	Original Budget
	$'000	$'000	$'000
Net Cost of Services			
EXPENSES			
Impairment of receivables	6	-	-
Waivers	6,598	490	-
Impairment loss on financial instruments	-	(2)	-
Total expenses	6,604	488	-
Income			
Revenue			
Taxation revenue			
Industry contribution levies	101,288	99,386	100,961
Total Taxation revenue	101,288	99,386	100,961
Non-taxation revenue			
Fines	125,356	89	100
Total non-taxation revenue	125,356	89	100
Total revenue	226,644	99,475	101,061
Net contribution by services	220,040	98,987	101,061
Surplus	220,040	98,987	101,061

This schedule should be read in conjunction with the accompanying notes.

Budget Variances Commentary

Schedule of Administered Comprehensive Income

The variance from budget for waivers is a result of invoiced levies being waived as part of the normal levy process for disputes finalised up to 30 June 2024.

The variance from budget in industry contribution levies is a result to changes in reported declared earnings or group structures for some reporting entities. This resulted in a net increase in collected levies in 2023-24.

Fines were in excess of the original budget due to settlement of an enforcement action occuring subsequent to budget.

Australian Transaction Reports and Analysis Centre

ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES
as at 30 June 2024

	2024 $'000	2023 $'000	Original Budget $'000
Assets			
Financial assets			
Taxation receivables	**101,082**	98,258	139
Total financial assets	**101,082**	98,258	139
Total assets administered on behalf of Government	**101,082**	98,258	139
Net assets	**101,082**	98,258	139
Liabilities			
Financial Liabilities			
Provision for refund [1]	**1,933**	-	-
Total financial liabilities administered on behalf of government	**1,933**	-	-
Net assets/(liabilities)	**99,149**	98,258	139

This schedule should be read in conjunction with the accompanying notes.

[1] Provision for waiving of levies that are being disputed as at 30 June 2024.

Budget Variances Commentary

Schedule of Administered Assets and Liabilities

The variance from budget for receivables is a result of the timing in levy invoices being issued. Levy invoices for the year were issued on 28 June 2024.

Australian Transaction Reports and Analysis Centre

ADMINISTERED RECONCILIATION SCHEDULE

for the period ended 30 June 2024

	2024 $'000	2023 $'000
Opening assets less liabilities as at 1 July	**98,258**	139
Surplus items:		
Net contribution by services	**220,040**	98,987
transfers to/from Australian Government:		
Special appropriation (unlimited)	**554**	360
Transfers to Official Public Account	**(219,703)**	(1,228)
Closing assets less liabilities as at 30 June	**99,149**	98,258

This schedule should be read in conjunction with the accompanying notes.

Accounting Policy

Administered Cash Transfers to and from the Official Public Account

Administered revenue collected by AUSTRAC is for use by the Government.

Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government.

These transfers to and from the OPA are adjustments to the administered cash held by AUSTRAC on behalf of the Government and are reported as such in the schedule of administered cash flows.

Australian Transaction Reports and Analysis Centre

ADMINISTERED CASH FLOW STATEMENT

for the period ended 30 June 2024

	2024 $'000	2023 $'000	Original Budget $'000
OPERATING ACTIVITIES			
Cash received			
Taxes	**94,556**	1,140	100,961
Fees and fines	**125,147**	88	100
Total cash received	**219,703**	1,228	101,061
Cash used			
Refunds of fees and taxes	**(554)**	(360)	-
Total cash used	**(554)**	(360)	-
Net cash flows from operating activities	**219,149**	868	101,061
Net increase in cash held	**219,149**	868	101,061
Cash and cash equivalents at the beginning of the reporting period	**-**	-	-
Cash from the Official Public Account for:			
Special appropriation (unlimited)	**554**	360	-
Cash to Official Public Account for:			
Administered receipts	**(219,703)**	(1,228)	(101,061)
Net increase in cash held	**(219,149)**	(868)	(101,061)
Cash and cash equivalents at the end of the reporting period	**-**	-	-

This schedule should be read in conjunction with the accompanying notes.

OVERVIEW

Objectives of AUSTRAC

The Australian Transaction Reports and Analysis Centre (AUSTRAC) is a non-corporate Commonwealth entity, controlled by the Australian Government.

AUSTRAC is Australia's financial intelligence unit and anti-money laundering and counter-terrorism financing (AML/CTF) regulator. AUSTRAC's purpose is to build resilience in the financial system and use financial intelligence and regulation to disrupt money laundering, terrorism financing and other serious crime.

AUSTRAC is structured to the following outcome: The protection of the financial system from criminal abuse through actionable intelligence, risk-based regulation, and collaboration with domestic and international partners.

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

Basis of Preparation of the Financial Statements

The financial statements are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The financial statements have been prepared in accordance with:

a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and

b) Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

New Accounting Standards

There were no new standards issued prior to the signing of the statement by the Chief Executive Officer and Chief Financial Officer.

Taxation

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

Events After the Reporting Period

Following the court order judgement on 07 June 2024 passed in favour of AUSTRAC in the legal proceeding of AUSTRAC v SkyCity Adelaide, the pecuniary penalty amount of $67m was received in July 2024.

Reporting of Administered Activities

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

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

1. DEPARTMENTAL FINANCIAL PERFORMANCE

This section analyses AUSTRAC's financial performance for the year ended 30 June 2024

1.1 Expenses

	2024 $'000	2023 $'000
1.1A Employee Benefits		
Wages and salaries	**51,764**	46,617
Superannuation:		
Defined contribution plans	**7,490**	6,660
Defined benefit plans	**1,877**	1,834
Leave and other entitlements	**8,224**	8,144
Other	**900**	723
Total employee benefits	**70,255**	63,978

Accounting Policy

Accounting policies for employee related expenses are contained in the People and relationships section.

