

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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

The role of the DPP is to prosecute offences against Commonwealth law. The DPP is not an investigative agency. It prosecutes cases investigated by other agencies.

The DPP's outcome is to contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the *Prosecution Policy of the Commonwealth*.

Three strategic themes are identified for 2018–19 to 2021–22 to achieve this outcome within allocated resources:

- providing an efficient and effective prosecution service
- engaging with partner agencies and stakeholders
- investing in our people.

1.2 ENTITY RESOURCE STATEMENT

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

Table 1.1 is presented on a resourcing (that is, appropriations and cash available) basis, while the budgeted expenses for Outcome 1 table in section 2 and the financial statements in section 3 are presented on an accrual basis.

Table 1.1: Entity resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 Estimated actual \$'000	2018–19 Estimate \$'000
DEPARTMENTAL		
Annual appropriations—ordinary annual services (a)		
Prior year appropriations available	11,322	12,165
Departmental appropriation (b)	77,405	75,948
s74 retained revenue receipts (c)	7,023	8,984
Departmental capital budget (d)	4,135	2,118
Total net resourcing for entity	99,885	99,215
	2017–18	2018–19
Average staffing level (number)	383	387

Prepared on a resourcing (that is, appropriations and cash available) basis.

Note: All figures are GST exclusive and may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2018–19.

(b) Excludes departmental capital budget.

(c) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. See Table 3.5 for further details. For accounting purposes, this amount has been designated as 'contributions by owners'.

1.3 BUDGET MEASURES

Budget measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO) relating to the DPP are detailed in Budget Paper No. 2 and summarised in Part 1 of Table 1.2.

Table 1.2: Entity 2018–19 Budget measures

Part 1: Measures announced since the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO)

Program	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Expense measures					
Attorney-General's Portfolio— efficiencies	1.1				
Departmental expenses	(234)	(397)	(397)	(397)	(397)
Black Economy Package— combatting illicit tobacco (a)	1.1				
Departmental expenses	—	—	206	272	296
Black Economy Package—new and enhanced ATO enforcement against the Black Economy (a)	1.1				
Departmental expenses	—	—	—	1,689	3,589
Total expense measures	(234)	(397)	(191)	1,564	3,488

Prepared on a Government Finance Statistics (fiscal) basis.

Figures displayed as a negative represent a decrease in funds and figures displayed as a positive represent an increase in funds.

(a) The lead entity for this measure is the Department of Treasury. The full measure description and package details appear in Budget Paper No. 2 under the Treasury Portfolio.

Part 2: Other measures not previously reported in a portfolio statement

The DDP has no other measures not previously reported in a portfolio statement.

Section 2: Outcomes and planned performance

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

The DPP's outcome is described below together with its related program.

Note

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in annual reports – to provide an entity's complete performance story.

The most recent corporate plan for the DPP can be found at <https://www.cdpp.gov.au/about-us/strategic-directions>

The most recent annual performance statement can be found at <https://www.cdpp.gov.au/about-us/2016-17-annual-report>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the *Prosecution Policy of the Commonwealth*

Budgeted expenses for Outcome 1

Table 2.1 shows how much the DPP intends to spend (on an accrual basis) on achieving Outcome 1, broken down by program and departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth					
Departmental expenses					
Departmental appropriation	77,405	75,948	73,753	75,293	77,651
s74 retained revenue receipts (a)	7,023	8,984	5,675	5,382	5,386
Expenses not requiring appropriation in the budget year (b)	4,194	4,832	5,053	4,548	4,666
Total expenses for Outcome 1	88,622	89,764	84,481	85,223	87,703

	2017–18	2018–19
Average staffing level (number)	383	387

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

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(b) Expenses not requiring appropriation in the budget year are made up of services received free of charge, depreciation and amortisation expenses and write-down of debt liabilities.

Performance criteria for Outcome 1

Table 2.2 shows the performance criteria for the program associated with Outcome 1. It also shows how the program is delivered.

Table 2.2: Performance criteria for Outcome 1

Outcome 1: Contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the <i>Prosecution Policy of the Commonwealth</i>	
Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth	
Delivery	<p>The CDPP delivers a national prosecution service across the following crime types:</p> <ul style="list-style-type: none"> • commercial, financial and corruption • revenue and benefits fraud • international assistance and specialist agencies • organised crime and counter-terrorism • illegal imports and exports • human exploitation and border protection. <p>This involves:</p> <ul style="list-style-type: none"> • being fair, consistent and professional in everything we do • recognising, valuing and developing the knowledge, skills and commitment of our people • working with our partner agencies to assist them in advancing their goals and priorities • treating victims of crime with courtesy, dignity and respect • providing information to the public about Commonwealth criminal law and prosecutions.

