

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

The Office of the Director of Public Prosecutions (DPP) was established under the *Director of Public Prosecutions Act 1983*. The DPP is within the Attorney-General's portfolio, but it operates independently of the political process. The DPP is headed by a Director, who is appointed for a statutory term of up to seven years.

The DPP's vision and purpose is to provide a prosecution service to the Commonwealth and the people of Australia which is fair, independent, accountable, effective and efficient in order to advance social justice by deterring and discouraging breaches of Commonwealth law and ensuring that serious offenders are brought to justice.

The primary role of the DPP is to prosecute offences against Commonwealth law, including corporations law, and to recover the proceeds of Commonwealth crime. The DPP is not an investigative agency. It prosecutes cases investigated by other agencies.

The DPP has as its outcome the maintenance of law and order for the Australian community through an independent and ethical prosecution service in accordance with the Prosecution Policy of the Commonwealth.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and departmental classification.

Table 1.1: Agency resource statement—Budget estimates for 2009–10 as at Budget, May 2009

	Estimate of prior year amounts available in 2009–10 (\$'000)	+ Proposed at Budget 2009–10 (\$'000)	= Total estimate 2009–10 (\$'000)	Actual available appropriation 2008–09 (\$'000)
ORDINARY ANNUAL SERVICES				
Departmental				
Prior year departmental appropriation	59,492 ⁴	–	59,492	58,101
Departmental appropriation	–	108,318 ¹	108,318	107,356 ³
S 31 relevant agency receipts	–	2,250 ²	2,250	2,250
Total ordinary annual services	59,492	110,568	170,060	167,707
Total available annual appropriations	59,492	110,568	170,060	167,707
Total net resourcing for agency	59,492	110,568	170,060	167,707

All figures are GST exclusive.

1. Appropriation Bill (No. 1) 2009–10.
2. Section 31 relevant agency receipts—estimate.
3. The DPP is requesting a reduction in 2008–09 appropriations totalling \$0.573m. The forecast end-of-year appropriation is therefore \$106.783m. This is the amount shown in table 3.2.1.
4. Estimated adjusted balance carried forward from previous years for annual appropriations. The amount also includes the 2008-09 estimated surplus of \$5.2m.

The DPP has a special appropriation under section 28 of the *Financial Management and Accountability Act 1997* for refunds of revenue, used for refunding fines and costs receipts. This special appropriation does not form part of the DPP's resources.

1.3 BUDGET MEASURES

Budget measures relating to the DPP are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2009–10 Budget measures

	Program	2008–09 (\$'000)	2009–10 (\$'000)	2010–11 (\$'000)	2011–12 (\$'000)	2012–13 (\$'000)
EXPENSE MEASURES						
Cole Inquiry Taskforce— continuation of funding	1.1					
Departmental expenses		–	911	–	–	–
Strategic compliance— continuing to address the abuse of tax havens¹	1.1					
Departmental expenses		–	512	1,556	3,397	3,803
Border protection— combating people smuggling—specialist prosecution unit	1.1					
Departmental expenses		–	4,598	6,741	–	–
Commonwealth Director of Public Prosecutions— efficiencies from in-house legal services²	1.1					
Departmental expenses		–	(599)	(604)	(610)	(616)
Total expense measures						
Departmental		–	5,422	7,693	2,787	3,187
Total		–	5,422	7,693	2,787	3,187

Prepared on a Government Finance Statistics (fiscal) basis.

1. The lead agency for the Strategic compliance measure is the Treasury. The full measure description and package details appear in Budget Paper No. 2 under the Treasury portfolio.
2. The proposal is for savings to be achieved through revised arrangements for the provision of in-house legal services to the DPP.

1.4 TRANSITION FROM OUTCOMES AND OUTPUTS TO OUTCOMES AND PROGRAMS

From the 2009–10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. Figure 2 outlines the transition from the 2008–09 Budget year (as at Additional Estimates), which was presented in administered items, outputs and output groups, to the program reporting framework used for the 2009–10 Budget. The table also captures revisions made to the DPP's outcome statements under the Operation Sunlight Outcome Statements Review.