1.1B Suppliers		
Goods and services		
Contractors	**8,904**	9,542
Contracting services	**6,682**	6,586
IT maintenance	**6,182**	5,257
Travel	**3,092**	2,833
Property and office maintenance	**2,703**	2,691
Telecommunications	**1,453**	1,442
Other	**1,591**	1,876
Consultants	**925**	498
Total goods and services	**31,532**	30,725
Goods and services are made up of:		
Goods supplied	**2,622**	1,585
Services rendered	**28,910**	29,140
Total goods and services supplied or rendered	**31,532**	30,725
Other supplier expenses		
Workers compensation expenses	**109**	94
Short term lease rentals	**286**	501
Total other suppliers	**395**	595
Total suppliers	**31,927**	31,320

AUSTRAC has short-term lease commitments of $213,897 as at 30 June 2024.

The above lease disclosures should be read in conjunction with the accompanying notes 2.2A.

Accounting Policy

Short-term leases and leases of low-value assets

AUSTRAC has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than $10,000). AUSTRAC recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.2 Own-Source Revenue and gains

	2024 $'000	2023 $'000
Own-Source Revenue		
1.2A Revenue from Contracts with Customers		
Revenue from contracts with customers	**11,021**	3,177
Total revenue from contracts with customers	**11,021**	3,177
Type of customer:		
Australian Government entities (related parties)	**11,021**	3,177
	11,021	3,177
Timing of transfer of goods and services:		
Over time	**9,488**	2,230
Point in time	**1,533**	947
	11,021	3,177

Accounting Policy

AUSTRAC enters into various memorandum of understanding (MOU) contracts for service delivery arrangements with related parties, specifically other Federal Government Agencies. These agreements can last from 6 months to 4 years.

AUSTRAC's recognition of this revenue is largely based on when the performance obligations and customer satisfaction is met. This can be at multiple recognition points throughout the contract period and will include:

- point in time recognition for some obligations such as training, seminars, on ground activities, licence services, asset acquisitions; and

- upon receipt of revenue when delivering management services on an ongoing basis to the customer. For management purposes, this may result in revenue being recognised throughout the financial year, however all revenue received for delivering management services will be recognised in full in the financial year of receipt.

Where AUSTRAC has assessed the revenue under AASB 15, AUSTRAC will recognise the revenue upon completion of activities. For revenue assessed under AASB 1058, AUSTRAC will recognise the revenue in the year when the contribution is received.

	2024 $'000	2023 $'000
1.2B Other Revenue		
Resources received free of charge		
Remuneration of auditors	**135**	135
Total other revenue	**135**	135

Accounting Policy

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of these resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

1.2C Revenue from Government		
Appropriations:		
Departmental appropriation	**97,675**	92,314
Total revenue from Government	**97,675**	92,314

Accounting Policy

Revenue from Government

Revenue from Government amounts appropriated for departmental appropriations for the period (adjusted for any formal additions and reductions) are recognised as revenue from Government when AUSTRAC gains control of the appropriation. Appropriations receivable are recognised at their nominal amounts.

2. DEPARTMENTAL FINANCIAL POSITION

This section analyses AUSTRAC's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

2.1 Financial Assets

	2024 $'000	2023 $'000
2.1A Trade and Other Receivables		
Goods and services	154	210
Total receivables for goods and services	154	210
Appropriations receivable:		
Receivables from existing programs	40,453	46,126
Total appropriations receivable	40,453	46,126
Other receivables:		
GST receivable from the Australian Taxation Office	475	563
Total other receivables	475	563
Total trade and other receivables (gross)	41,082	46,899
Total trade and other receivables (net)	41,082	46,899
Receivables are expected to be recovered in:		
No more than 12 months	41,082	46,899
Total trade and other receivables (net)	41,082	46,899

Financial assets were assessed for impairment in accordance with the impairment policy stated below. No indicators of impairment were identified as at 30 June 2024.

Accounting Policy

Financial assets

Financial assets are classified as loans and receivables and are assessed for impairment at the end of each reporting period. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date and are assessed for impairment at the end of each reporting period.

Loans and Receivables

Where loans and receivables are not subject to concessional treatment, they are carried at amortised cost using the effective interest method. Gains and losses due to impairment, derecognition and amortisation are recognised through the statement of comprehensive income.

2.2 Non-Financial Assets

2.2A Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Intangibles

	Leasehold improvements $'000	Buildings $'000	Property, plant, equipment $'000	Intangibles $'000	Total $'000
As at 1 July 2023					
Gross book value	7,600	9,053	26,002	68,972	111,627
Gross book value - ROU assets	-	43,149	-	-	43,149
Accumulated depreciation and impairment	(4,570)	(969)	(17,745)	(30,954)	(54,238)
Accumulated depreciation and impairment - ROU assets	-	(13,923)	-	-	(13,923)
Total as at 1 July 2023	3,030	37,310	8,257	38,018	86,615
Additions					
By purchase	199	-	1,601	-	1,800
Internally developed	-	-	-	13,164	13,164
Right-of-use assets	-	1,915	-	-	1,915
Depreciation expense	(609)	(883)	(3,107)	(7,921)	(12,520)
Depreciation on right-of-use assets		(4,928)			(4,928)
Asset Cost					
Disposals:					
Asset cost on assets disposed	-	(2,093)	(1,491)	(4,463)	(8,047)
Accumulated depreciation on assets disposed	-	2,093	1,489	3,688	7,270
Total as at 30 June 2024	2,620	33,414	6,749	42,486	85,269
Totals as at 30 June 2024 are represented by:					
Gross book value	7,799	9,053	26,112	77,673	120,637
Gross book value - ROU assets	-	42,971	-	-	42,971
Accumulated depreciation and impairment	(5,179)	(1,851)	(19,363)	(35,187)	(61,580)
Accumulated depreciation and impairment - ROU assets	-	(16,759)	-	-	(16,759)
Total as at 30 June 2024	2,620	33,414	6,749	42,486	85,269
Carrying amount of right-of-use assets	-	26,212	-	-	26,212

Revaluations of non-financial assets

No revaluations were conducted in the current year. (Leasehold improvements 2023:$0.025m, property plant and equipment 2023: $0.378m, fixtures and fittings 2023: $0.060m, intangibles 2023: Nil).

