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## **AUSTRALIAN FEDERAL POLICE**

### **Financial Statements**

**For the Year Ended 30 June 2000**

**Statement by the Commissioner of Police**

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In my opinion, the attached financial statements give a true and fair view of the matters required by Schedule 2 of the Finance Minister's Orders made under section 63 of the *Financial Management and Accountability Act 1997*.



Signed .....

M. J. Palmer  
Commissioner

Dated

**AUSTRALIAN FEDERAL POLICE**  
**OPERATING STATEMENT**  
*for the year ended 30 June 2000*

	Notes	<b>1999-2000</b> \$'000	1998-99 \$'000
<b>Operating revenues</b>			
Revenues from Government	4A	<b>282,941</b>	209,181
Sales of goods and services	4B	<b>79,958</b>	74,696
Other revenue from independent sources	4B	<b>105</b>	247
Net gains from sale of assets	4C	<b>17</b>	-
<b>Total operating revenues</b>		<b>363,021</b>	284,124
<b>Operating expenses</b>			
Employees - before abnormal items	5A	<b>217,413</b>	181,852
Suppliers	5B	<b>98,953</b>	79,207
Depreciation and amortisation	5C	<b>11,143</b>	12,326
Write down of assets	5D	<b>626</b>	-
Interest	6	<b>911</b>	1,334
Net losses from sales of assets	5E	<b>760</b>	109
<b>Total operating expenses</b>		<b>329,806</b>	274,828
<b>Operating surplus before abnormal item</b>		<b>33,215</b>	9,296
Abnormal item	7A	<b>(34,000)</b>	-
<b>Net surplus/(deficit) after abnormal item</b>		<b>(785)</b>	9,296
<b>Net deficit attributable to the Commonwealth</b>		<b>(785)</b>	9,296
Accumulated deficits at 1 July		<b>(94,504)</b>	(102,864)
Adjustment to accumulated deficits at 1 July		<b>(6,702)</b>	(937)
<b>Accumulated deficits at 30 June</b>		<b>(101,991)</b>	(94,504)

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

**AUSTRALIAN FEDERAL POLICE**  
**STATEMENT OF ADMINISTERED REVENUES AND EXPENSES**  
*for the year ended 30 June 2000*

	Notes	<b>1999-2000</b>	1998-99
		<b>\$'000</b>	<b>\$'000</b>
<b>Operating revenues</b>			
Revenue from Government	4D	<b>7,899</b>	7,225
Sale of goods and services	4D	-	1,892
Other	4D	<b>869</b>	249
<b>Total operating revenues</b>		<b>8,768</b>	9,366
<b>Operating expenses</b>			
Other - appropriation paid to ABCI, ACPR and AIPM		<b>6,775</b>	6,866
- Cyprus, Interpol, Defective Administration		<b>1,124</b>	-
<b>Total operating expenses</b>		<b>7,899</b>	6,866
<b>Net contribution to the Budget Outcome</b>		<b>869</b>	<b>2,500</b>
Transfer to Official Commonwealth Public Account		<b>(703)</b>	(2,141)
<b>Net surplus/(deficit)</b>		<b>166</b>	360
Accumulated results at 1 July		<b>(2,965)</b>	(3,325)
<b>Accumulated results at 30 June</b>		<b>(2,799)</b>	(2,965)

