



**MACQUARIE**  
University



# FINANCIAL INTEGRITY HUB ANNUAL REPORT

## 2024

FINANCIAL  
INTEGRITY HUB



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SYDNEY · AUSTRALIA

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## INTRODUCTION

### *Acknowledgement of Country*

*The Financial Integrity Hub acknowledges Australia's First Nations peoples as the Traditional Custodians of the land and their continuing connection to Country, sea and water. We pay respect to their Elders past, present and emerging.*

The Financial Integrity Hub (FIH) is guided by core strategic initiatives, including research excellence, domestic and global partnerships, student engagement, capacity building, community outreach, public awareness, and continuous education. These priorities position the FIH to become Australia's leading research centre for financial crime. With a commitment to driving transformative change, the FIH focuses on progressive, interdisciplinary research to develop innovative solutions and address the serious and ongoing threat of financial crime.

## Operating Highlights

In 2024, the FIH significantly expanded its cross-disciplinary partnerships, impact, and research output. To continue building cross-sectional expertise and build the Hub's profile and capacity, we expanded our leadership team, including the addition of the Hon. Patricia Bergin AO SC as a patron, Paul Jevtovic APM OAM to our advisory board and Dr Derwent Coshott as a research fellows. In this period, we delivered several academic presentations and invited expert briefs. We produced many research papers and completed three cross-disciplinary research project proposals. The FIH also hosted two major events, attracting over 350 attendees from government, industry, and academia. These events facilitated meaningful dialogues on financial crime, emerging technologies, and regulatory frameworks.

## Looking Ahead

The FIH is making excellent progress on our strategy, and we are encouraged to see the operational results that we are delivering.

In accordance with our vision and to improve our position as Australia's leading research centre in the field of financial crime, the FIH will deepen our relationships with existing partners, collaborate on research projects with new partners, apply for grants, deliver seminars, and grow our social media following.

A key opportunity for the coming year is the launch of nationwide events aimed at disseminating cutting-edge research and enhancing the standing of the FIH across Australia. These initiatives align with our strategic objectives, fostering greater engagement with diverse stakeholders while solidifying FIH's reputation as a leader in financial integrity research and advocacy.

Since the FIH is not a formal centre under the Macquarie University Faculty Research Centres Policy, there is no formal requirement for us to submit an annual report. Specifically, section 2(13) and (14) of the Policy, which concern reports and reviews, do not apply to our operations. However, because the FIH aims to play a vital role in the Macquarie University's activities, advancing impactful research and providing focused activities that are consistent with the Strategic Plans of both the University and the Faculty of Arts, we decided to adopt a high standard of operation and transparency, in line with our values, and publish this annual report.

On behalf of the FIH, we thank Macquarie Law School and the Faculty of Arts for their ongoing support. To the FIH team, thank you for your hard work and dedication. The FIH is on its way to meeting its objectives, and our commitment to advancing knowledge and driving impactful change has never been stronger, and this year has brought us closer to achieving a future where our research empowers governments, industry professionals and academic communities.



**Dr Doron Goldbarsht**  
**FIH Director**  
December 2024

## LEADERSHIP

**Hon. Patricia Bergin AO SC**

**Patron**

Ms Patricia Bergin had a distinguished career as a Judge of the Supreme Court of New South Wales, where she also served as Chief Judge in Equity, a role in which she presided over complex commercial, equity, and trust disputes. Known for her legal acumen and judicial leadership, she played a significant part in the development of commercial law in New South Wales.



Since her retirement from the NSW Supreme Court, Ms Bergin has conducted two NSW Government Inquiries, into the Returned and Services League NSW and into the operations of Crown Resorts. The NSW Government adopted the recommendations made in each of the Reports of those Inquiries. In 2021, Hon Bergin was appointed as an Officer of the Order of Australia (AO) for distinguished service to the law, the judiciary, legal administration, and as a mentor and advisor.

In recognition of her expertise, Ms. Bergin was appointed as an International Judge on the Singapore International Commercial Court, further broadening her influence in international commercial litigation and arbitration. Her appointment to this esteemed court underscores her deep understanding of cross-border legal matters and her reputation for fairness and legal rigor.

**Doron Goldbarsht LLB LLM (HUJI) PHD (UNSW)**

**Director**



Doron is the Director of the FIH and an Associate Professor at Macquarie Law School, where he serves as the academic lead for the Graduate Certificate in Financial Integrity Law (GCFIL) and teaches courses on financial crime. An expert in anti-money laundering and counter-terrorist financing (AML/CTF) regulations, Doron specialises in compliance, financial innovation, and related legal frameworks. He is a Solicitor of the Supreme Court of New South Wales with over 20 years of experience in the field.

Doron's recent books include *Financial Crime and the Law: Identifying and Mitigating Risks*

(Springer, 2024, co-edited), *Financial Crime, Law and Governance: Navigating Challenges in Diverse Contexts* (Springer, 2024, co-edited), *Financial Technology and the Law: Combating Financial Crime* (Springer, 2022, co-edited) and *Global Counter-Terrorist Financing and Soft Law: Multi-Layered Approaches* (Edward Elgar, 2020), in addition to numerous journal articles and book chapters.

## ADVISORY BOARD

The FIH Advisory Board provides advice and ideas to the FIH Director on the strategic direction and on priorities to support the implementation of the FIH's strategy in accordance with relevant standards and good practice.

The Advisory Board advises the Director on:

- The FIH's strategic direction, budget and Strategic Plan
- The financial and operational performance with reference to agreed indicators and sector standards, recommending actions to address identified performance issues
- The adequacy of processes to identify and address risks and ensure compliance with external requirements
- Strategic projects and initiatives.

### Armina Antoniou



Armina has approximately 20 years of experience as a risk and legal professional with a broad cross-section of Australian and global companies. She is the Chief Risk Officer at Crown Resorts. Armina previously served as General Manager of Financial Crime Risk at Tabcorp, the largest listed gambling and entertainment company in Australia and one of the largest gambling companies in the world, where she led a team of financial crime specialists overseeing AML/CTF and sanctions compliance programs.

### **Stuart Clark AM FAICD**



Stuart was a member of the first class to graduate from Macquarie Law School in 1980. He recently retired from major Australian law firm Clayton Utz, where he led the firm's Class Actions and Product Liability practice and was a member of the Senior Leadership Team. Stuart is a former President of the Law Council of Australia and a former Director of the NSW Legal Aid Commission. A Fellow of the Australian Academy of Law and the Australian Institute of Company Directors, he was appointed a Member of the Order of Australia for significant service to the legal profession, strategic reform and the NSW Rural Fire Service. He was awarded the degree of Doctor of Laws (Honoris Causa) by Macquarie University in 2017.

### **Louis de Koker LLB LLM (UFS) LLM (Cantab) LLD (UFS) FSALS**



Louis is a Professor at the La Trobe Law School. From 2014 to 2019, he was the national program leader of the Law and Policy research program at the Australian Government-funded Data to Decisions Cooperative Research Centre. Louis is an expert on AML/CTF and proliferation financing, especially the relationship between financial integrity and financial inclusion policies and regulations. Over the past two decades, he has worked with the Consultative Group to Assist the Poor, the World Bank, the Alliance for Financial Inclusion, and regulators and financial service providers on the design and implementation of appropriate integrity and inclusion measures.

### **Paul Jevtovic APM OAM**



Paul is the Chief Financial Crime Risk Officer & Executive, Group MLRO. Paul has enjoyed a long career serving our nation in national and international law enforcement, national intelligence, anti-corruption and as CEO of AUSTRAC. During his tenure as CEO of AUSTRAC he led significant reforms aimed at strengthening financial intelligence capabilities and fostering collaboration between government, law enforcement, and financial institutions. He has been recognised for his exceptional services to Australia with the Australian Police Medal and the Order of Australia (for his contributions to anti-money laundering and regulation).

### Elizabeth Sheedy BCOM (UNSW) PHD (MQ)



Elizabeth is a risk governance professor based in the Department of Applied Finance at Macquarie Business School. She is also on the board of the Governance, Risk and Compliance Institute and an active member of the Risk Management Association of Australia. In 2021, Elizabeth published her first sole-authored book, *Risk Governance: Biases, Blindspots and Bonuses* (Routledge). She is an Associate Editor for the *Journal of Banking and Finance* and also publishes articles in leading international journals. Elizabeth's work has enabled her to contribute to the policy debate on financial services misconduct, remuneration practices, enhancing financial services culture and conduct, and related issues. She is a popular speaker at industry conferences and a regular media commentator.

### Michael Tooma



Michael's practice covers specialist safety-related regulatory regimes involving all aspects of crisis management. Partner, Head of ESG, Co-head of Workplace & Safety responds with Hamilton Locke, Michael proactively advises his clients on health, safety, product safety and security compliance issues on a global basis, including assisting in the development and implementation of global compliance systems. He is the author of numerous books on health and safety law in Australia and New Zealand that are prescribed by universities and often cited in academic literature and legal judgments. Michael is consistently ranked in Band 1 by Chambers Global and is recognised by Best Lawyers, Legal 500 and Doyle's Guide.



## REFERENCE ADVISORY GROUP

The Reference Advisory Group provides detailed advice and ideas for the effective management and operation of the FIH. It advises the Advisory Board on matters including:

- FIH projects and initiatives
- The implementation of the FIH Strategic Plan
- The development and implementation of policies and procedures for managing the FIH's operations in accordance with relevant standards and good practice, including in relation to pricing, partnerships and donations
- Other significant operational matters as appropriate.