Contractual commitments for the acquisition of property, plant, equipment and Intangible assets

Contractual commitments for the acquisition of software for intangible assets is $1.10m (inclusive of GST), (2023: $1.65m).

Accounting Policy

Assets are recorded at cost of acquisition, except where stated below.

The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

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

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than $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. This is particularly relevant to 'make good' provisions in property leases taken up by AUSTRAC where there exists an obligation to restore the property back to its original condition. These costs are included in the value of leasehold improvements with a corresponding recognition of a provision for restoration obligation.

Lease Right of Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

An impairment review is undertaken for any ROU lease asset that shows indicators of impairment and an impairment loss is recognised against any ROU leased asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, GGS and Whole of Government financial statements.

Revaluations

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

Asset class	Fair value measured at
Leasehold improvements	Current replacement cost, adjusted for obsolescence
Property, plant and equipment	Current replacement cost, adjusted for obsolescence

Following initial recognition at cost, items of property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different to fair value) less subsequent accumulated depreciation and accumulated impairment losses. Independent 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 frequency of independent valuations is dependent upon the volatility of movements in market values for relevant assets. AUSTRAC has assessed a three year update is appropriate to meet this requirement with the most recent independent valuation was conducted for a valuation date of 30 June 2023.

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 that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount. Depreciation is recalculated over the remaining estimated useful life of the asset on a straight line basis.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to AUSTRAC 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:

Asset class	**2024**	2023
Leasehold improvements	**Lease term**	Lease term
Property, plant and equipment	**3 to 10 years from date of purchase**	3 to 10 years from date of purchase

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All assets were assessed for indications of impairment as at 30 June 2024. Where indications of impairment exist, the recoverable amount of the asset is estimated and an impairment adjustment made if the recoverable amount is less than the carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal 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 the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

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

Intangibles

AUSTRAC's intangibles comprise purchased and internally developed software for internal use. These assets have been internally assessed for impairment as at 30 June 2024.

Software is amortised on a straight line basis over its anticipated useful life. The useful lives of AUSTRAC's software are 1 to 10 years (2022-23: 1 to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2024.

Accounting Judgements and Estimates Fair Value Measurement

AUSTRAC relies on the expert advice of internal staff to conduct asset materiality reviews of all non-financial assets held at fair value as at reporting date and relies upon those outcomes to establish carrying amounts.

An annual assessment is undertaken to determine whether the carrying amount of assets differs materially from the fair value. Comprehensive valuations are undertaken at least once every three years.

The fair value of property, plant and equipment is determined using either the market approach or the cost approach.

2.3 Payables

	2024 $'000	2023 $'000
2.3A Suppliers		
Trade creditors and accruals	**2,965**	2,877
Total suppliers	**2,965**	2,877

Supplier payables are made within 20 days (2023: 20 days).

2.3B Other Payables		
Contract liabilities[1]	**2,712**	129
Salaries and wages	**1,691**	1,422
Superannuation	**307**	258
Other	**164**	169
Total other payables	**4,874**	1,978

[1] The contract liabilities are associated with various memorandum of understanding arrangements with other Federal Government Agencies for the delivery of specific activities. These agreements can last from 6 months to 4 years and are paid to AUSTRAC under section 74 of the PGPA Act.

2.4 Leases

Leases		
Lease liabilities	**36,336**	39,651
Total leases	**36,336**	39,651

Total cash outflow for leases for the year ended 30 June 2024 was $5.229m, (2023 $5.404m).

Maturity analysis - contractual undiscounted cash flows		
Within 1 year	**6,185**	5,804
Between 1 to 5 years	**22,253**	21,656
More than 5 years	**11,223**	16,173
Total leases	**39,661**	43,633

Accounting Policy

Leases

For all new contracts entered into, AUSTRAC considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or AUSTRAC's incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

3. FUNDING

This section identifies AUSTRAC's funding structure.

3.1 Appropriations

3.1A Annual Appropriations ('recoverable GST exclusive')

2024 Annual Appropriations

	Annual Appropriation[1,3]	Adjustment to Appropriations[2]	Total Appropriation	Appropriation applied in 2024 (current and prior years)	Variance[4,5]
	$'000	$'000	$'000	$'000	$'000
DEPARTMENTAL					
Ordinary annual services	**97,675**	**16,580**	**114,255**	**109,177**	**5,078**
Capital budget[3]	**3,181**	-	**3,181**	**2,087**	**1,094**
Other services					
Equity injections[6]	**11,334**	-	**11,334**	**12,563**	**(1,229)**
Total departmental	**112,190**	**16,580**	**128,770**	**123,827**	**4,943**

[1] In 2023-24 there were no adjustments that met the recognition criteria of a formal reduction in revenue (2023: $0.094m).

[2] Section 74 increase in revenue $16.580m (2023: $4.379m).

[3] Departmental capital budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

[4] The variance relates to appropriation drawn down in the prior year and cash balances on hand at year end.

[5] The equity variance relates to planned project expenditure that had not been made at balance date.

[6] Movement of equity funding quarantined to future years from 2023 Act 2 $9.152m.

2023 Annual Appropriations

	Annual Appropriation[1,3]	Adjustment to Appropriations[2]	Total Appropriation	Appropriation applied in 2023 (current and prior years)	Variance[4,5]
	$'000	$'000	$'000	$'000	$'000
DEPARTMENTAL					
Ordinary annual services	92,314	4,379	96,693	103,928	(7,235)
Capital budget[3]	3,042	-	3,042	2,404	638
Other services					
Equity injections	19,501	-	19,501	14,976	4,525
Total departmental	114,857	4,379	119,236	121,308	(2,072)

[1] In 2022-23 there were adjustments that met the recognition criteria of a formal reduction in revenue $0.094m (2022: Nil).

[2] Section 74 increase in revenue $4.379m (2022: $14.237m).

[3] Departmental capital budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

[4] The variance relates to appropriation drawn down in the prior year and cash balances on hand at year end.

[5] The equity variance relates to planned project expenditure that had not been made at balance date.