Figure 2: Transition table

2008–09 Budget year	2009–10 Budget year
<p>Outcome 1: Contribute to the safety and well-being of the people of Australia and to help protect the resources of the Commonwealth through the maintenance of law and order and by combating crime</p>	<p>Outcome 1: Maintenance of law and order for the Australian community through an independent and ethical prosecution service in accordance with the Prosecution Policy of the Commonwealth</p>
<p>Output Group 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth, in appropriate matters, in a manner which is fair and just and to ensure that offenders, where appropriate, are deprived of the proceeds and benefits of criminal activity</p>	<p>Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth, in appropriate matters, in a manner which is fair and just and to ensure that offenders, where appropriate, are deprived of the proceeds and benefits of criminal activity</p>

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Agencies deliver programs, which are the government actions taken to deliver the stated outcomes. Agencies are required to identify the programs that contribute to government outcomes over the Budget and forward years.

The DPP’s outcome is described below together with its related program, specifying the performance indicators and targets used to assess and monitor the performance of the DPP in achieving government outcomes.

Outcome 1: Maintenance of law and order for the Australian community through an independent and ethical prosecution service in accordance with the Prosecution Policy of the Commonwealth

Outcome 1 strategy

The DPP’s key strategies and initiatives towards achieving Outcome 1 are to:

- continue conducting cases ethically, professionally and efficiently
- recruit, develop and retain high-quality staff
- provide professional assistance to referring agencies
- continuously improve its performance, and
- actively contribute to law reform and whole-of-government criminal justice initiatives.

Outcome 1 budgeted expenses and resources

Table 2.1 provides an overview of the total expenses for Outcome 1, by program.

Table 2.1: Budgeted expenses and resources for Outcome 1

	2008–09 Estimated actual expenses (\$'000)	2009–10 Estimated expenses (\$'000)
Outcome 1: Contribute to the safety and well-being of the people of Australia and to help protect the resources of the Commonwealth through the maintenance of law and order and by combating crime		
Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth, in appropriate matters, in a manner which is fair and just and to ensure that offenders, where appropriate, are deprived of the proceeds and benefits of criminal activity		
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	107,356	108,318
Revenues from independent sources (Section 31)	2,250	2,250
Total for Outcome 1	109,606	110,568
	2008–09	2009–10
Average staffing level (number)	623	596

Note: The DPP's expenses also include 'services received free of charge' totalling \$0.545m which do not require appropriation in the Budget year. These expenses are offset by a matching revenue item 'resources received free of charge'. Departmental appropriation splits and totals are indicative estimates and may change in the course of the Budget year as government priorities change.

Contributions to Outcome 1

Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth, in appropriate matters, in a manner which is fair and just and to ensure that offenders, where appropriate, are deprived of the proceeds and benefits of criminal activity

Program objective

To maintain a fair, safe and just society where the laws of the Commonwealth are respected and there is public confidence in the justice system. This will be achieved by:

- applying the highest ethical standards to prosecutions and proceeds of crime action
- applying the highest professional standards of competence, commitment and hard work to prosecutions and proceeds of crime action
- maintaining the DPP's prosecutorial independence, and
- providing a high-quality, timely, efficient and cost-effective prosecution service.

Program 1.1 expenses

There are no significant trends, changes or variances in the DPP's program expenses over the forward years, subject to government priorities.

	2008-09 Revised budget	2009-10 Budget	2010-11 Forward year 1	2011-12 Forward year 2	2012-13 Forward year 3
(\$'000)					
Annual departmental expenses					
Ordinary annual services (Appropriation Bill No. 1)	107,356	108,318	100,568	91,360	91,434
Revenues from independent sources (Section 31)	2,250	2,250	2,250	2,250	2,250
Total program expenses	109,606	110,568	102,818	93,610	93,684

Program 1.1 deliverables

To achieve the program objectives over the Budget and forward years the DPP will continue to deliver an effective and timely prosecution service.