### **Sue Bradford**

Partner Forensic at KPMG brings extensive experience in AML/CTF, with over 17 years of practice in Australia, London, New York, and Asia. She collaborates closely with AUSTRAC locally and holds a position on the APAC KPMG leadership team. Sue is highly regarded for her expertise in forensic investigations, risk management, and regulatory compliance. Her deep knowledge of global financial crime challenges allows her to guide organizations in navigating complex AML/CTF regulations and implementing effective risk mitigation strategies.



### **Jeremy Moller**

Jeremy, a Senior Advisor at Norton Rose Fulbright Australia, has over 15 years of experience working in Australia, the United Kingdom and New Zealand as a lawyer specialising in anti-money laundering, international sanctions and export controls, and foreign transparency and influence. He acts as adviser to several large financial institutions and corporations in relation to financial crime compliance, with a particular focus on AML/CTF. Jeremy is experienced in dealing with a range of regulators both in Australia and overseas, including AUSTRAC.



**Tony Prior MBA, B.Ec, CAMS, CFE**

Head of Financial Crime Investigation & Regulatory Reporting at Bank of Queensland, has a fraud risk management career spanning more than 20 years. Tony is a twice-commendation Australian Federal Police agent and previous director at AUSTRAC, investigating money laundering, terrorist financing, and other financial crimes. His leadership in regulatory reporting and financial crime investigation ensures the effective management of fraud risks, leveraging his experience with law enforcement and regulatory bodies to enhance the bank's compliance and detection capabilities.

## RESEARCH FELLOWS

**Daley Birkett** FHEA, LLB (Dunelm), LLM (Leiden), PhD (Amsterdam)



Dr Daley Birkett is a Senior Lecturer and Course Director for the Law Coursework Masters (LLM and Master of International Trade and Commerce Law) programs at Macquarie Law School. He holds PhD (University of Amsterdam), LLM (Leiden University), and LLB (Durham University) degrees, while he is also recognised as a Fellow of the Higher Education Academy (FHEA). Outside academia, Daley has, on two occasions, served as (Senior) Legal Consultant to the United Nations Assistance to the Khmer Rouge Trials (UNAKRT), in which capacity he advised the International Judges of the Supreme Court Chamber of the Extraordinary Chambers in the Courts of Cambodia (ECCC). Dr Birkett serves on the Committee of the Australian and New Zealand Society of International Law (ANZSIL) International Peace and Security Interest Group and the Governing Board of the Foundation for the Development of International Law in Asia (DILA).

**Derwent Coshott** BA (Dist.) (UNSW), JD, LLM, PhD (SYD)



Dr Coshott is a Senior Lecturer in Law at the University of Sydney Law School. He is an internationally recognised trust law expert, specialising in using trusts for asset protection and money laundering strategies. His research focuses on the intersections between trusts and financial crime, examining how legal frameworks governing trusts can be manipulated for illicit purposes, such as tax evasion, money laundering, and asset concealment. Dr Coshott's work has contributed to global discussions on the need for stronger regulatory measures to prevent the misuse of trusts in financial crime. He frequently advises governments and international organisations on policy reforms aimed at tightening AML controls and enhancing the transparency of trust structures.

### **Jamie Ferrill BaCJ (Mount Royal), MPS (Connecticut), PhD (Loughborough)**



Jamie is a senior lecturer at the Australian Graduate School of Policing and Security (CSU), where she is the head of Financial Crime Studies. Dr Ferrill's recent research focuses on border governance, transnational cooperation and collaboration in combating financial crime. Her work examines the effectiveness of international partnerships in preventing and detecting crimes such as money laundering, human trafficking, and terrorism financing. She also explores the challenges of border security in an increasingly globalized world and how financial institutions, law enforcement, and governments can work together to strengthen cross-border regulatory frameworks. Dr Ferrill is widely recognised for her contributions to policy development and improving inter-agency cooperation in the fight against financial crime.

### **Hannah Harris BA (Canterbury) PHD (UNSW)**



Dr Harris is a Senior Lecturer at Macquarie Law School. Her research area is transnational law and corporate regulation. Her current work includes analysis of legislative responses to transnational challenges, including illegal logging and modern slavery, and the impact of foreign bribery enforcement action on corporate compliance policies and practices. A key theme in Hannah's research is the way in which power dynamics and diverse values and interests shape regulatory regimes and impact the effectiveness of these regimes across diverse jurisdictions. Before joining MQLS, Hannah was a Postdoctoral Fellow with the Centre for Law Markets and Regulation, a Senior Research Analyst with the Capital Markets Cooperative Research Centre, and a Sessional Lecturer at the University of Technology, Sydney.

## Researchers

**Giang Nguyen LLB (HCMCU), LLM (UNSW), MPA (Kaplan), MA (AML/CTF) (CSU), CAMS, PhD candidate (Macquarie)**

Giang is a Specialist in the Regulatory Operations branch at AUSTRAC. Prior to joining the public sector, he worked in different AML/CTF compliance functions for CBA and Westpac. Giang PhD thesis is focusing on de-banking - are banks using AML/CTF legislation as a scapegoat for something else?



**Isabelle Nicolas B.A., Juris Doctor (USYD), MRes and PhD candidate (Macquarie)**



Isabelle, Associate Director at the FIH, is a PhD candidate at Macquarie Law School where she is considering the fairness of the Financial Action Task Force's mutual evaluation process. She is a casual teaching academic at Macquarie Law School where she teaches Financial Crime. Isabelle is a senior policy specialist in the field of AML/CTF, and was recognised as 'Banking and Finance Lawyer' of the year at the Women in Finance Awards in 2024.

**Samuel Orchard BA, LLB (Macquarie)**

Samuel is a lawyer working in Commercial Litigation and White-Collar Crime with Arnold Bloch Leibler. He is passionate about investigating the intersection between money laundering, terrorism financing and new and evolving technological advancements, particularly cryptocurrencies and digital assets. His research focuses on how these technologies are being used to facilitate financial crime and the challenges they present to regulators and law enforcement agencies.



**Ben Scott BA (Hons) (USyd), LLB (UNE)**



Ben Scott is a Ph.D. candidate at Macquarie University and serves as a Specialist Advisor in intelligence within the Commonwealth government. He has a background in financial crime compliance, sanctions, and intelligence roles in both banking and law enforcement. Ben Ph.D. thesis is focusing on how the evolution of deception methodologies in financial crime has influenced the development of financial intelligence practice since 2000?

## VISION

*“To be globally recognised as an independent centre that leads in financial integrity research, promoting publication, education and collaboration for safer and more secure financial systems, and positive societal contributions.”*

Criminals and terrorists need money. Disrupting financial flows and transactions is one of the most effective ways to fight crime and terrorism. This strategy can not only prevent future attacks by blocking material support, but also create intelligence on illicit purchases, withdrawals and other financial transactions that can be invaluable for ongoing investigations.

The FIH delivers pioneering analysis and actionable ideas in the fight against financial crime. Our research equips Australia and the international community with the knowledge, tools and insights to understand, identify and disrupt the threats of illicit finance. We drive change through our partnership-based approach and viable solutions. Working with our partners, the FIH aims to be a leading research centre offering publications, podcasts, certifications and special events to enhance financial integrity.



In 2024, the FIH adopted a vision. We benefit significantly from adopting a formal vision, as it provides a clear sense of purpose and direction, enhancing both internal cohesion and external credibility. A well-defined vision guides the FIH's strategic goals, ensuring that resources are allocated effectively to projects aligned with its core mission and values. This structured approach promotes unity among team members, as a shared vision fosters a collaborative culture where researchers, staff, and stakeholders understand their collective goals and how their individual efforts contribute to broader achievements. Externally, our vision elevates the FIH's standing among potential collaborators, funders, and the public by articulating its unique identity and long-term impact.

## STRATEGY

The FIH Strategic Plan incorporates our Vision, as detailed above, and describes the strategic directions that we will pursue to enable its achievement. The Strategic Plan will be refreshed as required to ensure its continued alignment with the goals and priorities of Macquarie University and the Faculty of Arts.



The FIH conducts our operations in accordance with high ethical principles and adheres to the following values of Macquarie University, as set out in *A Framing of Futures*:<sup>1</sup>

- Scholarship - We believe learning, enquiry and discovery improve lives
- Integrity - We conduct ourselves ethically, equitably and for mutual benefit
- Empowerment - We make our community a source of strength and creativity.

The FIH's strategies address the following three priority areas set by the objectives set out in the *Faculty of Arts Strategic Plan*.<sup>2</sup>

MQ Strategic Priority: An accelerating and impactful performance in discovery
Faculty of Arts objectives: <ul style="list-style-type: none"> <li>• Improve research collaboration, impact and productivity</li> <li>• Increase cross-disciplinary research activity</li> <li>• Improve HDR environment</li> </ul>
FIH strategies: <ul style="list-style-type: none"> <li>• Contribute to the productivity of our research community through publications and external funding</li> <li>• Provide an avenue for creative research outputs</li> <li>• Foster connections between our researchers and colleagues nationally and across the University community</li> <li>• Support cross-disciplinary research collaborations</li> <li>• Support the research and training of HDR students by providing access to information that equips them for effective financial crime research</li> <li>• Offer certification in the field of AML/CTF to enable our graduates to contribute more fully to their organisations and the community</li> </ul>

<sup>1</sup> [www.mq.edu.au/our-university](http://www.mq.edu.au/our-university). Measures of success in these priority areas include the number of cross-disciplinary funding applications, the number of cross-disciplinary publications, increased funding for strategic cross-disciplinary initiatives, the number of collaborative cross-disciplinary funding applications, the number of identified or actioned cross-disciplinary partnership opportunities, and improved results on the HDR student experience questionnaire.