3.1B Unspent Departmental Annual Appropriations ('recoverable GST exclusive')

	2024	2023
	$'000	$'000
Appropriation Act No.1 2021-22 Departmental Capital Budget	-	2,405
Appropriation Act No.2 2021-22	-	899
Appropriation Act No.1 2022-23 Cash at bank and on hand	-	1,735
Appropriation Act No.1 2022-23 [1]	-	20,280
Appropriation Act No.1 2022-23 Departmental Capital Budget	**1,395**	3,042
Appropriation Act No.2 2022-23 [2]	-	19,501
Appropriation Act No.1 2023-24	**25,136**	-
Appropriation Act No.1 2023-24 Departmental Capital Budget	**3,181**	-
Appropriation Act No.2 2023-24	**10,742**	-
Appropriation Act No.1 2023-24 Cash at bank and on hand	**2,053**	-
Total	**42,507**	47,862

No Appropriation acts were quarantined for 2023-24.

[1] The 2022-23 appropriton act 1 was affected by quarantining arrangements of $0.094m in 2023.

[2] The 2022-23 appropriation act 2 was affected by quarantine arrangements of $9.125m in 2024.

3.1C Special Appropriations ('recoverable GST exclusive')

Authority	Type	Purpose	Appropriation applied 2024 $'000	2023 $'000
Section 77, *Public Governance, Performance and Accountability Act 2013*	Refund	To provide an appropriation where an Act or other law requires or permits the repayment of an amount received by the Commonwealth and apart from this section there is no specific appropriation for the repayment.	**554**	360
Total special appropriations applied			**554**	360

3.2 Net Cash Appropriation Arrangements

	2024	2023
	$'000	$'000
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	**(12,387)**	(18,184)
Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections)[1]	**12,520**	12,407
Plus: depreciation of right-of-use assets[2]	**4,928**	4,937
Less: lease principal repayments[2]	**(5,229)**	(5,004)
Net Cash Operating Surplus/ (Deficit)	**(168)**	(5,844)

[1] From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses of non-corporate Commonwealth entities and selected corporate Commonwealth entities were replaced with a separate capital budget provided through equity injections. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.

[2] The inclusion of depreciation/amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements.

4. PEOPLE AND RELATIONSHIPS

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

	2024 $'000	2023 $'000
4.1 Employee Provisions		
Leave	18,843	18,374
Other	100	-
Total employee provisions	18,943	18,374

Accounting Policy

Liabilities for short-term employee benefits and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts.

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

Other long-term employee benefits are measured as the net total of the present value of the defined benefit obligation at the end of the reporting period.

Leave

The liability for employee benefits includes provisions 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 AUSTRAC is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including AUSTRAC's employer superannuation contribution rates and other employee benefits 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 is the present value of employee entitlements based on the Australian Government shorthand method as per the FRR. In using this method, AUSTRAC has incorporated standard demographic assumptions and relevant parameters deemed applicable to AUSTRAC.

Separation and Redundancy

When appropriate, provision is made for separation and redundancy benefit payments. The entity 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

The majority of AUSTRAC's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap). A small number of staff are members of employee nominated superannuation funds, as allowed under AUSTRAC's enterprise agreement.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and other employee nominated superannuation funds 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 administered schedules and notes.

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

The liability for superannuation recognised as at 30 June 2024 represents outstanding contributions for the final fortnight of the year.

Accounting Judgements and Estimates

The liability for long service leave has been determined by use of the shorthand model which was developed for entities with no more than 1,000 employees by the Department of Finance. Under the shorthand model, an entity specific discount factor is calculated based on the changing demographic mix of that entity. The discount factor takes into account the timing of the projected LSL payments, and represents the impact of increasing payments with the assumed level of salary growth, up to the time of payment. The value is then discounted to the present day using the bond rate published annually. AUSTRAC estimates this discount factor with reference to published Wage Price Index data plus a promotional growth rate as recommended in the model. All other inputs are consistent with the recommendations of the shorthand model.

4.2 Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of AUSTRAC, directly or indirectly. AUSTRAC has determined the key management personnel to be the Attorney General, the Chief Executive Officer and the three Deputy Chief Executive Officers. Key management personnel remuneration is reported in the table below:

	2024 $	2023 $
Short-term employee benefits		
Salary	**1,478,113**	1,320,010
Other benefits and allowances - car parking	**14,990**	13,389
Short-term employee benefits	**1,493,103**	1,333,399
Post-employment benefits		
Superannuation	**180,094**	157,405
Post-employment benefits	**180,094**	157,405
Other long-term employee benefits		
Long-service leave	**32,592**	33,251
Other long-term employee benefits	**32,592**	33,251
Total key management personnel remuneration expenses[1]	**1,705,789**	1,524,055

The total number of key management personnel included in the above table are 5 (2023: 5).

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

4.3 Related Party Disclosures

Related party relationships:

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

Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

The following transactions with related parties occurred during the financial year:

- AUSTRAC transacts with other Australian Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the payment of workers compensation, insurance premiums, vetting and legal services. These are not considered individually significant to warrant separate disclosure as related party transactions.

- AUSTRAC transacts with other Australian Government controlled entities for the provision of fee based services to or on behalf of those entities. Such services are provided under normal terms and conditions and are not considered individually significant to warrant separate disclosure as related party transactions.

- No key management personnel (KMP) have entered into any related party transactions with AUSTRAC and there are no contracts involving key management personnel interests existing at year end.

5. MANAGING UNCERTAINTIES

This section describes how AUSTRAC manages financial risks within its operating environment.

5.1 Contingent Assets and Liabilities

5.1A Contingent Assets and Liabilities

Quantifiable Contingencies

There are no departmental or administered quantifiable contingencies as at 30 June 2024 (2023: Nil).

Unquantifiable Contingencies

At 30 June 2024 AUSTRAC administered a legal matter that is currently under review. It is not possible to estimate the amount of any eventual payments that may be required in relation to this matter.

5.1B Administered Contingent Assets and Liabilities

Unquantifiable Administered Contingencies

At 30 June 2024 AUSTRAC progressed civil penalty proceedings in the Federal Court against a regulated entity. There is also an AUSTRAC commissioned legal review of an administrative process in progress. It is not currently possible to estimate the amounts of any eventual payments that may be required in relation to these potential claims.