Table 2.2: Performance criteria for Outcome 1 (continued)

Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth (continued)		
Performance information		
Year	Performance criteria	Targets
2017–18	<p>Compliance in addressing the terms of the test for prosecution in the Prosecution Policy of the Commonwealth, namely the existence of a prima facie case, reasonable prospects of conviction and that prosecution is required in the public interest, when deciding to commence or continue a prosecution.</p> <p>Partner agency satisfaction with DPP service delivery. Quantitative and qualitative evidence is gathered about agency satisfaction with DPP service delivery. Characteristics evaluated include timeliness, relevance to partner agency business, responsiveness and level of communication. The results deliver a comprehensive evidence base to inform continuous improvement.</p> <p>Prosecutions resulting in a conviction. The conviction/finding of guilt rate is calculated by taking the number of defendants convicted as a percentage of defendants convicted or acquitted. The calculation does not include defendants where the DPP discontinued the prosecution against them in its entirety or where a prosecution has commenced and the defendant failed to appear before a court. It does include findings of guilt that do not result in a conviction.</p>	<p>Expect to achieve 100% (target: 100%)</p> <p>Biennial—achieved 83% (target: 90%)</p> <p>Expect to achieve 98% (target: 90%)</p>
2018–19	<p>Compliance in addressing the terms of the test for prosecution in the Prosecution Policy of the Commonwealth, namely the existence of a prima facie case, reasonable prospects of conviction and that prosecution is required in the public interest, when deciding to commence or continue a prosecution.</p> <p>Partner agency satisfaction with DPP service delivery. Quantitative and qualitative evidence is gathered about agency satisfaction with DPP service delivery. Characteristics evaluated include timeliness, relevance to partner agency business, responsiveness and level of communication. The results deliver a comprehensive evidence base to inform continuous improvement.</p> <p>Prosecutions resulting in a conviction. The conviction/finding of guilt rate is calculated by taking the number of defendants convicted as a percentage of defendants convicted or acquitted. The calculation does not include defendants where the DPP discontinued the prosecution against them in its entirety or where a prosecution has commenced and the defendant failed to appear before a court. It does include findings of guilt that do not result in a conviction.</p>	<p>100% compliance with the Prosecution Policy of the Commonwealth</p> <p>90% partner agency satisfaction</p> <p>90% of prosecutions resulting in a conviction</p>
2019–20 and beyond	Same as for 2018–19.	Same as for 2018–19.

Table 2.2: Performance criteria for Outcome 1 (continued)

Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth (continued)		
Performance information		
Year	Performance criteria	Targets
Purpose (a)	To prosecute crimes against Commonwealth law through an independent prosecution service, that is responsive to the priorities of our law enforcement and regulatory partners, and that effectively contributes to the safety of the Australian community and the maintenance of the rule of law.	

(a) Refers to updated purpose that will be reflected in the 2018–19 corporate plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2018–19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

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

3.1.2 Explanatory notes and Analysis of budgeted financial statements

Revenue from government in 2018–19 is \$75.948m, which is a decrease of \$1.457m when compared to 2017–18 (\$77.405m). The decrease is primarily due to the movement of funding under the *Public Service Modernisation Fund – agency sustainability* measure as detailed in the 2017–18 Portfolio Budget Statements, and changes in wage and price indices.

The DPP is budgeting for a surplus of \$2.000m in 2017–18, after excluding unfunded depreciation and amortisation expenses. The main reasons for the surplus are a lower than budgeted employee expense and a decrease in counsel expenses.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
EXPENSES					
Employee benefits	47,500	47,648	46,160	46,348	46,619
Suppliers	34,872	37,228	33,212	34,271	36,362
Depreciation and amortisation	3,680	4,318	4,539	4,034	4,152
Other expenses	570	570	570	570	570
Total expenses	86,622	89,764	84,481	85,223	87,703
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	7,023	8,984	5,675	5,382	5,386
Other	284	284	284	284	284
Total own-source revenue	7,307	9,268	5,959	5,666	5,670
Gains					
Other	230	230	230	230	230
Total gains	230	230	230	230	230
Total own-source income	7,537	9,498	6,189	5,896	5,900
Net (cost of)/contribution by services	(79,085)	(80,266)	(78,292)	(79,327)	(81,803)
Revenue from government	77,405	75,948	73,753	75,293	77,651
Surplus/(deficit) attributable to the Australian Government	(1,680)	(4,318)	(4,539)	(4,034)	(4,152)
Total comprehensive income/(loss) attributable to the Australian Government	(1,680)	(4,318)	(4,539)	(4,034)	(4,152)

Note: Impact of net cash appropriation arrangements

	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	2,000	–	–	–	–
Less depreciation/amortisation expenses previously funded through revenue appropriations (a)	3,680	4,318	4,539	4,034	4,152
Total comprehensive income/(loss) as per the statement of comprehensive income	(1,680)	(4,318)	(4,539)	(4,034)	(4,152)

Prepared on Australian Accounting Standards basis.