<sup>2</sup> <https://staff.mq.edu.au/intranet/arts-intranet/research/strategy-documents>.



**MQ Strategic Priority: Creating an innovative nexus where Macquarie and our partners contribute solutions to the world and develop lasting relationships**

Faculty of Arts objectives:

- Improve research collaboration and impact
- Improve responsiveness to changing environments

FIH strategies:

- Foster multi-stakeholder research on the integrity of the financial system and the domestic dimensions of compliance with global norms
- Foster connections with the local community, industry partners and other institutions to promote impactful research

**MQ Strategic Priority: Develop a vibrant and sustainable campus, clearly at the centre of a rapidly changing neighbourhood in the international cosmopolitan city of Sydney**

Faculty of Arts objectives:

- Improve research environment and collaboration
- Improve student recruitment
- Improve responsiveness to changing environments

FIH strategies:

- Provide opportunities for students to access members (including start-ups, corporates, regulators and investors) in exclusive networking events for cutting-edge research
- Drive change through our partnership-based approach and viable solutions
- Improve student employability by providing opportunities to engage with partners and members.

## RESEARCH

Our research explores how law and governance strategies can be designed, implemented and enforced to support AML/CTF efforts, contributing to a transformative framework that translates into financial, social and national security benefits.

The FIH conducts research on global illicit finance threats, including:

- Money laundering
- Terrorist financing
- Proliferation financing
- The abuse of new technologies
- Illicit financial flows.

Our expertise includes topics such as:

- The increase in digital payments and cybercrime
- The illegal use of cryptocurrency wallets
- The COVID 19 pandemic, which created an urgent need for digital connectivity to replace physical interactions between consumers and providers
- The financial markets and trade-based money laundering and terrorist financing
- Freezing revenues designated for the families of people killed, injured or imprisoned as a result of their terrorist activities.



# Research Projects

## Publications

In 2024, the FIH released a wide range of publications that reinforced its position as a leader in research on AML/CTF, financial crime, and governance frameworks. These works addressed modern challenges such as digital economies, corporate accountability, and the evolving nature of regulatory oversight.

In total, FIH Research Fellows have achieved the following publications in the field of financial crime:

- Published 11 articles and 9 chapters
- Contributed 2 news articles
- Secured 2 grants and 1 visiting fellowship
- Participated in 2 podcasts
- Made 25 media contributions
- Delivered 16 conference/seminar presentations
- Co-chaired and organised 7 seminars



## Publications

A sample of the Research Fellows' publications includes:

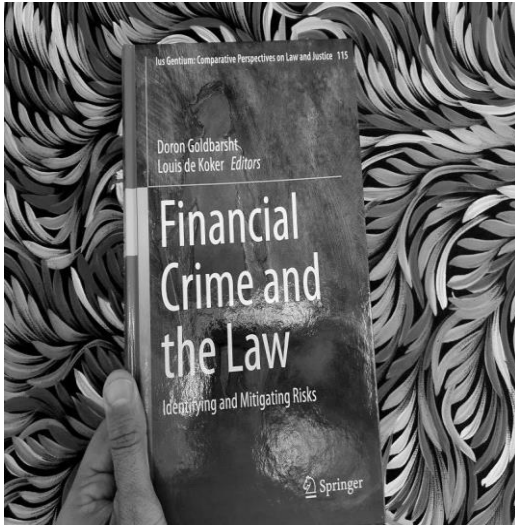
1. Dr Daley Birkett delivered seminars titled 'The Freezing and Seizure of Assets at the Request of the International Criminal Court in the Context of the Situation in Ukraine' at the Centre for European Legal Studies on Macro-Crime at the University of Ferrara and at the European Center for Constitutional and Human Rights in Berlin, respectively.
2. Dr Derwent Coshott delivered a presentation on AML/CTF and the Professions: Discussing the Challenges at the Australian Financial Crime Summit in September 2024. Later that month, he presented on Global AML/CTF Standards for DNFBPs at the FIH Building Capacity event. In November, he discussed International Standards: The Impact and Influence of the International AML/CTF Regime on Australian Law at the Anti-Money Laundering/Counter-Terrorism Financing Rules Forum. At the FIH Financial Crime Summit, Dr Coshott participated as a panelist, discussing Ill-Gotten Gains: Perspectives on Confiscating Proceeds of Crime.
3. Dr Jamie Ferrill's 2024 work demonstrates her deep engagement with research, collaboration, and public dialogue on financial crime, particularly trade-based money laundering (TBML) and regulations both in Australia and internationally. Her recent publications include the co-authored article Trade-Based Money Laundering: A Systematic Literature Review (*Journal of Accounting Literature*), which synthesises key insights into TBML trends, and the book chapter Weeding Out Dirty Money: Cannabis Regulations and Financial Crime (in *Financial Crime and the Law: Identifying and Mitigating Risks*), examining the intersection of regulatory frameworks and financial crime. Additionally, she contributed to research on the role of supply chain security and green customs and highlighted risks within Australia's professional services sector through numerous media contributions.
4. Dr Ferrill actively disseminated her expertise through a series of 2024 events, including *Regulating the Game*, the ACAMS Australasian Chapter Canberra event (which she also co-hosted), and several international conferences. She co-organised and spoke at the Canberra Economic Crime Seminar series with ANU's School of Law and engaged broader audiences through podcasts with the Financial Integrity Hub and Macdonald-Laurier Institute.

5. Her research initiatives are supported by a five-year Social Sciences and Humanities Research Council (SSHRC) grant awarded in 2024 and enriched by her visiting Cross-Border Research Fellowship at the Border Policy Research Institute (Western Washington University) and Borders in Globalization (University of Victoria). Across her activities in 2024, Dr. Ferrill advanced understanding of financial crime and fostered meaningful domestic and international collaboration on strategies to counter it.
6. In 2024, Dr Doron Goldbarsht published one co-authored book, two edited books, six chapters, three peer-reviewed articles and one op-ed. Dr Goldbarsht also served as the academic lead for the FIH Podcast. This creative endeavour, with thirteen episodes released to date, has reached and engaged hundreds of listeners.
7. His first co-edited book (with Professor de Koker) in 2024 titled “Financial Crime: Identifying and Mitigating Risks” was published in June by Springer. This volume raises critical questions about the effectiveness and efficiency of the risk-based approach to financial crime. It examines the evidence supporting this approach and evaluates whether it represents the optimal strategy for combating financial crime. In September 2024, he published his second co-edited collection “Financial Crime: Navigating Challenges in Different Contexts” by Springer. This multidisciplinary volume explores the intersections of finance, technology, law, governance, and international cooperation, offering profound insights into the complex landscape of financial crime across diverse jurisdictions. It includes contributions from experts in Australia, Germany, New Zealand, Nigeria, Canada and the United Kingdom.
8. Additionally, he published a co-authored article in the Journal of Financial Crime. Collaborating with Dr Kaite Benson (Manchester University), this interdisciplinary publication examines the critical role of lawyers in the fight against money laundering. Later in the year, he published his second co-authored interdisciplinary article with Professor Elizabeth Sheedy from Macquarie Business School. This article investigates the cost of non-compliance with the AML/CTF domestic regime. Published in the Monash University Law Review, this work offers original insights by thoroughly exploring the nuances of risk as a pivotal concept in AML/CTF regulatory efforts within Australia.
9. In her Article, Dr Hannah Harris (co-authored with Professor Liz Campbell) presented empirical evidence of the impact of the failure to prevent bribery offence on the compliance policies of major corporations. This article expands Dr Harris’ ongoing

research on novel regulatory tools to enhance corporate accountability for financial crime and other forms of misconduct. Related to this research stream, Dr Harris holds the position of Chair for the Subcommittee of Corporate Liability for drafting a treaty to establish an International Anti-Corruption Court. In August 2024, Dr Harris presented draft provisions developed by this committee that would, for the first time, establish corporate liability for corruption under the jurisdiction of an international court. As part of this liability framework, a failure to prevent offence has been included to motivate proactive compliance by major corporations aligned with the treaty's objectives. (Hannah Harris & Liz Campbell (17 Sep 2024): Analysing the impact of the failure to prevent Bribery offence on corporate compliance reporting in the United Kingdom - towards a better model of corporate accountability? *Griffith Law Review*).