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in this note. 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.

Significant accounting judgements and estimates

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

	2024	2023
	$'000	$'000
5.2 Categories of Financial Instruments		
Financial assets at amortised cost		
Loans and receivables		
Cash and cash equivalents	**2,053**	1,735
Goods and services receivable	**154**	210
Total financial assets at amortised cost	**2,207**	1,945
Total financial assets	**2,207**	1,945
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade creditors	**2,965**	2,877
Total financial liabilities measured at amortised cost	**2,965**	2,877
Total financial liabilities	**2,965**	2,877

Accounting Policy

Financial assets

AUSTRAC classifies its financial assets at amortised cost.

Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial Assets at Amortised Cost

Financial assets included in this category are held in order to collect the contractual cash flows and the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses.

The simplified approach for trade receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a de-recognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

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

Financial Liabilities at Amortised Cost

Financial liabilities are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

6. OTHER INFORMATION

6.1 Current/non-current Distinction for Assets and Liabilities

6.1A Current/non-current distinction for assets and liabilities

	2024 $'000	2023 $'000
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	2,053	1,735
Trade and other receivables	41,082	46,899
Prepayments	3,402	3,199
Building	5,412	4,995
Total no more than 12 months	51,949	56,828
More than 12 months		
Leasehold Improvements	2,620	3,030
Building	28,002	32,315
Plant and equipment	6,749	8,257
Prepayments	514	699
Intangibles	42,486	38,018
Total more than 12 months	80,371	82,319
Total assets	132,320	139,147
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	2,965	2,877
Leases	5,412	4,995
Other payables	4,874	1,977
Employee provisions	8,250	7,649
Total no more than 12 months	21,501	17,498
More than 12 months		
Suppliers	-	-
Leases	30,924	34,656
Other payables	-	-
Employee provisions	10,693	10,725
Total more than 12 months	41,617	45,381
Total liabilities	63,118	62,879

6.1B Administered Current/non-current distinction for assets and liabilities

	2024 $'000	2023 $'000
Assets expected to be recovered in:		
No more than 12 months	101,082	98,258
More than 12 months	-	-
Total assets	101,082	98,258
Liabilities expected to be recovered in:		
No more than 12 months	-	-
Total liabilities	-	-

182

APPENDICES

List of Requirements

PGPA Rule Reference	Page of Report	Description	Requirement
17AD(g)	**Letter of transmittal**		
17AI	**3**	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	**Aid to access**		
17AJ(a)	**6**	Table of contents	Mandatory
17AJ(b)	**196**	Alphabetical index	Mandatory
17AJ(c)	**194**	Glossary of abbreviations and acronyms	Mandatory
17AJ(d)	**183**	List of requirements	Mandatory
17AJ(e)	**2**	Details of contact officer	Mandatory
17AJ(f)	**2**	Entity's website address.	Mandatory
17AJ(g)	**2**	Electronic address of report	Mandatory
17AD(a)	**Review by Accountable Authority**		
17AD(a)	**10**	A review by the accountable authority of the entity.	Mandatory
17AD(b)	**Overview of the Entity**		
17AE(1)(a)(i)	**16**	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	**22**	A description of the organisational structure of the entity.	Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
17AE(1)(a)(iii)	**15**	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	**15**	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	**24**	Name of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(ii)	**24**	Position title of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(iii)	**24**	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory
17AE(1)(b)	**N/A**	An outline of the structure of the portfolio of the entity.	Portfolio departments mandatory
17AE(2)	**N/A**	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c)	**Report on the Performance of the Entity**		
	Annual Performance Statements		
17AD(c)(i); 16F	**29**	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	**Report on Financial Performance**		
17AF(1)(a)	**147**	A discussion and analysis of the entity's financial performance.	Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
17AF(1)(b)	**148**	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	**147**	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory
17AD(d)	**Management and Accountability**		
	Corporate Governance		
17AG(2)(a)	**3**	Information on compliance with section 10 (fraud systems)	Mandatory
17AG(2)(b)(i)	**3**	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	**3**	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	**3**	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	**91**	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
17AG(2)(d) – (e)	**98**	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory
	Audit Committee		
17AG(2A)(a)	**92**	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	**92-95**	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	**92-95**	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	**92-95**	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	**92-95**	The remuneration of each member of the entity's audit committee.	Mandatory
	External Scrutiny		
17AG(3)	**100**	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	**100**	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
17AG(3)(b)	**100**	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	**100**	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
	Management of Human Resources		
17AG(4)(a)	**114-115**	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	**118-137**	Statistics on the entity's employees on an ongoing and non ongoing basis, including the following: (a) statistics on full time employees; (b) statistics on part time employees; (c) statistics on gender (d) statistics on staff location	Mandatory
17AG(4)(b)	**118-137**	Statistics on the entity's APS employees on an ongoing and non ongoing basis; including the following: (a) Statistics on staffing classification level; (b) Statistics on full time employees; (c) Statistics on part time employees; (d) Statistics on gender; (e) Statistics on staff location; (f) Statistics on employees who identify as Indigenous.	Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
17AG(4)(c)	**113-114**	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the *Public Service Act 1999*.	Mandatory
17AG(4)(c)(i)	**138**	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	**139**	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	**114**	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	**114**	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	**114**	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	**114**	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	**114**	Information on aggregate amount of performance payments.	If applicable, Mandatory
	Assets Management		
17AG(5)	**106**	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory
	Purchasing		
17AG(6)	**101**	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
	Reportable Consultancy Contracts		
17AG(7)(a)	**102**	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	**103**	A statement that "During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of $[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of $[specified million]".	Mandatory
17AG(7)(c)	**103**	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	**103**	A statement that "Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website."	Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
	Reportable Non-Consultancy Contracts		
17AG(7A)(a)	**103**	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	**104**	A statement that "Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website."	Mandatory
	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	**104**	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
	Australian National Audit Office Access Clauses		
17AG(8)	**105**	If an entity entered into a contract with a value of more than $100 000 (inclusive of GST) and the contract did not provide the Auditor General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
	Exempt Contracts		
17AG(9)	**104**	If an entity entered into a contract or there is a standing offer with a value greater than $10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
	Small Business		
17AG(10)(a)	**105**	A statement that "[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."	Mandatory
17AG(10)(b)	**105**	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	**106**	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that "[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."	If applicable, Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
	Financial Statements		
17AD(e)	**150**	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
	Executive Remuneration		
17AD(da)	**140-145**	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
	Other Mandatory Information		
17AH(1)(a)(i)	**106**	If the entity conducted advertising campaigns, a statement that "During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website."	If applicable, Mandatory
17AH(1)(a)(ii)	**106**	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	**106**	A statement that "Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website]."	If applicable, Mandatory
17AH(1)(c)	**117**	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory

PGPA Rule Reference	Page of Report	Description	Requirement
17AH(1)(d)	**100**	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	**109**	Correction of material errors in previous annual report	If applicable, Mandatory
17AH(2)	**100, 107, 116**	Information required by other legislation	Mandatory

Glossary

Abbreviation/acronym	Description
AML/CTF	Anti-money laundering and counter-terrorism financing
AML/CTF Act	*Anti-Money Laundering and Counter-Terrorism Financing Act 2006*
AML/CTF Rules	Anti-Money Laundering and Counter-Terrorism Financing Rules
AQF	Australian Qualifications Framework
ARC	Audit and Risk Committee
ASEAN	Association of Southeast Asian Nations
AUSTRAC EA	AUSTRAC Enterprise Agreement 2024–27
AWB	Analyst WorkBench
CFITF	Counter Foreign Interference Taskforce
CR	Compliance report
FATF	Financial Action Task Force
FIAC	Financial Intelligence Analyst Course
FIU	Financial intelligence unit
Five Eyes	Intelligence alliance comprising Australia, Canada, New Zealand, the United Kingdom, and United States of America
FOI	Freedom of information
FOI Act	*Freedom of Information Act 1988*
IFA	Individual Flexibility Arrangement
IFTI	International funds transfer instruction
IPEF	Indo-Pacific Economic Framework
IPS	Information Publication Scheme
JTFG	Joint Threat Finance Taskforce
ML/TF	Money laundering/terrorism financing
MLTF	Money Laundering Taskforce

Abbreviation/acronym	Description
MOU	Memorandum of understanding
NRA	National Risk Assessments
PGPA Act	*Public Governance, Performance and Accountability Act 2013*
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
RAP	AUSTRAC's Reconciliation Action Plan 2024–26
Reporting entity	Entity that must report to AUSTRAC under the AML/CTF Act
Sextortion	Form of blackmail where someone threatens to share a nude, sexual image or video unless the victim surrenders to their demands, usually for financial gain
SFCT	Serious Financial Crime Taskforce
SMR	Suspicious matter report
TTR	Threshold transaction report
WHS Act	*Work Health and Safety Act 2011*

Index

A

Aarons, Lisette 22, 26

Aboriginal and Torres Strait Islander people
    reconciliation action plan 11

Acknowledgement of Country 4

advertising 106

agency resource statements 148–9

AML/CTF controls
    strengthening 47–8

AML/CTF regime
    effectiveness 20
    obligations, understanding of 43–4, 45
    reforms 11
    Rules 53–4

AML/CTF regulator 16
    performance reporting requirements 30
    proactive identification of regulatory work 50–1
    regulatory activities 19–20
    tools 51

Analyst Work Bench (AWB) 8
    ATO-recovered revenues and liabilities 64
    data, impact of 67–8
    performance analysis 31, 35

annual performance statements 2023–24 29

Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act)
    compliance with 19
    functions of AUSTRAC 16
    reforms 11, 19–20, 45

APS *see* Australian Public Service (APS)

ASEAN Program 58, 81

Asia/Pacific Group on Money Laundering 20

asset management 106
    procurement 101

Attorney-General's Department 16

audit
    internal 97

Audit and Risk Committee (ARC) 92–5
    members 92–5

Auditor's report 150–2

AusTender 101, 103, 104

AUSTRAC Enterprise Agreement 113–15

AUSTRAC leadership strategy 111

Australian Border Force (ABF) 79, 81

Australian Centre to Counter Child Exploitation (ACCCE) 99

Australian Criminal Intelligence Commission (ACIC) 89

Australian Federal Police (AFP) 68, 78, 99
    apprehension of fugitives 79

Australian National Audit Office (ANAO)
access clauses 105
independent auditor's report on financial statements 151–2

Australian Public Service (APS)
Census results 112
Net Zero 2030 107–9
Statistical Bulletin 117
Values and Code of Conduct 97

Australian Public Service (APS) Commission 88, 113
State of the Service reports 117

Australian Qualifications Framework (AQF) 115

Australian Securities and Investments Commission (ASIC) 89

Australian Taxation Office (ATO) 87
recovered revenues and liabilities 64–5

Australian Transaction Reports and Analysis Centre Industry Contribution Act 2011 62

Australia's Disability Strategy 117

B

Brewer, Jon 22, 27

Brown, Brad 22, 25

C

Canada 86

capabilities of agency 19–27
capability development programs 57–8
enabling 21
intelligence 20
reform 19–20
regulation 19–20

Capability Sub-Committee 91

Casino Working Group 85

Chief Executive Officer (CEO) 22
letter of transmittal 3
review 11–13

child exploitation 61

Child Safe Framework 98–9

civil penalty proceedings 12, 52

collaboration 41–5
AML/CTF Rules, development of 53–4
assessment of 53–4
criminal exploitation, disrupting 64–8

Collaborative Analytics Hub 76

Comcare 116

compliance
finance law 98

compliance report (CR) 8
non-compliance campaign 48, 50
strengthening AML/CTF controls 48
timely submission 49

consultancy contracts
reportable 102–3

contracts
exempt 104
reportable consultancy 102–3
reportable non-consultancy 103–4

corporate governance 91–101

corporate plan 2023–27 19, 29, 68, 96
rating scales and survey questions 69

corruption
fraud control 97–8

Counter Foreign Interference Taskforce (CFITF)
referrals, outcomes generated from 36, 37