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

**AUSTRALIAN FEDERAL POLICE**  
**BALANCE SHEET**  
*As at 30 June 2000*

	Notes	1999-2000 \$'000	1998-99 \$'000
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash		54,795	2,334
Receivables	8A	3,159	28,722
Other	8B	826	249
<b>Total financial assets</b>		<b>58,780</b>	<b>31,305</b>
<b>Non-financial assets</b>			
Land and buildings	9A,C	-	113
Infrastructure, plant and equipment	9B,C	40,078	34,052
Intangibles	9D	5,894	7,927
Other	9E	6,285	8,035
<b>Total non-financial assets</b>		<b>52,257</b>	<b>50,127</b>
<b>Total assets</b>		<b>111,037</b>	<b>81,432</b>
<b>LIABILITIES</b>			
<b>Debt</b>			
Loans	10A	12,681	12,681
Leases	10B	-	904
Other debt	10C	324	390
<b>Total debt</b>		<b>13,005</b>	<b>13,975</b>
<b>Provisions and payables</b>			
Employees	11A	102,467	119,118
Suppliers	11B	7,500	3,120
Other	11C	5,373	7,747
<b>Total provisions and payables</b>		<b>115,340</b>	<b>129,985</b>
<b>Total liabilities</b>		<b>128,345</b>	<b>143,960</b>
<b>EQUITY</b>			
Capital		75,866	-
Reserves		8,818	31,976
Accumulated deficits		(101,991)	(94,504)
<b>Total equity</b>	12A	<b>(17,307)</b>	<b>(62,528)</b>
<b>Total liabilities and equity</b>		<b>111,037</b>	<b>81,432</b>
<b>Current liabilities</b>		<b>83,025</b>	<b>31,990</b>
<b>Non-current liabilities</b>		<b>45,320</b>	<b>111,970</b>
<b>Current assets</b>		<b>65,065</b>	<b>39,341</b>
<b>Non-current assets</b>		<b>45,972</b>	<b>42,091</b>

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

**AUSTRALIAN FEDERAL POLICE**  
**STATEMENT OF ADMINISTERED ASSETS AND LIABILITIES**  
*As at 30 June 2000*

	Notes	<b>1999-2000</b> <b>\$'000</b>	1998-99 \$'000
<b>LIABILITIES</b>			
<b>Provisions and payables</b>			
Other	11D	-	166
<b>Total provisions and payables</b>		<u>-</u>	<u>166</u>
<b>EQUITY</b>			
Accumulated results		(2,799)	(2,965)
Reserves		<u>2,799</u>	<u>2,799</u>
<b>Total equity</b>	12E	<u>-</u>	<u>(166)</u>
<b>TOTAL LIABILITIES AND EQUITIES</b>		<u>-</u>	<u>-</u>
<b>Current liabilities</b>		-	166

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

**AUSTRALIAN FEDERAL POLICE**  
**STATEMENT OF CASH FLOWS**  
*for the year ended 30 June 2000*

	Notes	1999-2000 \$'000	1998-99 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations for outputs		282,845	198,470
Sales of goods and services		81,483	72,717
Other		105	247
<b>Total cash received</b>		<b>364,433</b>	<b>271,434</b>
<b>Cash used</b>			
Employees		273,880	180,031
Suppliers		97,236	87,348
Interest		911	1,334
<b>Total cash used</b>		<b>372,027</b>	<b>268,713</b>
<b>Net cash from (used by) operating activities</b>	13A	<b>(7,594)</b>	<b>2,721</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations		-	10,049
Proceeds from sales of property, plant and equipment		671	2
Proceeds from sale of equity instruments		-	1,120
<b>Total cash received</b>		<b>671</b>	<b>11,171</b>
<b>Cash used</b>			
Purchase of property, plant and equipment		15,512	10,049
<b>Total cash used</b>		<b>15,512</b>	<b>10,049</b>
<b>Net cash from (used by) investing activities</b>		<b>(14,841)</b>	<b>1,122</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Equity injection		75,866	-
<b>Total cash received</b>		<b>75,866</b>	<b>-</b>
<b>Cash used</b>			
Repayment of debt		970	2,331
<b>Total cash used</b>		<b>970</b>	<b>2,331</b>
<b>Net cash from (used by) financing activities</b>		<b>74,896</b>	<b>(2,331)</b>
<b>Net increase (decrease) in cash held</b>		<b>52,461</b>	<b>1,512</b>
Cash at the beginning of the reporting period		2,334	822
<b>Cash at the end of the reporting period</b>		<b>54,795</b>	<b>2,334</b>