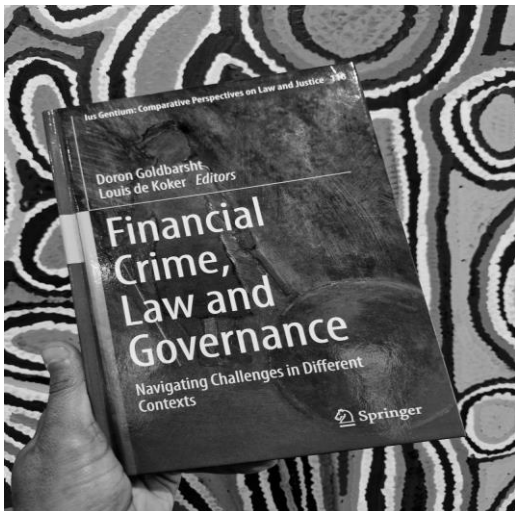
10. In her book chapter, Dr Hannah Harris addresses the role of the financial sector in contributing to environmental harm and deforestation on the one hand, and the need to ensure integrity in the intergovernmental rulemaking of the FATF on the other. The connection between forest crime and financial crime is a continuing focus for Dr Harris, and was the subject of her commission report, government submission and chaired workshop on the newly established Asia Pacific Forest Crime Network (APFCN), hosted by the FIH and Macquarie Law School. Dr Harris established the network in 2024 and acts as the Chair of the APFCN steering committee. (Harris, H. (2024). Financing Environmental Crime: Financial Sector Complicity in Global Deforestation and Opportunities for Regulatory Intervention. In: Goldbarsht, D., de Koker, L. (eds) *Financial Crime and the Law. Ius Gentium: Comparative Perspectives on Law and Justice*, vol 115. Springer, Cham)

The FIH also published two edited collection this year edited by Doron Goldbarsht and Louis de Koker. The first, *Financial Crime and the Law: Identifying and Mitigating Risks*. This



collection raises thought-provoking questions about the effectiveness and efficiency of the risk-based approach to financial crime. It explores the evidence supporting its implementation and whether it has proven to be the best alternative. Specific concerns regarding bias and discrimination, especially in relation to mutual evaluations conducted by the Financial Action Task Force, are addressed. In light of these concerns and current evidence, the collection provides constructive proposals and enhances the understanding of the challenges that need to be navigated in the ongoing fight against financial crime.

The second collection, *Financial Crime and the Law: Navigating Challenges in Different Contexts* discover a wealth of knowledge as contributors investigate facets such as asset forfeiture, non-conviction-based asset recovery, money laundering in the real estate sector,



and the challenges and opportunities posed by new technologies and fintechs. Unravel the crypto crime and terror nexus and explore the necessity of public-private collaboration to combat the abuse of Non-Fungible Tokens. Dive into policy approaches, including the WireCard scandal, and understand how good governance, both public and corporate, remains paramount in the fight against financial crime. As we navigate an age of intergovernmental rulemaking, the collection emphasizes the crucial role of robust

governance frameworks and examines the impact of permissive regulation on practices in the City of London.

## Webinar

On August 1, 2024, the FIH hosted a webinar in celebration of the release of *Financial Crime and the Law: Identifying and Mitigating Risks*. The webinar featured a distinguished panel of experts: Prof Louis De Koker, Prof Michael Levi, Dr Rachel Southworth, and Charles Littrell,

who engaged in discussions on a range of pressing topics. Key areas of focus included AML measures, regulatory responses to terrorist financing, and the complexities surrounding digital currencies and illicit financial flows. One of the central themes was the book's emphasis on the evolving regulatory landscape and the challenges posed by emerging technologies in the global fight against financial crime.

This meeting is being transcribed. ⓘ ☐ Don't show this again OK

### Application of the RBA for financial crime risk management by banks

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- The Conceptualisation of 'Financial Crime(s) Risk(s)'
- Identifying, Assessing and Understanding Financial Crime Risk(s): Risk Assessments
- Practical Challenges and Limitations in the Application of the Risk-Based Approach (RBA)

Risk Identification  
The Diverse Application of Risk Appetite and Risk Tolerance Parameter Setting  
Data Dependencies: Customer Data Integrity and Readiness  
Multiple Actors and Business Decision Makers Involved in Completing the Risk Assessment and Maintaining the Infrastructure of Systems and Controls

- Measuring Effectiveness

Another key point in the webinar was the global push to enhance compliance with FATF recommendations, especially for gatekeeping professions like legal and accounting services. This echoed the calls made in FIH's submissions to the Australian government, advocating for more stringent AML/CTF obligations for legal professionals under Tranche II of the AML/CTF Act (2006) (Cth). The session emphasised the importance of imposing stronger regulations to prevent legal services from being exploited for money laundering activities.

Additionally, the experts spoke about the balance between preserving legal professional privilege and ensuring robust compliance with AML regulations. This discussion sparked debates around the potential impacts of regulatory reforms on the legal profession, particularly how lawyers would navigate new reporting obligations while maintaining client confidentiality.

The webinar also addressed broader issues such as the financial sector's complicity in environmental crimes, deforestation, and the intersection of corporate accountability with financial crime prevention. Speakers explored how financial institutions could be better



equipped to identify and mitigate risks in these areas through enhanced due diligence processes and corporate governance frameworks.

## Grant Applications

Members of the FIH has presented three grant proposals to the regulator for a research project to be undertaken in 2025. The topics of the proposals are: “Following the Money: Mapping Monetary Trails to Counter Domestic Online Child Sexual Exploitation”, “Leveraging Data Analytics for Enhanced AML Efforts”, and “Improving ML/TF/PF risk assessment and risk mitigation in Australia”. These research projects, along with research institutions as partners, will help guide the regulator to made considerations on one of these topics, through our extensive research and publications presented to them. Each proposal is designed to tackle critical issues in financial regulation, with a strong emphasis on AML/CTF and combating online exploitation.

1. “Following The Money: Mapping Monetary Trails to Counter Domestic Online Child Sexual Exploitation” This project focuses on using financial intelligence to trace payments linked to the exploitation of children online. By mapping and analysing these financial trails, the research aims to provide the regulator with a clearer understanding of the financial networks behind such crimes, enabling more effective regulatory responses.
2. “Leveraging Data Analytics for Enhanced AML Efforts” - This project aims to explore how advanced data analytics, including machine learning, can be used to improve AML processes. It will evaluate existing data frameworks and propose innovative solutions to enhance the detection of suspicious transactions, ultimately supporting the regulator in making regulatory enhancements.
3. “Improving ML/TF/PF Risk Assessment and Risk Mitigation in Australia” - This proposal addresses the need for more robust mechanisms to assess and mitigate the risks associated with ML/TF/PF. It will provide insights into risk assessment practices and propose improved strategies for risk management in these areas, offering the regulator data-driven recommendations to strengthen Australia's regulatory framework.

Through extensive research, analysis, and collaboration with partnering research institutions, these projects are designed to contribute to Australia’s policymaking process, ensuring the

agency has well-researched evidence to inform regulatory decisions in areas of critical concern in the field of financial crime.

## ENGAGEMENT

### LinkedIn

The FIH launched our LinkedIn page in June 2022, two months after our formal inception, to assist in promoting our Strategic Plan. The page allows us to build credibility, create a meaningful network, and establish the FIH as an industry authority - all of which align with our Strategic Plan. In early 2024, with 6,000 plus followers, the original FIH LinkedIn page was flagged by LinkedIn as it was not properly set up as an organisation profile. A new page was created under the correct requirements; however, the followers of the page were not able to be transferred over. Despite this, the FIH LinkedIn page as of November 2024 has over 2,000 followers, with a total headcount growth of 29% over the course of six months.

The FIH LinkedIn page functions as a targeted news source for relevant industry participants by sharing updates on local and significant global financial crime news, AUSTRAC updates, law enforcement updates and other regulatory guidance from key international bodies such as the FATF and the UN. In addition to sharing news, the FIH shares academic publications and research insights, allowing followers to engage with relevant academic sources. This allows our social media to function as a holistic online source of targeted updates and information relevant to those in the financial integrity industry. This academic and research-based content enhances the page's value as a hub for professional development and thought leadership.

The analytics of the FIH LinkedIn page are detailed in the graphs below, which provide analytics of performance and demographic information about the people who follow the FIH page (including connections and non-connection followers) in 2024.

## Highlights

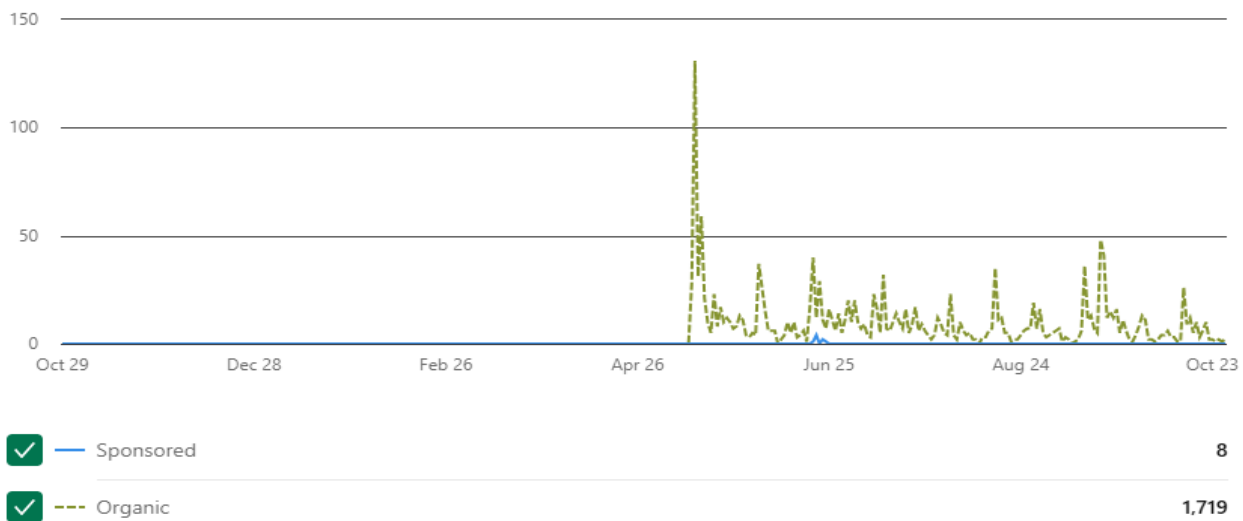
Data for 10/29/2023 - 10/27/2024

**3,366**  
Reactions

**103**  
Comments

**39**  
Reposts

## Follower metrics ?



As shown by the above, the FIH LinkedIn page has received overall over 3,000 reactions, 103 comments and 39 reposts since May 2024 (i.e. less than 6 months). 1,210 individuals have visited the page, and the page received 2,519 views in total.