Criminal Assets Confiscation Taskforce (CACT)
Operation Avarus-Nightwolf 78

criminal risks
identification of 36–40, 47–63
mitigation and management 47–63

Crown Melbourne 12, 52

Crown Perth 12, 52

cryptocurrency 39, 84

cybercrime 20

D

data 21
ATO-recovered revenues and liabilities, and 64–5
impact of 67–8

Data Sub-Committee 91

Department of Climate Change, Energy, the Environment and Water (DCCEEW) 86

Department of Finance
website 105

Department of Foreign Affairs and Trade (DFAT) 57

Department of Home Affairs 68, 106

Digital Currency Exchanges (DCEs)
exploitation of 82

disability reporting mechanism 117

discover 15
performance measures 32, 36–40

disrupt 15
performance measures 35, 64–8

diversity and inclusion 112

Dreyfus, Hon Mark, KC MP 3

drug trafficking 82

E

ecologically sustainable development 107

education 19
campaigns 42
e-learning 43–4

Egmont Group of FIUs 20

e-learning 43–4

employees 9, 111
culture, our 111–12
learning and development 115
remuneration *see* remuneration
statistics 118–39
work health and safety *see* work health and safety

employment conditions 114

enabling capabilities 21

enforceable undertakings 12

enforcement action 19

enforcement investigations 51

engagement 41–5

environmental crime 79

environmental performance 107

errors in previous annual report
correction of 109

executive remuneration 114, 140–5

executive team 24

external scrutiny 100–1

F

finance law compliance 98

Finance and Resourcing Sub-Committee 91

Financial Action Task Force (FATF)
mutual evaluation of FATF Recommendations 20

financial intelligence *see* intelligence

Financial Intelligence Analyst Course (FIAC) 57

Financial Intelligence Consultative Group (FICG) 40

Financial Intelligence Units (FIUs) 20, 73
capability development programs 57–8
exchanges with 39–40
foreign 40

financial performance 147
events occurring after balance date 147

financial statements 154–82

Financial Transaction Reports Act 1988
compliance with 19

Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) 86

Fintel Alliance 12, 73
Collaborative Analytics Hub 76
financial crime guides 81, 83
information sharing platform 75
Member Protocol, revision of 76
nature and purpose 73
operational highlights 9, 77–81
partners 12, 20, 89
project closures 86–8
SMRs 60–1
strategic priorities 74–5
threat alerts 81–2
work 73
working groups 84–5
year in review 74

Five Eyes 40
public-private round table 85

fraud
control and integrity 97–8

freedom of information 100–1
requests 101

Freedom of Information Act 1982 100

Fry, Leanne 22, 26

fugitive(s)
apprehension of 79

functions of agency 16

funding 11

G

gambling
illegal online gambling proceeds 83

glossary 195–6

Gold Corporation (trading as Perth Mint)
enforceable undertaking 12

Google Analytics 42

Governance Committee (CG) 91

governance framework 91–9

government agencies
cooperation with 21

grants 101, 106

greenhouse gas emissions
electricity 109
location, by 108

guidance campaigns 42

guidance publications 9, 42, 45
access and downloads 41–2
financial crime guides 83
usefulness 44–5

H

Hong Kong Special Administrative Region (SAR) 40

human resources *see* employees

I

individual flexibility arrangements (IFAs) 114

induction program 43

industry
contribution levies 62–3
surveys 69–70

Innovate Reconciliation Action Plan March 2024 – February 2026 11

integrity framework 97

intelligence 20
ATO-recovered revenues and liabilities 64–5
capability 20
impact of 66–7
new themes/threats/insights, generating 38–9
products 46–7

intelligence partners
survey 70–1

internal audit 97

International Funds Transfer Instruction (IFTI) reports 8

international partners 46, 70, 86, 87

J

Joint Threat Finance Taskforce (JTFG)
referrals, outcomes generated from 36, 37

JWS Research 68, 70

K

Kirkpatrick, Jacinta 22, 27

Knuckey, Geoff 93

L

leadership strategy 111

Lear, Tim 22, 25

learning and development 115

legal services expenditure 106

letter of transmittal 3

list of requirements 184–94

looking ahead 13

M

Macao Special Administrative Region 40

McMinn, Janine 94

market research 106

Mekong-Australia Partnership on Transnational Crime 58

memoranda of understanding (MOUs) 9, 67

Miller, Katie 22, 24

ministerial oversight 100

ML/TF (money laundering/terrorism financing) 19, 20
- combating 21, 84
- risk, mitigating 19
- risk assessments 11, 20, 31, 86

money laundering
- national risk assessment 11

Money Laundering Taskforce (MLTF)
- referrals, outcomes generated from 36, 37

money mules 82, 83
- recruitment of 83

Montano, Elizabeth 95

Moss, Dr John 22, 24

Mossop, Daniel 22, 25

mutual evaluation 20

N

National Anti-Scam Centre 61

National Disability Insurance Agency (NDIA) 80

National Disability Insurance Scheme (NDIS) 80
- fraud 12, 80

National Intelligence Community (NIC) 20

national risk assessments (NRAs) 59

national security
- combating threats to 84–5
- focus areas 84

National Security Working Group 84–5

net zero 2030 emissions reporting 107–9

non-consultancy contracts 103–4

O

objectives of agency 15

'One AUSTRAC' philosophy 111

online gambling proceeds, illegal 83

Operation Avarus-Nightwolf 78

Operation Huntsman 99

Operation Salem 12, 84–5

organisation chart 22–3

organisational structure 22–3

organised crime 11, 16, 20, 29, 74, 77
    transnational 78

outcome of agency 15

P

Pacific Financial Intelligence Community (PFIC) 20, 40

Pacific FIUs 58

Pacific Partnership Program 58

Parliamentary oversight 100

partnerships 12, 20
    intelligence 70–1

Patterson, Nicole 22, 25

payment reference project 12, 88

penalties 12

people *see* employees

People's Republic of China 40

performance 29–71
    analysis 31
    measures 31–71
    performance framework 29
    planning and 96
    reporting requirements 30
    results, summary of 32–71
    statements 2023–24 29
    survey 68–9