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



**AUSTRALIAN FEDERAL POLICE**  
**SCHEDULE OF COMMITMENTS**  
*as at 30 June 2000*

	<b>Note</b>	<b>1999-2000</b>	<b>1998-99</b>
<b>BY TYPE</b>		<b>\$'000</b>	<b>\$'000</b>
<b>CAPITAL COMMITMENTS</b>			
Infrastructure, plant and equipment <sup>1</sup>		-	1,318
<b>Total capital commitments</b>		<u>-</u>	<u>1,318</u>
<b>OTHER COMMITMENTS</b>			
Operating leases <sup>2</sup>		95,862	105,917
Other commitments		6,331	5,077
<b>Total other commitments</b>		<u>102,193</u>	<u>110,994</u>
<b>Net commitments</b>		<u>102,193</u>	<u>112,312</u>
<b>BY MATURITY</b>			
<b>All Net Commitments</b>			
One year or less		29,259	26,491
From one to five years		69,167	68,317
Over five years		3,767	17,504
<b>Net Commitments</b>		<u>102,193</u>	<u>112,312</u>
<b>Operating Lease Commitments</b>			
One year or less		26,049	21,569
From one to five years		66,046	66,844
Over five years		3,767	17,504
<b>Net Commitments</b>		<u>95,862</u>	<u>105,917</u>

NB: All 1999-00 commitments are GST inclusive where relevant. The comparatives have not been adjusted to reflect the GST.

There are no commitments for administered matters.

<sup>1</sup> Plant and equipment commitments in 1998-99 are primarily contracts for the purchase of new communications equipment.

<sup>2</sup> Operating leases included are effectively non-cancellable and comprise:

- leases for office accommodation;
- agreements for the provision of motor vehicles; and
- leases in relation to computer and other equipment.

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

**AUSTRALIAN FEDERAL POLICE  
SCHEDULE OF CONTINGENCIES**

*For the year ended 30 June 2000*

	<b>1999-2000</b>	<b>1998-99</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>CONTINGENT LOSSES</b>		
Claims for damages/costs <sup>1</sup>	<b>8,570</b>	2,416
Other	-	14
<b>Total contingent losses</b>	<b>8,570</b>	<b>2,430</b>
<b>CONTINGENT GAINS</b>		
Claims for damages/costs	-	-
<b>Total contingent gains</b>	-	-
<b>Net contingencies</b>	<b>8,570</b>	<b>2,430</b>

Remote contingencies are disclosed in Note 14.

<sup>1</sup> The amount represents an estimate of the AFP's liability based on precedent cases.  
The AFP is defending the claims.

There are no contingent losses for Administered matters.

There were no unquantifiable contingent losses for Administered matters.

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

## **Note 1 – Objectives of the Australian Federal Police**

The objectives of the Australian Federal Police (AFP) are to enforce Commonwealth criminal law and protect Commonwealth and national interests from crime in Australia and overseas. In order to achieve these objectives, the Australian Federal Police is structured to meet 5 outcomes:

- Outcome 1: Criminal activity is deterred in areas impacting on the Commonwealth Governments interests
- Outcome 2: Those individuals and interests identified by the Commonwealth Government or the AFP as being at risk are kept safe and secure as a result of AFP protective services
- Outcome 3: Policing activity creates a safer and more secure environment in the Australian Capital Territory (ACT), Jervis Bay and Australia's external territories
- Outcome 4: The Commonwealth Government contributes effectively to international law enforcement interests
- Outcome 5: Community confidence in honesty, effectiveness and accountability of the AFP is high.

## **Note 2 – Summary of Significant Accounting Policies**

### **2.1 Basis of Accounting**

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are a general purpose financial report.

The statements have been prepared in accordance with:

- *Requirements for the Preparation of Financial Statement of Commonwealth Agencies and Authorities* made by the Minister for Finance and Administration in August 1999 (Schedule 2 to the Financial Management and Accountability (FMA) Orders).
- Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Boards, and
- the Consensus Views of the Urgent Issues Group.