Oct 29, 2023 - Oct 27, 2024 ▼

Export

## Visitor highlights ?

**2,519**  
Page views

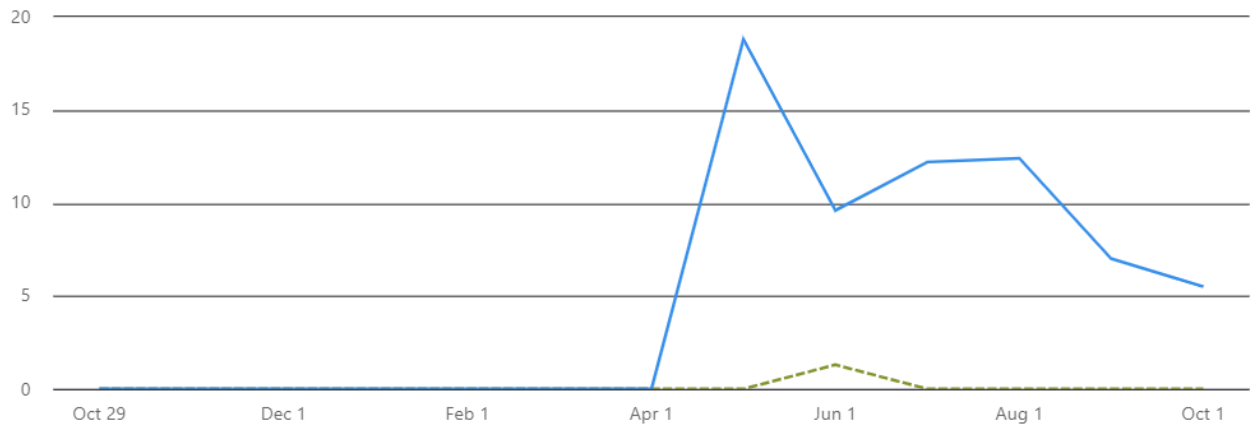
**1,210**  
Unique visitors

**2**  
Custom button clicks

With regard to our follower growth, the FIH LinkedIn page received 1,719 organic followers and 8 sponsored followers in 2024. Visitors viewed the page via both desktop and mobile, 785 on desktop and 1,734 on mobile devices, demonstrating the accessibility of the page.

### Metrics

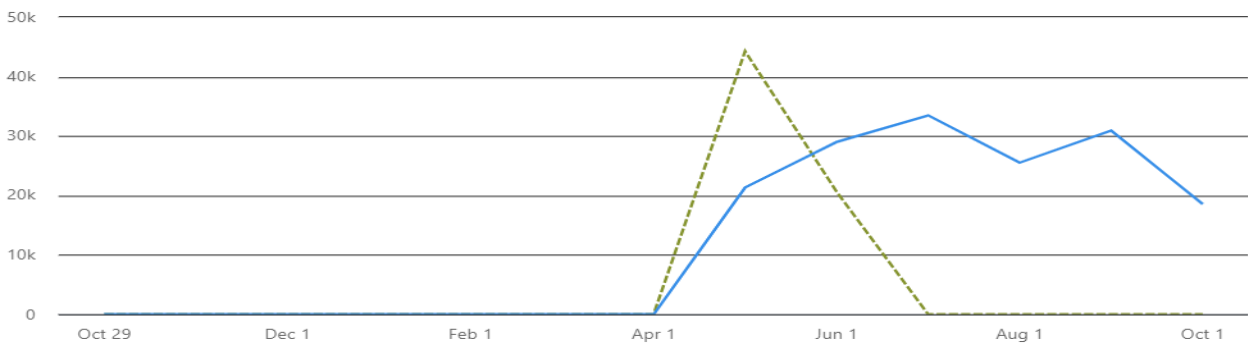
#### Engagement rate ▾



- ✓ Organic 10.9
- ✓ Sponsored 0.4
- ✓ Mobile 1,734

### Metrics

#### Impressions ▾



- ✓ Organic 158,819
- ✓ Sponsored 64,909

Regarding our content performance, the posts received 158,819 organic impressions and 64,909 sponsored impressions. The engagement rate (number of likes, comments, reposts received) are also largely organic (i.e. not sponsored), showcasing the popularity of the page and posts.

### Visitor demographics

Job function ▼

Finance · 500 (19.8%)



Legal · 421 (16.7%)



Education · 227 (9%)



Business Development · 206 (8.2%)



Entrepreneurship · 144 (5.7%)



Operations · 131 (5.2%)



Sales · 106 (4.2%)



### Visitor demographics

Industry ▼

Financial Services · 672 (26.7%)



Law Practice · 411 (16.3%)



Banking · 317 (12.6%)



Higher Education · 234 (9.3%)



Business Consulting and Services · 165 (6.6%)



IT Services and IT Consulting · 100 (4%)



Legal Services · 76 (3%)



Research Services · 72 (2.9%)



Gambling Facilities and Casinos · 66 (2.6%)



Retail · 59 (2.3%)



Finally, the visitor demographics of the page, as detailed above, indicate that it is mainly visited by those who work in financial services and the legal sector. This aligns with the purpose of the FIH LinkedIn page, as it aims to target the stakeholders involved in financial crime and its regulation.

## Podcast

The FIH releases regular podcasts, featuring speakers with expertise in financial crime and compliance. The podcast episodes, which are now available on Youtube and Spotify, and the FIH website, offer detailed discussions on financial crime, AML regulations, and global compliance trends.

The FIH launched its podcast to provide an accessible platform for sharing expert insights on financial crime, AML and regulatory compliance. Through this medium, FIH can engage with a wider audience, reaching professionals, students and regulators globally. The podcast serves as a dynamic tool to discuss emerging trends, industry challenges, and legal developments in financial integrity. Hosting guests from diverse sectors allows the FIH to offer practical advice, foster discussions, and raise awareness about the importance of robust financial crime prevention measures.

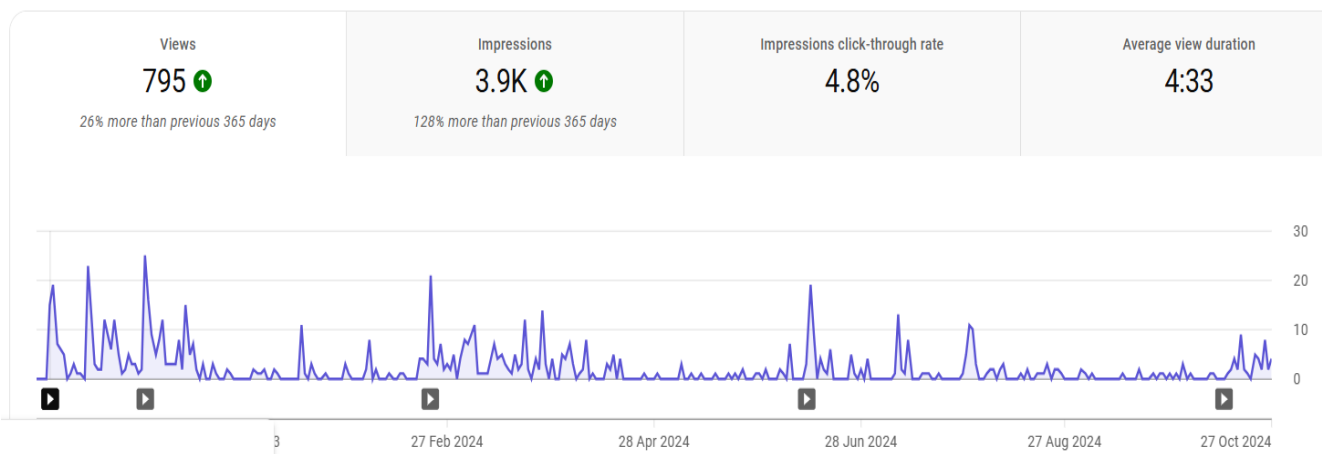


This year, Certified Financial Crime Expert has been brought on as a sponsor partner, allowing us to release new episodes for Season 2 of the podcast. Guests for Season 2 of the podcast so far include Dr Rachel Southworth, Prof Michael Levi, Prof Louis De Koker, Charles Littrell, Armina Antoniou (CRO, Crown Resorts), and Jeremy Moller (Senior Advisor, Norton Rose Fullbright). Topics for Season 2 of

the podcast include the role of the Financial Action Task Force and evaluating State compliance, modernising the AML/CTF Act, risk management in casinos, and discussion of the 'Financial Crime and the Law: Identifying and Mitigating Risks' book, a product of the FIH.

This year, the FIH decided to extend the reach of the podcast and offer it on Spotify as well as YouTube. Providing the podcast via both channels increases accessibility and engagement, making it easier for listeners to stay informed, while also expanding the FIH's audience and strengthening its presence in the digital space.