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

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	360	360	360	360	360
Trade and other receivables	14,868	12,016	9,572	8,217	7,305
Total financial assets	15,228	12,376	9,932	8,577	7,665
Non-financial assets					
Land and buildings	8,246	8,952	11,343	10,231	9,061
Property, plant and equipment	4,801	5,228	5,530	4,632	3,711
Intangibles	1,168	1,174	657	515	347
Other non-financial assets	1,900	2,000	2,000	2,000	2,000
Total non-financial assets	16,115	17,354	19,530	17,378	15,119
Total assets	31,343	29,730	29,462	25,955	22,784
LIABILITIES					
Payables					
Suppliers	11,171	10,514	11,403	10,156	9,244
Other payables	599	789	1,169	1,339	1,339
Total payables	11,770	11,303	12,572	11,495	10,583
Provisions					
Employee provisions	14,956	15,672	16,850	16,850	16,850
Other provisions	1,133	1,471	1,426	1,148	1,148
Total provisions	16,089	17,143	18,276	17,998	17,998
Total liabilities	27,859	28,446	30,848	29,493	28,581
Net assets	3,484	1,284	(1,386)	(3,538)	(5,797)
EQUITY*					
Parent entity interest					
Contributed equity	13,892	16,010	17,879	19,761	21,654
Reserves	18,479	18,479	18,479	18,479	18,479
Retained surplus/(accumulated deficit)	(28,887)	(33,205)	(37,744)	(41,778)	(45,930)
Total parent entity interest	3,484	1,284	(1,386)	(3,538)	(5,797)
Total equity	3,484	1,284	(1,386)	(3,538)	(5,797)

Prepared on Australian Accounting Standards basis.

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

Table 3.3: Departmental statement of changes in equity—summary of movement (budget year 2018–19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(28,887)	18,479	13,892	3,484
Adjustment for changes in accounting policies	–	–	–	–
Adjusted opening balance	(28,887)	18,479	13,892	3,484
Comprehensive income				
Surplus/(deficit) for the period	(4,318)	–	–	(4,318)
Total comprehensive income	(4,318)	–	–	(4,318)
Transactions with owners				
Contributions by owners				
Departmental capital budget	–	–	2,118	2,118
Sub-total transactions with owners	–	–	2,118	2,118
Estimated closing balance as at 30 June 2019	(33,205)	18,479	16,010	1,284
Closing balance attributable to the Australian Government	(33,205)	18,479	16,010	1,284

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	81,788	87,270	81,357	81,510	83,443
Sale of goods and rendering of services	7,023	8,984	5,675	5,382	5,386
Net GST received	2,900	2,900	2,900	2,900	2,900
Other	284	284	284	284	284
Total cash received	91,995	99,438	90,216	90,076	92,013
Cash used					
Employees	46,689	46,428	44,287	45,860	46,299
Suppliers	38,238	43,594	39,639	38,386	39,758
s74 retained revenue receipts transferred to Official Public Account	7,023	8,984	5,675	5,382	5,386
Other	335	432	615	448	570
Total cash used	92,285	99,438	90,216	90,076	92,013
Net cash from/(used by) operating activities	(290)	–	–	–	–
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	4,135	2,118	1,869	1,882	1,893
Total cash used	4,135	2,118	1,869	1,882	1,893
Net cash from/(used by) investing activities	(4,135)	(2,118)	(1,869)	(1,882)	(1,893)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	4,135	2,118	1,869	1,882	1,893
Total cash received	4,135	2,118	1,869	1,882	1,893
Net increase/(decrease) in cash held	(290)	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	650	360	360	360	360
Cash and cash equivalents at the end of the reporting period	360	360	360	360	360

Prepared on Australian Accounting Standards basis.

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

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	4,135	2,118	1,869	1,882	1,893
Total new capital appropriations	4,135	2,118	1,869	1,882	1,893
Provided for:					
Purchase of non-financial assets	4,135	2,118	1,869	1,882	1,893
Total items	4,135	2,118	1,869	1,882	1,893
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	4,135	2,118	1,869	1,882	1,893
Total purchases of non-financial assets	4,135	2,118	1,869	1,882	1,893
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,135	2,118	1,869	1,882	1,893
Total cash used to acquire assets	4,135	2,118	1,869	1,882	1,893

Prepared on Australian Accounting Standards basis.

(a) Does not include annual finance lease costs. Includes purchases from current and previous years' departmental capital budgets (DCBs).

Table 3.6: Statement of asset movements (budget year 2018–19)

	Buildings \$'000	Other property, plant & equipment \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2018				
Gross book value	20,127	10,334	4,566	35,027
Accumulated depreciation/amortisation and impairment	(9,936)	(4,423)	(3,114)	(17,473)
Opening net book balance	10,191	5,911	1,452	17,554
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase—appropriation ordinary annual services (a)	1,281	686	151	2,118
Total additions	1,281	686	151	2,118
Other movements				
Depreciation/amortisation expense	(2,520)	(1,369)	(429)	(4,318)
Total other movements	(2,520)	(1,369)	(429)	(4,318)
As at 30 June 2019				
Gross book value	21,408	11,020	4,717	37,145
Accumulated depreciation/amortisation and impairment	(12,456)	(5,792)	(3,543)	(21,791)
Closing net book balance	8,952	5,228	1,174	15,354

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2017–18 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.