The statements have been prepared having regard to:

- Statements of Accounting Concepts; and
- the Explanatory Notes to Schedule 2 issued by the Department of Finance and Administration.

**Note 2 (cont)**

The financial statements have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets which, as noted, are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The continued existence of the AFP in its present form, and with its present programs, is dependent on Government policy and on continuing appropriations by Parliament for the AFP's administration and programs.

**2.2 Changes in Accounting Policy**

Changes in accounting policy have been identified in this note under their appropriate headings.

**2.3 Agency and Administered Items**

Agency assets, liabilities, revenues and expenses are those items that are controlled by the AFP. They are used by the AFP in producing its outputs, including:

- computers, plant and equipment used in providing goods and services,
- liabilities for employee entitlements,
- revenues from appropriations or independent sources in payment of outputs, and
- employee, supplier and depreciation expenses incurred in producing the AFP's outputs.

Administered items are those items which are controlled by the Government and managed or oversighted by the AFP on behalf of the Government. These items include the Australian Bureau of Criminal Intelligence, the Australian Centre for Policing Research and the Australian Institute Police Management.

The purposes of the separation of agency and administered items are to enable assessment of the administrative efficiency of the AFP in providing goods and services.

The basis of accounting described in Note 2.1 applies to both agency and administered items.

Administered items are distinguished from agency items in the financial statements by shading.

**2.4 Principles of Consolidation**

In the process of reporting the AFP as a single unit, and in preparation of the outcome statements, any intra- and inter-outcome transactions and balances have been eliminated in full.

**Note 2 (cont)**

**2.5 Reporting by Outcomes**

A comparison of Budget and Actual figures by outcome specified in the Appropriation Acts relevant to the AFP is presented in Note 16. The net cost to Budget outcomes shown includes intra-government costs that are eliminated in calculating the actual budget outcome for the Government overall.

**2.6 Revenues from Government**

Revenues from government are revenues relating to the core operating activities of the AFP.

Policies for accounting for revenue from government follow; amounts and other details are given in Note 4 – Operating Revenue.

*Agency Appropriations*

From 1 July 1999, the Commonwealth Budget has been prepared under an accruals framework.

Appropriations to the AFP for departmental outputs are recognised as revenue to the extent they have been received into the AFP's bank account or are entitled to be received by the AFP at year end.

Appropriations to the AFP for its departmental capital items are recognised directly in equity, to the extent that the appropriation has been received into the AFP's bank account or are entitled to be received by the AFP at year end.

The appropriations for departmental capital items for 1999-2000 include, as carryovers, the re-appropriation to the AFP of certain unspent amounts from 1998-99. These amounts were recognised directly in equity in the financial statements for 1998-99.

This is a change in the policy adopted in prior years when the AFP's appropriations, other than running costs, were recognised as revenue to the extent that the appropriations were spent. Amounts appropriated for agency running costs were recognised as revenue in the year of appropriation, except to the extent of

- unspent amounts not automatically carried over into the new financial year, and
- running costs borrowings.

*Administered Appropriations*

Appropriations for administered expenses are recognised as revenue to the extent that expenses have been incurred up to the limit, if any, of each appropriation.

Appropriations for administered capital are recognised as the amount appropriated by Parliament.

**Note 2 (cont)**

*Resources Received Free of Charge*

Services received free of charge are recognised in the Operating Statement as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when the asset qualifies for recognition, unless received from another government agency as a consequence of a restructuring of administrative arrangements.

In the latter case, the assets are initially recognised at the amounts at which they were recognised by the transferring agency immediately prior to the transfer.

In prior years, net assets received under a restructuring of administrative arrangements were recognised as revenue. From 1 July 1999, such asset transfers are designated as transactions of owners and adjusted directly against equity.

**2.7 Other Revenue**

Revenue from the sale of goods is recognised upon delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend revenue is recognised when the right to receive a dividend has been established. Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

AFP revenue from the rendering of a service is recognised by reference to the stage of completion of contracts or other agreements to provide services to Commonwealth bodies.