The analytics of the FIH YouTube and Spotify pages are detailed in the graphs below, which provide demographic information about the people who follow the pages and listen to the podcast.



The FIH's YouTube channel has gained 795 views in the last 12 months, as well as 3,900 impressions. There has been a 51% increase in watch time when compared to the previous 12 months, demonstrating our increased reach. Despite this, the page has only gained 19 subscribers, which is 10% less than the previous 12 months, although this is probably due to the introduction of the Spotify page where listeners of the podcast may be shifting to that platform.

Plays ⓘ

**252**

All-time

Plays per episode ⓘ

**11**

On average

Audience size ⓘ

**41**

Last 7 days

Spotify impressions ⓘ

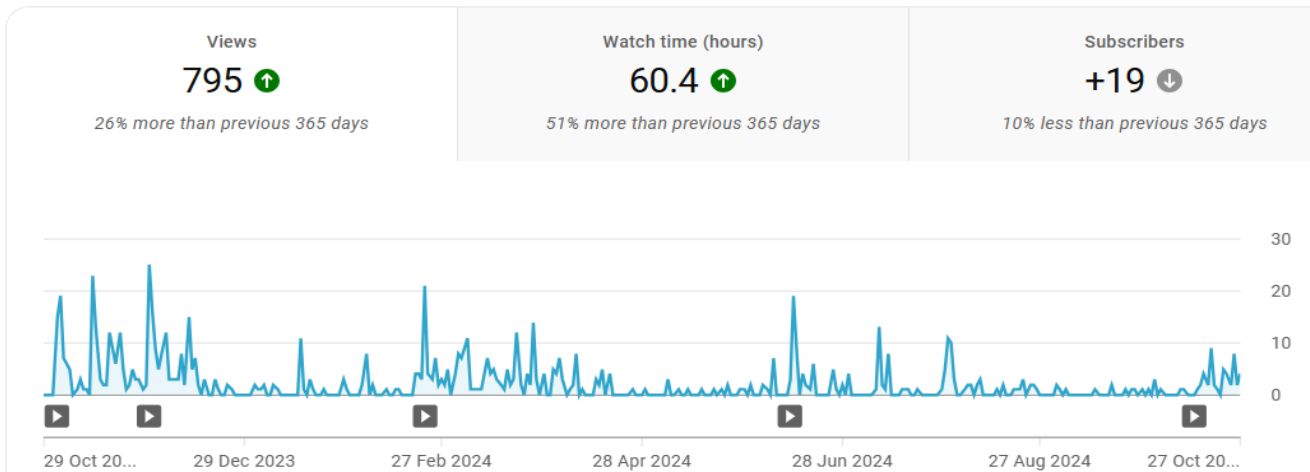
**2,429**

Last 30 days

Spotify followers ⓘ

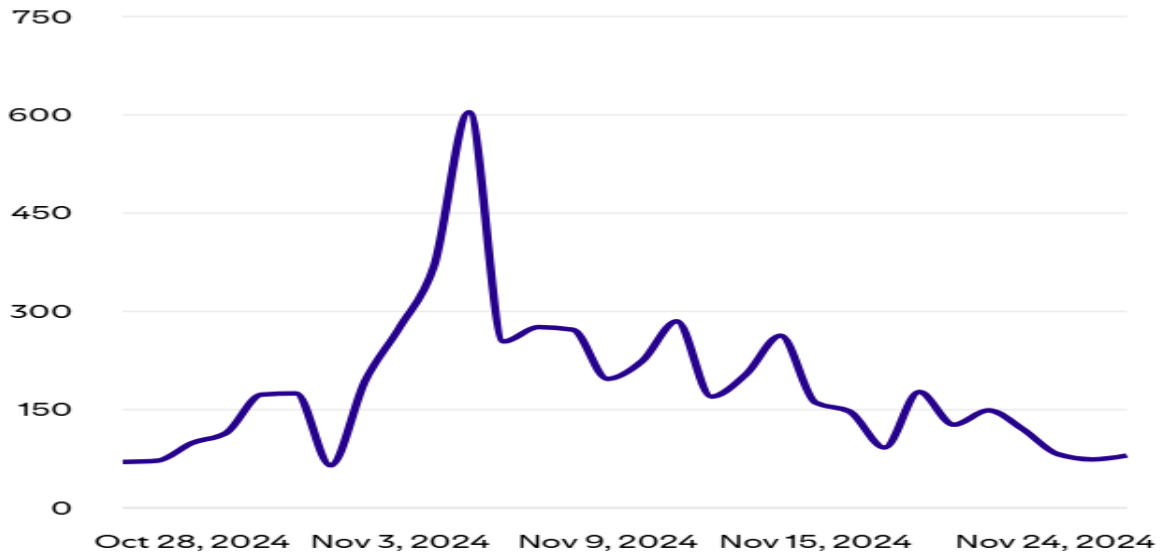
**21**

## Your channel got 795 views in the last 365 days



### Spotify impressions i

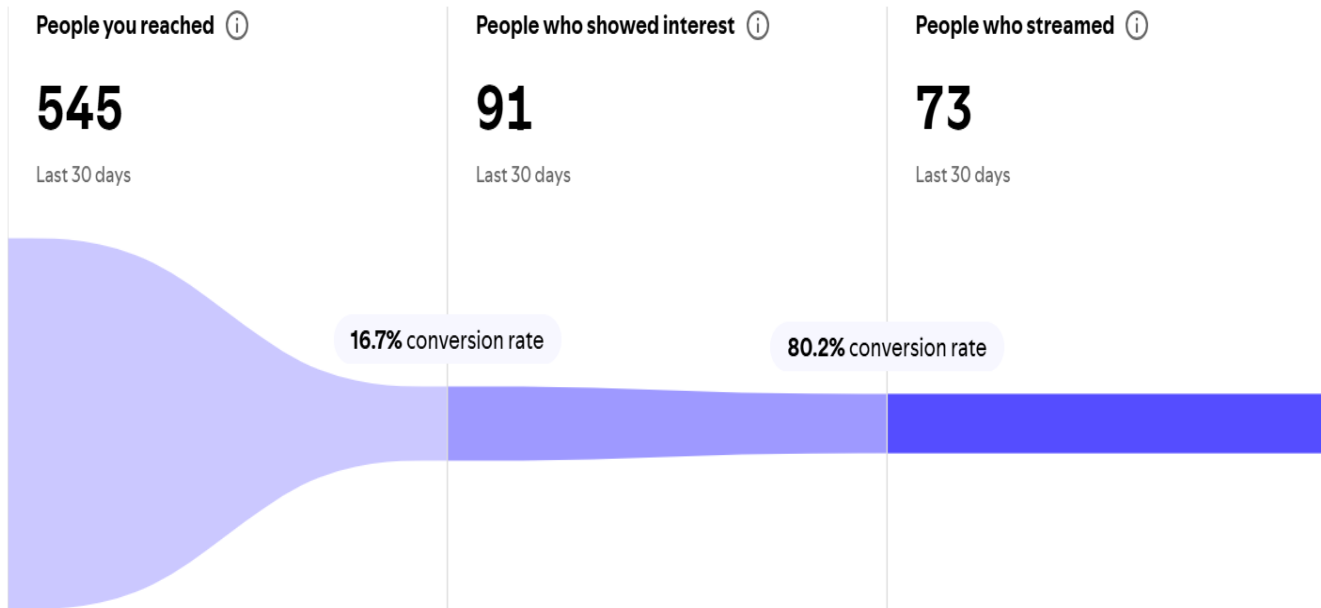
# 5,568



On Spotify, the podcast has gained a significant number of plays and followers. There have been 21 followers since its introduction in August 2024, as well as 252 plays. Over the last 30 days alone, there have been 2,429 impressions. Further, there has been a steady increase in the number of plays and impressions since August 2024, reaching an all-time high in November 2024.



How traffic led to consumption:



Spotify listeners have shown interest in the podcasts, with an 80% conversion rate between those who showed interest in the page and those who streamed the episodes. This is a very high conversion rate for the platform, indicating the value of our podcast. Most Spotify listeners also access the content through search, showcasing that the listeners are actively seeking out our episodes as advertised on other social media platforms.

## X (formerly Twitter)

The FIH has made significant strides in advancing its mission to promote financial integrity with the launch of its dedicated X (formerly Twitter) page in August 2024. Although still a work in progress, this initiative aims to enhance the Hub's visibility, allow us to engage with a broader audience, and widely disseminate crucial information related to financial crime.

← **Financial Integrity Hub (FIH)**  
33 posts



**MACQUARIE**  
University

**Financial Integrity Hub (FIH)** [Get verified](#)

@FIHMqUni

Our research equips Australia and the international community with insights into ML/TF/PF threats.

 Educational Research Center  Joined July 2024

26 Following 8 Followers

[Posts](#) [Replies](#) [Highlights](#) [Articles](#) [Media](#) [Likes](#)

On this platform, FIH shares a range of content, including articles, research findings, educational materials, and announcements regarding upcoming events and workshops. As the page evolves, FIH aims to refine its content strategy to better serve its audience, ensuring that the information shared is not only relevant but also actionable. Engaging with users through polls, Q&A sessions, and discussions about current trends in financial integrity will help cultivate a vibrant community committed to combating financial crime and promoting ethical practices.

As of October 2024, the X page has made 43 posts and has acquired a few followers. However, with increased focus on engagement strategies across our social media platforms, we are confident that followers across our pages will grow in 2025, and the following years.