	2008-09 Revised budget	2009-10 Budget	2010-11 Forward year 1	2011-12 Forward year 2	2012-13 Forward year 3
Deliverables					
Number of cases prosecuted	8,400	8,400	8,400	8,400	8,400

Program 1.1 key performance indicators

The key performance indicator focuses on providing public confidence in the justice system, through the provision of effective and timely prosecution services.

	2008-09 Revised budget	2009-10 Budget target	2010-11 Forward year 1	2011-12 Forward year 2	2012-13 Forward year 3
Key performance indicators					
Prosecutions resulting in conviction	90%	90%	90%	90%	90%

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements that provide a comprehensive snapshot of agency finances for the Budget year 2009-10. It explains how Budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, and special accounts.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

The DPP has not moved any administered funds between years.

3.1.2 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the DPP. It is unlikely that either special account will be required to be used in 2009–10 or in 2008–09.

Table 3.1.2: Estimates of special account cash flows and balances

		Opening balance 2009–10	Receipts 2009–10	Payments 2009–10	Adjustments 2009–10	Closing balance 2009–10
		2008–09	2008–09	2008–09	2008–09	2008–09
	Outcome	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Other Trust Moneys— FMA Act s 20 (A)	1	–	–	–	–	–
	1	–	–	–	–	–
Other Trust Moneys FMA Act s 20 (D)	1	–	–	–	–	–
	1	–	–	–	–	–
Services for Other Governments and Non-agency Bodies— FMA Act s 20 (A)	1	–	–	–	–	–
	1	–	–	–	–	–
Total special accounts 2009–10 Budget estimate		–	–	–	–	–
Total special accounts 2008–09 estimate actual		–	–	–	–	–

(A) = Administered.

(D) = Departmental.

FMA Act = *Financial Management and Accountability Act 1997*.

3.1.3 Australian Government Indigenous Expenditure

The DPP has no Indigenous-specific expenses.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There is no significant difference between the agency resourcing and financial statements.

3.2.2 Analysis of budgeted financial statements

Departmental

Income statement

Revenues

The DPP's budgeted operating revenues have increased from the previously published estimates. The changes consist of:

- an appropriation revenue increase of \$6.021m resulting from funding for new measures
- an appropriation revenue decrease from savings measures and parameter adjustments, and
- a reduction of appropriation revenue in relation to the funding provided to the DPP in 2008-09 for the Budget measure Criminal Cartel Enforcement - investigations and prosecutions.

Expenses

Depreciation expenses are projected to increase in line with the revaluation of non-financial assets.

The forecast surplus in 2008-09 is due to delays in the commencement of prosecutions.

Balance sheet

Changes to the balance sheet from the previously published estimates consist of:

- an increase in appropriations receivable due to appropriation increases in respect of the new measures introduced in the 2009-10 Budget
- changes in the value of non-financial assets to reflect revised estimates of capital activity
- changes in non-interest-bearing liabilities to reflect revised estimates for lease incentives, and
- an increase in employee provisions to reflect the change in the government bond rate.

Statement of cash flows

Changes to the statement of cash flows from the previously published estimates reflect the comments made above.

Statement of changes in equity – summary of movement

Equity has been adjusted in 2008–09 as a result of the forecast surplus for 2008–09.

Administered

There have been no changes from the previously published estimates.

3.2.3 Budgeted financial statements tables**Departmental**

**Table 3.2.1: Budgeted departmental comprehensive income statement
(for the period ended 30 June)**

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
EXPENSES					
Employee benefits	61,098	58,399	57,485	55,914	55,724
Supplier	37,465	46,944	40,108	32,471	32,735
Depreciation and amortisation	5,245	5,200	5,200	5,200	5,200
Other	570	570	570	570	570
Total expenses	104,378	111,113	103,363	94,155	94,229
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	2,250	2,250	2,250	2,250	2,250
Total revenue	2,250	2,250	2,250	2,250	2,250
Gains					
Other gains	545	545	545	545	545
Total gains	545	545	545	545	545
Total own-source income	2,795	2,795	2,795	2,795	2,795
Net cost of (contribution by) services	101,583	108,318	100,568	91,360	91,434
Appropriation revenue	106,783	108,318	100,568	91,360	91,434
Surplus (deficit)	5,200	–	–	–	–
Surplus (deficit) attributable to the Australian Government	5,200	–	–	–	–