The stage of completion is determined according to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

All revenues described in this note are revenues relating to the core operating activities of the AFP, whether in its own right or on behalf of the Commonwealth. Details of revenue amounts are given in Note 4.

**2.8 Asset Sales Program**

The AFP had no major asset sales through OASITO to report for 1999-2000 (1998-99: Nil).

**2.9 Grants (Administered)**

The AFP does not administer any grant schemes on behalf of the Commonwealth.

**Note 2 (cont)**

**2.10 Employee Entitlements**

*Leave*

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

The liability for annual leave reflects the value of total entitlements of all employees at 30 June 2000 and is recognised at the nominal amount.

The non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2000. In determining the present value of the liability, the AFP has taken into account attrition rates and pay increases through promotion and inflation.

*Separation and Redundancy*

Provision is also made for separation and redundancy payments in circumstances where the AFP has formally identified positions as excess to requirements and a reliable estimate of the amount of the payments can be determined.

*Superannuation*

Staff of the AFP contribute to the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. Employer contributions amounting to \$20,474,078 (1998-99: \$20,004,971) in relation to these schemes have been expensed in these financial statements.

No liability is shown for superannuation in the Balance Sheet as the employer contributions fully extinguish the accruing liability which is assumed by the Commonwealth.

Employer Superannuation Productivity Benefit contributions totalled \$3,391,013 (1998-99: \$3,187,206).

**AFPAS**

The Australian Federal Police Adjustment Scheme (AFPAS) is a payment scheme which was established under the AFP Act 1990 to compensate AFP employees for loss of tenure.

**Note 2 (cont)**

Following the introduction of a new certified agreement for AFP employees and changes to the AFP Act during the financial year, the AFPAS scheme ceased accruing on 5 January 2000 and is being progressively paid out to AFP employees.

As the liability is in the process of being paid out it is shown at its current value rather than its discounted value as shown in previous years.

**2.11 Leases**

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at the present value of minimum lease payments at the inception of the lease and a liability recognised for the same amount. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the AFP's Operating Statement on a basis which is representative of the pattern of benefits derived from the leased assets. The net present value of future net outlays in respect of surplus space under non-cancellable lease agreements, if applicable, is expensed in the period in which the space becomes surplus.

Lease incentives taking the form of 'free' leasehold improvements and rent free holidays are recognised as liabilities. These liabilities are reduced by allocating lease payments between rental expense and reduction of the liability.

**2.12 Borrowing Costs**

All borrowing costs are expensed as incurred except to the extent that they are directly attributable to qualifying assets, in which case they are capitalised. The amount capitalised in a reporting period does not exceed the amounts incurred in that period.

**2.13 Cash**

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

**2.14 Financial Instruments**

Accounting policies for financial instruments are stated at Note 21.



**Note 2 (cont)**

**2.15 Acquisition of Assets**

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

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

**2.16 Property, Plant and Equipment**

*Asset recognition threshold*

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

*Revaluations*

Schedule 2 requires that buildings, infrastructure, plant and equipment be progressively revalued in accordance with the 'deprival' method of valuation in successive three year cycles. Land is to be valued annually on the basis of its highest and best use, unless disposal is restricted by legislation, zoning or Government policy. In the latter case, the deprival basis should be used and the valuation at highest and best use shown in a note.

The AFP has implemented the requirements of Schedule 2 as follows:

- firearms were revalued at 30 June 2000. These assets were previously revalued as at 30 June 1997;
- infrastructure, plant and equipment have been revalued over the financial years 1997-98, 1998-99 and 1999-2000, and thereafter over successive three year periods, on a category basis.

Leasehold improvements at Barton Park, Majura and Weston complex were not revalued at 30 June 1998. The improvements at Barton Park and Majura were not revalued due to the uncertainty of the AFP continuing to occupy the properties whilst those at Weston complex were not revalued due to the probability of extensive renovations in the near future.