## Events

The FIH has held two major events in 2024: **the Financial Crime Summit** and the **End-of-Year Event**. These events help engage researchers, professionals and stakeholders in the field of financial crime, and helps to advance the dialogue around financial integrity and compliance.

### Financial Crime Summit

The inaugural **FIH Integrity Insight: Financial Crime Summit** hosted by Crown Resorts Sydney in April 2024 was a captivating journey into the realm of financial integrity. This full-day event, 5 panels and 20 speakers, brought together thought leaders, experts, and professionals from



various sectors to share insights, address challenges, and explore innovative solutions to combat financial crime. The Summit was designed as a collaborative experience, encouraging meaningful dialogue and connection among participants. With a carefully curated lineup of expert speakers and panelists - each a trailblazer in their respective fields - attendees were guided through a comprehensive exploration of the evolving landscape of financial crime.

Throughout the day, 208 guests engaged in dynamic discussions focusing on critical topics such as AML/CTF, fraud, and sanctions. Attendees had the opportunity to uncover the latest trends, understand emerging threats, and discuss effective mitigation strategies. The Summit not only highlighted the

importance of collective action in addressing financial crime, but also provided a platform for networking and collaboration among industry peers. Overall, the Integrity Insight: Financial Crime Summit was a resounding success, equipping attendees with valuable knowledge and tools to navigate the complexities of financial integrity in today's challenging environment.



## End-of-Year Event



The End-of-Year (EOY) event hosted by the FIH at KPMG in December 2024 promises to be a significant gathering that celebrates the accomplishments of the past year while looking forward to future initiatives in financial integrity. Hosted at KPMG's offices in Barangaroo - Sydney, the event will provide a platform for stakeholders from various sectors to come together and reflect on their contributions to combating financial crime and promoting ethical practices. Attendees will have the opportunity to engage in discussions that highlight key achievements and challenges faced throughout the year, fostering a sense of community and collaboration among professionals dedicated to enhancing financial integrity.

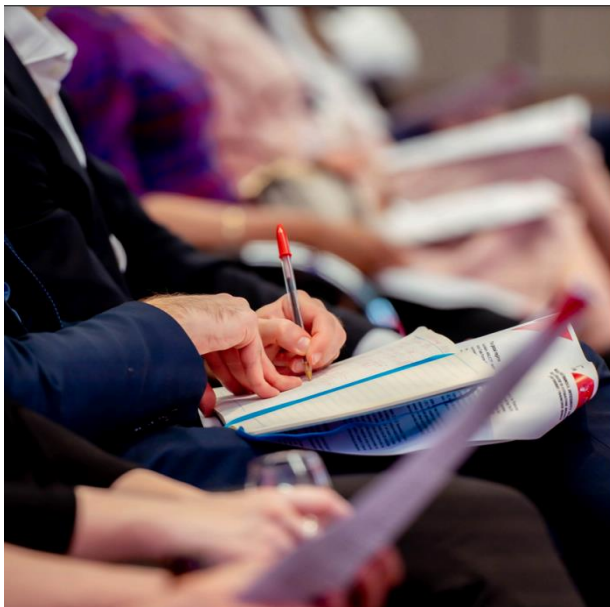
This year's EOY event will feature insightful presentations from industry leaders, as well as interactive sessions designed to encourage dialogue and idea exchange. The key speakers include Paul Jevtovic (MLRO, NAB & former AUSTRAC CEO), Katie Miller (General Counsel, AUSTRAC) and Jamie Ferril (Charles Sturt University). Participants can expect to hear about

emerging trends and priorities for the upcoming year, including innovative strategies to address financial crime and enhance compliance frameworks. Networking opportunities will abound, allowing attendees to connect with peers, share best practices, and explore potential partnerships. Ultimately, the EOY event at KPMG aims to inspire renewed commitment to financial integrity, equipping participants with the insights and connections needed to make meaningful progress in the fight against financial crime in the coming year.

The FIH is also excited to announce the recipients of our annual *Financial Crime Fighter of the Year Awards*, which recognise excellence in two categories: Innovation and Leadership. The selection process involves a thorough review of ten nominations by a panel comprising FIH members and external experts, including a senior member of the AFP and a distinguished figure from the legal profession. This prestigious and highly regarded award, established in 2022, reflects the Financial Integrity Hub's commitment to acknowledging the efforts of professionals and academics who advance financial crime initiatives across Australia.

## BUILDING CAPACITY

### FIH Insights: Our Quarter Bulletin



## FIH INSIGHTS

September Issue 2024

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FIH Insights is a quarterly bulletin developed and edited by the FIH. It provides in-depth analyses and updates on financial crime-related topics, drawing from FIH's research, industry expertise, and government insights. The bulletin features content designed to engage the audience with insights into recent developments, trends, and regulatory updates in the financial crime sector.

The latest edition of FIH Insights was published in September 2024 and the theme was Australia's National Money Laundering & Terrorism Financing Risk Assessments. The bulletin included opinion pieces from a number of experts, namely Doron Goldbarsht, Louis de

Koker, Anna Lewkowicz, Jamie Ferrill, Tony Coburn, and Crispin Yuen. This edition of the bulletin was produced in collaboration with our partner, Whitelight AML.

## Seminars and Workshops

In 2024, the FIH hosted one seminar and one workshop as part of its commitment to enhancing financial integrity and compliance within the industry. These educational initiatives are designed to build capacity among professionals and stakeholders by equipping them with the knowledge, skills, and tools necessary to effectively combat financial crime.

### Inaugural workshop of the Asia Pacific Forest Crime Network (APFCN)

In July, the FIH hosted the inaugural workshop of the Asia Pacific Forest Crime Network (APFCN). The APFCN is an emergent network of scholars, practitioners, industry experts and civil society stakeholders aligned in their objective of ending illegal logging and harmful deforestation in the Asia Pacific region. The focus was on the Papua New Guinean experience and the potential for criminal law mechanisms that target financial crime - including frameworks against money laundering, bribery and corruption, tax evasion, and fraud - to combat illegal logging and deter harmful deforestation. Event participation was by invitation only, providing an opportunity to network with fellow forest and financial crime experts to shape the future of our planet's forests and the laws designed to protect them.



## Seminar: AML/CTF for DNFBPs in Australia

In September, the FIH held a seminar on Anti-Money Laundering and Counter-Terrorism Financing for Designated Non-Financial Businesses and Professions in Australia. This session was delivered by Dr Derwent Coshott (Research Fellow, FIH), Isabelle Nicolas (Associate Director, FIH) and Evan Gallagher (Director of Policy, AUSTRAC). This seminar was attended



### FIH SEMINARS

September 2024

AML/CTF and Gatekeepers

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by a relevant, yet varied audience comprised of legal professionals, accountants, real estate professionals, consultants, and dealers in precious metals and stones. The seminar comprised two sessions:

- The global framework.
- The proposed AML/CTF reform in Australia and what this means for DNFBPs, including key obligations under the proposed framework.

As the Attorney-General's Department rounds out its consultation process, it is anticipated that the expansion of AML/CTF obligations will soon capture DNFBPs where they provide certain designated services.

## FIH and PACE Projects and Placements

Macquarie University's Bachelor-level and postgraduate-level degrees include at least one PACE unit. In this unit, students engage in a practical learning activities where they explore key economic, social and ethical challenges, and learn about how contemporary organisations address them. The FIH participate in PACE and accepts several law students into its initiatives. The following initiatives and activities were supported by PACE students:

**The Risk of Australia being grey listed:** The issue surrounding Australia's compliance with the Financial Action Task Force's Forty Recommendations has been a discussion point since Australia's Mutual Evaluation Report in 2005. In response to this MER, Australia implemented new legislation to strengthen its compliance. Since then, the FATF has conducted Follow-Up Reports, the latest in 2024, finding Australia is still non-compliant with Recommendations surrounding legal practitioners. In response to this, and the upcoming MER, much discussion

has occurred in Australia regarding whether this non-compliance will result in Australia becoming a jurisdiction under increased monitoring. This paper answers this question. The purpose of this research paper was to analyse the risk of Australian being grey listed.

**Red Flags for Accountants:** As the Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2024 passed, accountants will soon have new legal obligations. Failing to fulfil these obligations will put accountants in contravention of Australian law, leading to civil and/or criminal penalties. Accountants have been identified as high risk of facilitating money laundering because activities such as the formation and operation of corporations or trusts, assistance buying, selling or transferring legal entities, assistance dealing with real property and holding trust funds on behalf of the client are particularly susceptible to those involved in financial crime. The aim of the report is to create an AML/CTF Red Flags List for Accountants, to help accountants identify when you may be performing a designated service or when your client may be asking you to breach the AML/CTF Act.

**Online gaming - a comparative study:** This research project examines the gaming industry across various jurisdictions, including Malta, Canada, Curacao, Cyprus, and the United Kingdom, with a particular focus on their regulatory frameworks related to AML and CTF compliance. By analysing the regulatory approaches in these regions, the project identified key differences and similarities in how each jurisdiction addresses financial crime risks within the gaming sector. It explores the effectiveness of AML/CTF measures, the role of regulatory bodies, and the challenges faced by operators in meeting compliance requirements. Additionally, the project highlight lessons learned from each jurisdiction's experience, offering insights into best practices and potential improvements to enhance the global regulatory landscape for the gaming industry.