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
ASSETS					
Financial assets					
Cash and cash equivalents	230	230	230	230	230
Trade and other receivables	63,101	64,024	62,987	62,082	61,162
Total financial assets	63,331	64,254	63,217	62,312	61,392
Non-financial assets					
Land and buildings	12,611	10,653	10,653	10,653	10,653
Infrastructure, plant and equipment	6,422	5,513	5,513	5,513	5,513
Intangibles	726	593	593	593	593
Other	1,003	1,003	1,003	1,003	1,003
Total non-financial assets	20,762	17,762	17,762	17,762	17,762
Total assets	84,093	82,016	80,979	80,074	79,154
LIABILITIES					
Non-interest-bearing liabilities					
Leases	2,047	1,559	1,559	1,559	1,559
Total non-interest-bearing liabilities	2,047	1,559	1,559	1,559	1,559
Provisions					
Employees	18,667	17,469	17,048	16,877	16,709
Other	2,978	2,587	1,971	1,237	485
Total provisions	21,645	20,056	19,019	18,114	17,194
Payables					
Suppliers	1,250	1,250	1,250	1,250	1,250
Other	2,070	2,070	2,070	2,070	2,070
Total payables	3,320	3,320	3,320	3,320	3,320
Total liabilities	27,012	24,935	23,898	22,993	22,073
Net assets	57,081	57,081	57,081	57,081	57,081
EQUITY*					
Parent entity interest					
Contributed equity	360	360	360	360	360
Reserves	8,217	8,217	8,217	8,217	8,217
Retained surpluses or accumulated deficits	48,504	48,504	48,504	48,504	48,504
Total parent entity interest	57,081	57,081	57,081	57,081	57,081
Total equity	57,081	57,081	57,081	57,081	57,081
Current assets	64,334	65,257	64,220	63,315	62,395
Non-current assets	19,759	16,759	16,759	16,759	16,759
Current liabilities	20,042	18,362	17,584	16,906	17,775
Non-current liabilities	6,970	6,573	6,314	6,087	4,298

* 'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
OPERATING ACTIVITIES					
Cash received					
Goods and services	2,344	2,250	2,250	2,250	2,250
Appropriations	94,566	103,080	94,632	85,790	89,809
Other	3,733	3,848	3,579	3,008	3,005
Total cash received	100,643	109,178	100,461	91,048	95,064
Cash used					
Employees	57,025	63,555	57,670	54,479	54,410
Suppliers	41,482	42,853	40,671	34,349	34,334
Other	570	570	570	570	570
Total cash used	99,077	106,978	98,911	89,398	89,314
Net cash from (used by) operating activities	1,566	2,200	1,550	1,650	5,750
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	3,000	2,200	1,550	1,650	5,750
Total cash used	3,000	2,200	1,550	1,650	5,750
Net cash from (used by) investing activities	(3,000)	(2,200)	(1,550)	(1,650)	(5,750)
FINANCING ACTIVITIES					
Cash at beginning of reporting period	1,664	230	230	230	230
Cash at end of reporting period	230	230	230	230	230

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity—summary of
movement (Budget year 2009–10)**

	Retained earnings (\$'000)	Asset revaluation reserve (\$'000)	Contributed equity/ capital (\$'000)	Total equity (\$'000)
Opening balance as at 1 July 2009				
Balance carried forward from previous period	43,304	8,217	360	51,881
Income and expenses				
Surplus (deficit) for the period	5,200	–	–	5,200
Total income and expenses	5,200	–	–	5,200
Estimated closing balance as at 30 June 2010	48,504	8,217	360	57,081

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of departmental asset movements (2009–10)

