

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 2016–17 to 2019–20 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 prepared on a resourcing (appropriations and cash available) basis, while the outcome expenses table in section 2 and the financial statements in section 3 are prepared on an accrual basis.

Table 1.1: Entity resource statement—Budget estimates for 2016–17 as at Budget May 2016

	2015–16 Estimated actual \$'000	2016–17 Estimate \$'000
DEPARTMENTAL		
Annual appropriations—ordinary annual services(a)		
Prior year appropriations available	10,073	13,344
Departmental appropriations	78,299	77,290
s 74 retained revenue receipts(b)	8,084	7,392
Departmental capital budget(c)	1,903	1,895
Total net resourcing for entity	98,359	99,921
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	2015–16	2016–17
Average staffing level (number)	373	390

Prepared on a resourcing (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) 2016–17.

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

(c) 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 is designated as 'contributions by owners'.

1.3 BUDGET MEASURES

Measures announced in the 2015–16 Mid-Year Economic and Fiscal Outlook (MYEFO) and other measures not previously reported in a portfolio statement are summarised in Part 2 of Table 1.2.

Table 1.2: Entity 2016–17 Budget measures**Part 1: Measures announced since the 2015–16 MYEFO**

The DPP has no new post-MYEFO measures.

Part 2: MYEFO measures and other measures not previously reported in a portfolio statement

	2015–16 \$'000	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000
Expense measures					
Public Sector Savings—Shared and Common Services Programme(a)					
Departmental expenses	–	(8)	(16)	(16)	–
Total expense measures	–	(8)	(16)	(16)	–

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) This is a cross-portfolio measure that was published in the 2015–16 MYEFO. The lead entity is the Department of Finance.

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 statement has been changed to better reflect its purpose, as described below.

Note: From 1 July 2015, performance reporting requirements in the Portfolio Budget Statements sit alongside the requirements under the enhanced Commonwealth performance framework. 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 from October 2016 – to provide the entity's complete performance story.

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

	2015–16 Estimated actual \$'000	2016–17 Budget \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000
Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth					
Departmental expenses					
Departmental appropriation	78,299	77,290	77,813	78,266	76,518
s 74 retained revenue receipts(a)	8,084	7,392	7,424	7,460	3,750
Expenses not requiring appropriation in the budget year(b)	4,839	4,839	4,839	4,834	4,838
Total expenses for Outcome 1	91,222	89,521	90,076	90,560	85,106

	2015–16	2016–17
Average staffing level (number)	373	390

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 details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered.

For 2016–17 and beyond, the DPP will report on two new performance measures aimed at more accurately assessing and reporting on its performance in achieving its outcome for government. The single quantitative key performance indicator from previous years is still relevant and has been retained for continuity.

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 DPP 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. 	
Performance information		
Year	Performance criteria	Targets
2015–16	<p>Continue monitoring the rate of 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>	90% of prosecutions resulting in a conviction

Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth (continued)		
Performance information		
Year	Performance criteria	Targets
2016–17	<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 partner 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>
2017–18 and beyond	Same as for 2016–17.	Same as for 2016–17.
Purpose(a)	To provide an independent prosecution service that contributes to the respect and maintenance of Commonwealth criminal law and public respect in the justice system through the prosecution of crimes.	

(a) Refers to updated purpose that will be reflected in the 2016–17 corporate plan.

Section 3: Budgeted financial statements

This section presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2016-17 budget year, including the impact of budget measures and resourcing.

3.1 DIFFERENCES BETWEEN ENTITY RESOURCING AND FINANCIAL STATEMENTS

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

3.2 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

The DPP's operating revenue for 2016-17 has decreased by \$0.313m since the 2015-16 Portfolio Additional Estimates Statements (from \$84.995m to \$84.682m). The net decrease is due to changes in wage and price indices and government savings measures.

The DPP is budgeting for a surplus in 2015-16, after excluding unfunded depreciation and amortisation expenses. The main reason for the surplus is a decrease in counsel expenses in 2015-16.

3.3 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2015–16 Estimated actual \$'000	2016–17 Budget \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000
EXPENSES					
Employee benefits	53,196	52,930	53,180	53,412	51,291
Suppliers	31,131	31,696	32,001	32,258	28,921
Depreciation and amortisation	4,325	4,325	4,325	4,320	4,324
Other expenses	570	570	570	570	570
Total expenses	89,222	89,521	90,076	90,560	85,106
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	8,084	7,392	7,424	7,460	3,750
Other	284	284	284	284	284
Total own-source revenue	8,368	7,676	7,708	7,744	4,034
Gains					
Other	230	230	230	230	230
Total gains	230	230	230	230	230
Total own-source income	8,598	7,906	7,938	7,974	4,264
Net cost of (contribution by) services	80,624	81,615	82,138	82,586	80,842
Revenue from government	78,299	77,290	77,813	78,266	76,518
Surplus (deficit) attributable to the Australian Government	(2,325)	(4,325)	(4,325)	(4,320)	(4,324)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	–	–	–	–	–
Total other comprehensive income	–	–	–	–	–
Total comprehensive income (loss)	(2,325)	(4,325)	(4,325)	(4,320)	(4,324)
Total comprehensive income (loss) attributable to the Australian Government	(2,325)	(4,325)	(4,325)	(4,320)	(4,324)

Note: Impact of net cash appropriation arrangements

	2015–16 \$'000	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'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	4,325	4,325	4,325	4,320	4,324
Total comprehensive income (loss) as per the statement of comprehensive income	(2,325)	(4,325)	(4,325)	(4,320)	(4,324)

Prepared on Australian Accounting Standards basis.