## FIH REPORT

Red Flags for Accountants

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## FIH REPORT

The Risk of Australia Being Grey Listed



## FIH REPORT

Online Gaming: A Comparative Study of  
Regulatory Frameworks and Their Impact



In addition to the PACE student projects detailed above, the FIH also hosts PACE students for individual placements, similar to internships. These students assist with the ongoing work of the FIH, including maintaining our social media presence, organising events, conducting research, drafting memos and policies, and developing corporate governance documentation. Below is what our PACE students had to say about their experience with the FIH:

*“Taking PACE with the Financial Integrity Hub (FIH) was an enriching and hands-on experience that allowed me to contribute to impactful work while honing my skills in research, compliance, and financial crime prevention. I was able to engage with industry experts and participate in projects that aligned closely with real-world applications, such as developing materials on AML/CTF regulations and contributing to publications. The collaborative environment and the opportunity to work on cutting-edge issues in financial integrity provided a solid foundation for my career and exposed me to the practical implications of regulatory frameworks” (Meshi Rose Cthurmer, S2 2024)*

*“My PACE experience at the FIH has been incredibly rewarding this semester. I’ve had the opportunity to work on diverse tasks such as managing social media content, conducting research, and assisting in developing educational programs and events that align with FIH’s mission. The hands-on experience has allowed me to apply my legal knowledge in real-world contexts, while also contributing to impactful work in financial integrity. I have learnt so much about anti-money laundering and counter-terrorism financing in a practical context, knowledge that I am undoubtedly grateful for. PACE with FIH offers a dynamic environment that’s perfect for students seeking to enhance their skills and make meaningful contributions to the field” (Ayeh Becka, S2 2024).*



## FINANCIAL SUMMARY

Unlike other centres, the FIH does not receive annual financial support or other funding from the Faculty of Arts or from Macquarie Law School.

The FIH funds itself independently, drawing income from our guests, sponsorships, research contracts, events and donations - which, thanks to the University's charitable status, are tax deductible. This support is derived from a wide range of sources, including private and governmental, Australian and international.

The FIH rejects funding that is incompatible with our independence or the probity of our activities. This independence is constantly upheld and monitored by the FIH leadership. All funding contributions made to the FIH go towards the development of our core work: equipping the Australian and international community with the knowledge, tools and insights to understand, identify and disrupt the threats of illicit finance.

Thanks to the hard work and dedication of everyone involved, the FIH eclipsed 2024, with the bottom line of our comprehensive income statement showing no liabilities and a surplus.

The FIH recognises that this is not a significant dollar value. However, as detailed below, due to the challenges involved in designing an innovative approach to research (for example, the lack of clear signatory rights and a Pure Research Management System webpage for FIH activities), together with the challenges involved in structuring the FIH's financial accounts since our establishment two years ago (for example, invoicing, payments and access to our account balance), our ability - and our appetite - to develop meaningful collaborations and new and significant revenue streams has been limited. We are confident that once these issues have been rectified and the processes have been documented, it will be easier for the FIH to generate significant revenues. We will then be able to provide a detailed statement of changes in equity in support of our operations.

### Financial design

The FIH is designed to self-fund its activities through research projects, grants, and sponsorships. In the future, we anticipate that we may gain funding through memberships, donations, and delivery of continuing professional development courses.

The FIH can be viewed as structurally similar to Research Centres with the main points of difference being:

- It engages with and is funded by multiple partners from a range of sectors.
- The fees in the partnership agreements (whether research, or non-research related) are untargeted funds, charged as an agreed price, not as the cost of completing the project.
- The income from partnership agreements is how the FIH is creating income and building capital.
- There will never be ‘unspent funds’ to be returned to partner organisations.

In the same way that funds allocated to a ‘standard’ academic project are not absorbed by the Faculty’s Residual Pool Account until the conclusion of that project, FIH sourced funds will not be returned to the Faculty Pool until the Hub ceases to operate whereby funds will return to the partner organisations.

### **Processes and Frameworks**

The following internal processes and frameworks have been amended to enable the FIH to operate.

### **Financial Structure**

Considerable time and thought went into the design of the financial structure required to support the FIH’s operations.<sup>3</sup> Guiding principles that went into the creation of this architecture:

- Funds received as a result of partnership agreements are non-targeted. All FIH project proposals specifically state that “All funding contributions made to FIH go towards the development of our core work; equipping the Australian and international community with the knowledge tools and insights to understand, identify and disrupt the threats of illicit finance”. as such there will never be ‘unspent funds’ to be returned to the partner.
- Externally generated funds (irrespective of source/activity type) will be rolled-over for as long as the Hub remains viable.

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<sup>3</sup> Additional details of the structure can be found in FIH Financial Structure 202410, a paper prepared by the Director of Financial Operations, Tax & Treasury in June 2023, and updated in October 2024.

- Ability to view and manage ‘cash flow’ at a Hub level (as opposed to needing to work within individual accounts).
- To satisfy the accrual accounting method of tracking Research Expenditure, funds are to be journalled across from the receiving account to an Internal Research Funding account, to which all FIH research expenditure will be coded.
- The funds from all non-research & non-education partnerships agreements are to be received by five Project Accounts as follows:
  1. Income subject to University Indirect Costs Levy
  2. Income which is exempt from the Indirect Costs Levy
  3. Income derived from Conferences
  4. Income generated from educational activities e.g. short courses.
  5. “Other” income e.g. Subscriptions

#### **Features and Explanatory Notes:**

- FIH has been designated its own financial “discipline code” - 2203. This four-digit code forms part of all associated account numbers which:
  - allows FIH projects to be identified by discipline, rather than by individual account numbers (relying on account numbers alone proved to be an insurmountable problem for the interface between the University’s Research and Financial management systems);
  - allows the CI to manage income and expenditure at Discipline level, reducing the administrative load; and
  - Provides the ability to receive funds for both research and non-research activities.

#### **Expenditure**

- The Finance Director advised that as long as funds balance at Discipline level, it would not be problematic for a single sub-account to be in deficit, however, how this is managed is a decision for the CI.

- The Director of the FIH has discretion over the allocation of FIH expenditure, provided it adheres to relevant University policies.

## Research Project Establishment

Considerable time thought and consultation has been given to how to expedite the processing of FIH research partnership projects which are typically shorter in duration and often of lower dollar value than traditional research partnerships.

To qualify a project to have the fast-tracked process applied, all new agreements must meet the following criteria:

1. Agreements must be executed on one of the pre-approved FIH partnership agreements. These are slightly amended versions of the University's standard Collaborative Research and Contract Research agreements, amended in consultation with, and approved by the Director, Research Grants & Awards and the Research Awards Manager.
2. Agreements will be appended by (a) the FIH's bespoke Project Proposal (project proposal) which states that income generated by Hub agreements are untargeted funds, charged as an agreed upfront price, not as the cost of completing the project and (b) a Risk Assessment form.
  - a. FIH's project proposal has been approved by the Director, Research Grants & Awards (DVCR) and the FoA Research Partnerships Manager, in consultation with Research Awards, as providing the required information to enable accelerated processing.
  - b. The Risk Assessment form has been developed in consultation with the FoA Research Partnerships Manager and approved by the Deputy Dean, Research and Innovation.
3. The Hub Director / CI must submit Agreements  $\leq$  \$4999 (+GST), accompanied by the project proposal, and the risk assessment form to the Dean of Law confirming in writing that:
  - a. No changes have been made to the agreement and no material changes have been made to the project proposal; or

- b. If changes have been made, outlining where, and what they are
4. The Hub Director / CI must submit agreements between \$5,000 and \$10,000 (+GST), accompanied by the project proposal, and the risk assessment form), to the Dean of Law and the Faculty's Deputy Dean Research and Innovation confirming in writing that:
  - a. No changes have been made to the agreement and no material changes have been made to the project proposal; or
  - b. If changes have been made, outlining where, and what they are

It is possible, in some circumstances, that the above criteria will not be met. In those instances, the FIH Research Partnership Agreement application will be subjected to the same checks and processes as all other University research partnership agreements.

### **Non-Research Project Establishment**

The account set-up for the FIH has very limited reporting capabilities. E.g. It will not be possible to generate a report to show the number of students who registered for a specific FIH-seminar. Natural Account codes will enable a report to show all income generated by registrations to online teaching during a specific period, but if multiple modules are run concurrently, it will not be possible for any reports to distinguish between them.

Requests for advice on reporting requirements has been repeatedly sought from Financial Services, the Faculty and the Financial Integrity Hub, and all advice has been that there is no University level, or External Audit reporting requirements that will make this lack of tailorable reporting capability problematic.



The Financial Integrity Hub (FIH) relies on a network of experts across business, government and higher education. It promotes an interdisciplinary understanding of financial crime by bringing together perspectives from the fields of law, policy, security, intelligence, business, technology and psychology.

The FIH offers a range of services and collaborative opportunities. These include professional education, hosting events to promote up-to-date knowledge, publishing key insights and updates, and working with partners on their business challenges.

If your organisation would benefit from being part of a cross-sector network and having a greater understanding of the complex issues surrounding financial crime, please contact us to discuss opportunities for collaboration: [fih@mq.edu.au](mailto:fih@mq.edu.au).

For more information, visit:

[mq.edu.au/research/research-centres-groups-and-facilities/groups/financial-integrity-hub](https://mq.edu.au/research/research-centres-groups-and-facilities/groups/financial-integrity-hub).