Assets in each class acquired after the commencement of the progressive revaluation cycle will be reported at cost for the duration of the progressive revaluation then in progress.

**Note 2 (cont)**

Any assets which would not be replaced or are surplus to requirements are valued at net realisable value. At 30 June 2001 the AFP had no assets in this situation.

All valuations are independent.

*Recoverable amount test*

Schedule 2 requires the application of the recoverable amount test to the AFP's non-current assets in accordance with AAS 10 *Accounting for the Revaluation of Non-Current Assets*. The carrying amounts of these non-current assets have been reviewed to determine whether they are in excess of their recoverable amounts. In assessing recoverable amounts, the relevant cash flows have been discounted to their present value.

*Depreciation and Amortisation*

Depreciable property, plant and equipment and intangible assets are written-off over their estimated useful lives to the AFP using, in all cases, the straight line method of depreciation. Leasehold improvements are amortised on a straight line basis over the lesser of either ten (10) years or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Residual values are re-estimated for a change in prices only when assets are revalued.

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

	<b>2000-01</b>	<b>1999-00</b>
Buildings	<b>25 years</b>	25 years
Plant and equipment	<b>5 to 10 years</b>	5 to 10 years
Leasehold improvements	<b>Max. 10 years</b>	Max. 10 years
Intangibles	<b>5 years</b>	5 years

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 5C.

**2.17 Inventories**

Consumable stores and supplies are immaterial and have not been capitalised.

**2.18 Taxation**

The AFP is exempt from all forms of taxation except fringe benefits tax and the goods and services tax.

**Note 2 (cont)**

**2.19 Capital Use Charge**

As the AFP has a negative equity, no capital use charge applies to the AFP at present.

**2.20 Foreign Currency**

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated currency gains and losses are not material.

**2.21 Insurance**

The Commonwealth's insurable risk managed fund, call 'Comcover', commenced operation in 1998-99. The AFP has insured with the fund for risks other than workers compensation, which is dealt with via continuing arrangements with Comcare.

**2.22 Comparative Figures**

Comparative figures have been adjusted to conform with changes in presentation in these financial statements where required.

Comparatives are not presented in Notes dealing with the reporting on outcomes, due to 1999-2000 being the first year of the implementation of accrual budgeting.

**2.23 Rounding**

Amounts have been rounded to the nearest \$1,000 except in relation to the following:

- appropriation notes;
- act of grace payments, waivers and defective administration;
- remuneration of auditors; and
- remuneration of executives.

**2.24 Australian Bureau of Criminal Intelligence (ABCI)**

The ABCI is jointly funded by the Commonwealth, the States and the Northern Territory.

Administrative support to the ABCI is provided by the Commonwealth through the AFP.

Appropriation for the ABCI is reported in the AFP's statement of Administered Revenues and Expenses and statement of Administered Assets and Liabilities.

**Note 2 (cont)**

**2.25 Australasian Centre for Policing Research (ACPR)**

Administrative support to the ACPR (formerly NPRU) is provided by the Commonwealth through the AFP.

Appropriations for the agency are reported in the AFP's statement of Administered Revenues and Expenses and statement of Administered Assets and Liabilities.

**2.26 Australian Institute of Police Management (AIPM)**

Administrative support to the AIPM is provided by the Commonwealth through the AFP.

Appropriations for the agency are reported in the AFP's statement of Administered Revenues and Expenses and statement of Administered Assets and Liabilities.

**2.27 Leasehold Restoration**

A number of property operating leases entered into by the AFP contain 'make good' clauses requiring the fitout contained within the property to be returned to its original condition at the termination of the lease. Due to the nature of AFP operations the fitout of many properties are subject to modifications and improvements.

As part of the revaluation of AFP leasehold improvements (fitout) the Australian Valuation Office has estimated the 'make good' costs of restoring the relevant properties to their original state. This has resulted in the AFP taking up a provision of \$5,353,500.