personal loan fraud 82

Philippines Program 58

pillars, strategic 15, 111

planning and performance reporting 96

Portfolio Budget Statement (PBS) 29

principles of regulator best practice 30

procurement 101
    initiatives to support small business 105–6

Project Anton 86

Protecting Country 5

Public Governance, Performance and Accountability Act 2013 3, 96

Public Governance, Performance and Accountability Rule 2014 3

Public Service Act 1999 114

purchasing 101

purpose of agency 15

R

reconciliation 113
action plan 11

regulatory activities 16, 19–20

remittance sector 16, 37, 78

remuneration
executive 114, 140–5
highly paid staff 144–5
key management personnel 140–1
senior executives 142–3

reporting entities 8
trust 55–6

Reporting Entity System Transformation Program Board 91

resource statements 148–9

reviewable registration decisions 52

risk assessments
money laundering and terrorism 11, 20, 31, 86

risk insight products 59–60

risk management 96–7

RMIT University 81

role of agency 16

Rosenthal, Louise 22, 27

S

Safety, Rehabilitation and Compensation Act 1988 116

Salam, Riki 5

sanctions evasion 20, 84
monitoring 85

scam activity 61
virtual kidnappings 81

Serious Financial Crime Taskforce (SFCT) 8
ATO-recovered revenues and liabilities 64, 65
referrals, outcomes generated from 36, 37

'sextortion' 99

SkyCity Adelaide Pty Ltd 12, 52

small business
initiatives to support 105–6

Soros, Peter 22, 24

Southeast Asia Financial Intelligence Consultative Group 20

Sportsbet Pty Ltd
enforceable undertaking 12

staff *see* employees

Star Entertainment QLD Limited, The 52

Star Pty Limited, The 52

Statement of Expectations (SOE) 30

strengthen 15
performance measures 33–4, 47–63

Strengthening AML/CTF Responses in the Philippines Program 58

studies assistance program 115

supervision 19
supervisory matters 51

surveys
industry association 69–70
intelligence partner 70–1
participant 44–7, 58
performance 68–9

Suspicious Matter Reports (SMRs) 8, 80
Fintel Alliance-coded 60–1

T

Taipan project 58

targeting and prioritisation (TAP) model 51

taskforce(s)
referrals to 36–40

Taskforce AVARUS 37

Tax Crime and Evasion Working Group 87

tax evasion 36, 37, 87

terrorism
national risk assessment 11

Thomas, Brendan 3, 22, 24
CEO review 11–13
statement of preparation 29

Threshold Transaction Reports (TTRs) 8

Tink, Michael 22, 27

trade-based money laundering 79
education program 81

U

understand 15
performance measures 33, 41–47

United Nations Convention on the Rights of Persons with Disabilities 117

V

Virtual Assets Working Group 82, 84

virtual kidnapping scams 81

virtual workshops 43

vision of agency 15

vulnerabilities
understanding of 41–7

W

Walton, Lee 92

webinars 115

Whittaker, Yvette 22, 26

wildlife trafficking 86

work health and safety 116

Work Health and Safety Act 2011 116

Y

year in review
AUSTRAC 8–9
Fintel Alliance 74

List of Tables

Number	Description	Pg.
1	Summary of results against our performance measures during 2023–24	32
2	Outcomes generated from referrals to relevant taskforces over the past 2 years	36
3	Reporting entities strengthening AML/CTF controls after AUSTRAC's engagement	48
4	Regulatory work proactively identified by AUSTRAC	51
5	Liabilities raised attributable to AUSTRAC data and financial intelligence	65
6	AUSTRAC data use by the ATO (outside of the SFCT)	65
7	Response rating scales and survey questions for 2023–27 corporate plan measures	69
8	Industry association survey results across the past 3 reporting periods	70
9	Intelligence partner survey results across the past 3 reporting periods	71
10	Audit and Risk Committee members for 2023–24	92
11	Freedom of information requests	101
12	Reportable consultancy contracts 2023–24	102
13	Top 5 organisations receiving share of reportable consultancy contract expenditure 2023–24	102
14	Reportable non-consultancy contracts 2023–24	103
15	Organisations receiving a share of reportable non-consultancy contract expenditure 2023–24	104
16	Contracts exceeding $100,000 that did not include clauses for ANAO access	105
17	2023–24 Greenhouse Gas Emissions Inventory – location-based method	108
18	2023–24 Electricity greenhouse gas emissions	109
19	All ongoing employees current report period (2023–24)	118
20	All non-ongoing employees current report period (2023–24)	120
21	All ongoing employees previous report period (2022–23)	122
22	All non-ongoing employees previous report period (2022–23)	124

Number	Description	Pg.
23	Australian Public Service Act ongoing employees current report period (2023–24)	126
24	Australian Public Service Act non-ongoing employees current report period (2023–24)	128
25	Australian Public Service Act ongoing employees previous report period (2022–23)	130
26	Australian Public Service Act non-ongoing employees previous report period (2022–23)	132
27	Australian Public Service Act employees by full-time and part-time status current report period (2023–24)	134
28	Australian Public Service Act employees by full-time and part-time status previous report period (2022–23)	135
29	Employment type by location current report period (2023–24)	136
30	Employment type by location previous report period (2022–23)	137
31	Australian Public Service Act Indigenous employment current report period (2023–24)	138
32	Australian Public Service Act Indigenous employment previous report period (2022–23)	138
33	Australian Public Service Act employment arrangements current report period (2023–24)	138
34	Australian Public Service Act employment salary ranges by classification level (minimum/maximum) current report period (2023–24)	139
35	Remuneration for key management personnel	140
36	Remuneration for senior executives	142
37	Remuneration for other highly-paid staff	144
38	Agency resource statements 2023–24	148
39	Expenses by outcome for 2023–24	149

List of Figures

Number	Description	Pg.
1	AUSTRAC's organisational chart as at 30 June 2024	22

AUSTRAC.gov.au