	Buildings (\$'000)	Other infrastructure, plant & equipment (\$'000)	Intangibles (\$'000)	Total (\$'000)
As at 1 July 2009				
Gross book value	28,500	12,843	2,964	44,307
Accumulated depreciation/amortisation	15,889	6,421	2,238	24,548
Opening net book balance	12,611	6,422	726	19,759
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase or internally developed	1,800	400	–	2,200
Sub-total	1,800	400	–	2,200
Other movements				
Depreciation/amortisation expense	3,758	1,309	133	5,200
As at 30 June 2010				
Gross book value	30,300	13,243	2,964	46,507
Accumulated depreciation/amortisation	19,647	7,730	2,371	29,748
Closing net book balance	10,653	5,513	593	16,759

Prepared on Australian Accounting Standards basis.

Administered**Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)**

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Other sources of non-taxation revenues	5,200	5,200	5,200	5,200	5,200
Total non-taxation	5,200	5,200	5,200	5,200	5,200
Total revenue administered on behalf of government	5,200	5,200	5,200	5,200	5,200
Total income administered on behalf of government	5,200	5,200	5,200	5,200	5,200
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Write-down and impairment of assets	2,300	2,300	2,300	2,300	2,300
Total expenses administered on behalf of government	2,300	2,300	2,300	2,300	2,300

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Receivables	1,016	1,016	1,016	1,016	1,016
Total financial assets	1,016	1,016	1,016	1,016	1,016
Total assets administered on behalf of government	1,016	1,016	1,016	1,016	1,016
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Total liabilities administered on behalf of government	–	–	–	–	–

Prepared on Australian Accounting Standards basis.

Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	Estimated actual 2008–09 (\$'000)	Budget estimate 2009–10 (\$'000)	Forward estimate 2010–11 (\$'000)	Forward estimate 2011–12 (\$'000)	Forward estimate 2012–13 (\$'000)
OPERATING ACTIVITIES					
Cash received					
Other	2,950	2,950	2,950	2,950	2,950
Total cash received	2,950	2,950	2,950	2,950	2,950
Cash used					
Other	50	50	50	50	50
Total cash used	50	50	50	50	50
Net cash from (used by) operating activities	2,900	2,900	2,900	2,900	2,900
FINANCING ACTIVITIES					
Cash received					
Cash from Official Public Account	50	50	50	50	50
Total cash received	50	50	50	50	50
Cash used					
Cash to Official Public Account	2,950	2,950	2,950	2,950	2,950
Total cash used	2,950	2,950	2,950	2,950	2,950
Net cash from (used by) financing activities	(2,900)	(2,900)	(2,900)	(2,900)	(2,900)
Cash at beginning of reporting period	–	–	–	–	–
Cash at end of reporting period	–	–	–	–	–

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Basis of accounting

The budgeted financial statements have been prepared in accordance with the requirements of the Finance Minister's Orders, Australian Accounting Standards, Australian Equivalents to International Financial Reporting Standards and Accounting Guidance Releases, and having regard to the Statements of Accounting Concepts.

The financial statements for budget estimates are prepared on the same basis as the annual audited financial statements. The audited statements include a full set of notes to explain all line items (available at www.cdpp.gov.au/Publications/AnnualReports).

Departmental

Revenue from government

Amounts appropriated are recognised as revenue, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

Employee expenses

Employee expenses consist of salaries, leave entitlements, redundancy expenses, superannuation and non-salary benefits.

Supplier expenses

Supplier expenses consist of administrative costs, consultants' costs, travel expenses, property operating expenses and legal expenses.

Cash

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

Assets

Assets are made up of cash, receivables, leasehold improvements and plant and equipment. All assets are held at fair value.

Liabilities

Liabilities are made up of employee salary and leave entitlement, property lease and make-good provisions and amounts owed to creditors.

Administered

Administered revenue comprises fines and costs imposed by courts. When received, receipts are transferred directly to the Official Public Account.

A significant number of debts may not be recovered, as fines and costs may be converted by serving time in prison, by performing community service or similar provisions. In addition, fines and costs may be written off as irrecoverable.