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

	2015–16 Estimated actual \$'000	2016–17 Budget \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	360	360	360	360	360
Trade and other receivables	13,645	13,654	13,304	15,179	15,247
Total financial assets	14,005	14,014	13,664	15,539	15,607
Non-financial assets					
Land and buildings	9,295	7,552	6,239	4,857	3,360
Property, plant and equipment	3,934	3,502	2,652	1,830	1,283
Intangibles	950	695	447	256	(86)
Other non-financial assets	468	468	468	468	468
Total non-financial assets	14,647	12,217	9,806	7,411	5,025
Total assets	28,652	26,231	23,470	22,950	20,632
LIABILITIES					
Payables					
Suppliers	6,213	6,213	4,213	4,213	4,213
Other payables	13,122	12,431	14,081	15,956	17,961
Total payables	19,335	18,644	18,294	20,169	22,174
Provisions					
Employee provisions	14,019	14,519	14,519	14,519	14,519
Other provisions	1,101	1,301	1,301	1,301	1,301
Total provisions	15,120	15,820	15,820	15,820	15,820
Total liabilities	34,455	34,464	34,114	35,989	37,994
Net assets	(5,803)	(8,233)	(10,644)	(13,039)	(17,362)
EQUITY					
Parent entity interest					
Contributed equity	8,372	10,267	12,181	14,106	14,111
Reserves	18,479	18,479	18,479	18,479	18,479
Retained surplus (accumulated deficit)	(32,654)	(36,979)	(41,304)	(45,624)	(49,952)
Total parent entity interest	(5,803)	(8,233)	(10,644)	(13,039)	(17,362)
Total equity	(5,803)	(8,233)	(10,644)	(13,039)	(17,362)

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (budget year 2016–17)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2016				
Balance carried forward from previous period	(32,654)	18,479	8,372	(5,803)
Adjustment for changes in accounting policies	–	–	–	–
Adjusted opening balance	(32,654)	18,479	8,372	(5,803)
Comprehensive income				
Surplus (deficit) for the period	(4,325)	–	–	(4,325)
Total comprehensive income	(4,325)	–	–	(4,325)
Transactions with owners				
Contributions by owners				
Departmental capital budget	–	–	1,895	1,895
Sub-total transactions with owners	–	–	1,895	1,895
Estimated closing balance as at 30 June 2017	(36,979)	18,479	10,267	(8,233)
Closing balance attributable to the Australian Government	(36,979)	18,479	10,267	(8,233)

Prepared on Australian Accounting Standards basis.

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

	2015–16 Estimated actual \$'000	2016–17 Budget \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	75,073	77,290	77,813	78,266	76,518
Sale of goods and rendering of services	8,084	7,392	7,424	7,460	3,750
Net GST received	3,032	2,900	2,900	2,900	2,900
Other	–	230	230	230	230
Total cash received	86,189	87,812	88,367	88,856	83,398
Cash used					
Employees	51,017	52,430	53,180	53,415	51,292
Suppliers	25,954	27,420	27,193	27,411	27,786
s 74 retained revenue receipts transferred to Official Public Account	8,084	7,392	7,424	7,460	3,750
Other	620	570	570	570	570
Total cash used	85,675	87,812	88,367	88,856	83,398
Net cash from (used by) operating activities	514	–	–	–	–
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	2,413	1,895	1,914	1,925	1,938
Total cash used	2,413	1,895	1,914	1,925	1,938
Net cash from (used by) investing activities	(2,413)	(1,895)	(1,914)	(1,925)	(1,938)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,903	1,895	1,914	1,925	1,938
Total cash received	1,903	1,895	1,914	1,925	1,938
Net cash from (used by) financing activities	1,903	1,895	1,914	1,925	1,938
Net increase (decrease) in cash held	4	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	356	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)

	2015–16 Estimated actual \$'000	2016–17 Budget \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	1,903	1,895	1,914	1,925	1,938
Total new capital appropriations	1,903	1,895	1,914	1,925	1,938
Provided for:					
Purchase of non-financial assets	1,903	1,895	1,914	1,925	1,938
Total items	1,903	1,895	1,914	1,925	1,938
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations(a)	2,413	1,895	1,914	1,925	1,938
Total purchases of non-financial assets	2,413	1,895	1,914	1,925	1,938
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,413	1,895	1,914	1,925	1,938
Total cash used to acquire assets	2,413	1,895	1,914	1,925	1,938

Prepared on Australian Accounting Standards basis.

DCB = departmental capital budget.

(a) Includes both current Bill 2 and prior year Act 2, 4 and 6 appropriations and special capital appropriations.

Table 3.6: Statement of asset movements (budget year 2016–17)

	Buildings \$'000	Other property, plant & equipment \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2016				
Gross book value	20,769	8,476	3,467	32,712
Accumulated depreciation/amortisation and impairment	(11,474)	(4,542)	(2,517)	(18,533)
Opening net book balance	9,295	3,934	950	14,179
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase—appropriation ordinary annual services(a)	981	827	87	1,895
Total additions	981	827	87	1,895
Other movements				
Depreciation/amortisation expense	(2,724)	(1,259)	(342)	(4,325)
Total other movements	(2,724)	(1,259)	(342)	(4,325)
As at 30 June 2017				
Gross book value	21,750	9,303	3,554	34,607
Accumulated depreciation/amortisation and impairment	(14,198)	(5,801)	(2,859)	(22,858)
Closing net book balance	7,552	3,502	695	11,749

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2016–17 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.