

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

Section 1: Agency 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*. The DPP is within the Attorney-General's portfolio but 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 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 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 sources.

Table 1.1: Agency resource statement—Budget estimates for 2013–14 as at Budget May 2013

	Estimate of prior year amounts available in 2013–14 \$'000	+	Proposed at Budget 2013–14 \$'000	=	Total estimate 2013–14 \$'000	Actual available appropriation 2012–13 \$'000
ORDINARY ANNUAL SERVICES¹						
Departmental appropriation						
Prior year departmental appropriation ²	68,146		–		68,146	68,146
Departmental appropriation ³	–		81,794		81,794	91,087
s 31 relevant agency receipts ⁴	–		3,450		3,450	3,450
Total ordinary annual services	68,146		85,244		153,390	162,683
Total available annual appropriations	68,146		85,244		153,390	162,683
SPECIAL ACCOUNTS						
Opening balance	–		–		–	–
Receipts	–		–		–	–
Total special accounts	–		–		–	–
Total net resourcing for agency	68,146		85,244		153,390	162,683

All figures are GST exclusive.

1. Appropriation Bill (No. 1) 2013–14.

2. Estimated adjusted balance carried forward from previous year.

3. Includes an amount of \$2.677m in 2013–14 for the departmental capital budget (see Table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

Responsibility for the majority of litigation under the *Proceeds of Crimes Act 2002* has now transferred from the DPP to the Australian Federal Police with ongoing funding of \$1.750m per year.

4. Section 31 relevant agency receipts—estimate.

1.3 BUDGET MEASURES

Budget measures announced since the 2012–13 Mid-Year Economic and Fiscal Outlook (MYEFO) relating to the DPP are detailed in Budget Paper No. 2 and are summarised in Part 1 of Table 1.2. MYEFO measures not previously reported in a portfolio statement are summarised in Part 2.

Table 1.2: Agency 2013–14 Budget measures

Part 1: Measures announced since the 2012–13 MYEFO

	Program	2012–13 \$'000	2013–14 \$'000	2014–15 \$'000	2015–16 \$'000	2016–17 \$'000
Expense measures						
Attorney-General's Portfolio savings—redirection	1.1					
Departmental expenses		–	(127)	(128)	(124)	(123)
Total expense measures		–	(127)	(128)	(124)	(123)

Prepared on a Government Finance Statistics (fiscal) basis.

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

	Program	2012–13 \$'000	2013–14 \$'000	2014–15 \$'000	2015–16 \$'000	2016–17 \$'000
Expense measures						
Targeted savings—public service efficiencies	1.1					
Departmental expenses		(317)	(448)	(380)	(346)	(318)
Fire Services Levy—reduction	1.1					
Departmental expenses		(13)	(14)	(14)	(14)	(14)
Total expense measures		(330)	(462)	(394)	(360)	(332)

Prepared on a Government Finance Statistics (fiscal) basis.

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. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. 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 within the resources allocated to the office are to:

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

Outcome 1 expense statement

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

Table 2.1: Budgeted expenses for Outcome 1

	2012–13 Estimated actual expenses \$'000	2013–14 Estimated expenses \$'000
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		
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		
Departmental appropriation ¹	94,154	82,567
Expenses not requiring appropriation in the budget year ²	5,316	4,201
Total expenses for Outcome 1	99,470	86,768
	2012–13	2013–14
Average staffing level (number)	500	423

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

1. Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s 31)'.

2. Expenses not requiring appropriation in the budget year are made up of services received free of charge, depreciation and amortisation.

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 1.1 objective

To maintain a fair, safe and just society where the laws of the Commonwealth are respected and maintained 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

Responsibility for the majority of litigation under the *Proceeds of Crimes Act 2002* has transferred from the DPP to the Australian Federal Police, including the transfer of ongoing funding of \$1.750m per year.

Funding provided in previous budgets to prosecute crew and organisers of people smuggling ventures ceases on 30 June 2013. The DPP was appropriated \$8.767m in 2012-13 for these prosecutions.

	2012-13 Revised budget \$'000	2013-14 Budget \$'000	2014-15 Forward year 1 \$'000	2015-16 Forward year 2 \$'000	2016-17 Forward year 3 \$'000
Annual departmental expenses					
Ordinary annual services (Appropriation Bill No. 1)	90,704	79,117	78,240	75,304	76,074
Revenue from independent sources (s 31)	3,450	3,450	3,450	3,450	3,450
Expenses not requiring appropriation in the budget year ¹	5,316	4,201	4,201	4,202	4,203
Total program expenses	99,470	86,768	85,891	82,956	83,727

1. Expenses not requiring appropriation in the budget year are made up of services received free of charge, depreciation and amortisation.

Program 1.1 deliverables					
To achieve the program objectives over the budget and forward years, the DPP will continue to deliver effective and timely prosecution services.					
Deliverables	2012–13 Revised budget	2013–14 Budget	2014–15 Forward year 1	2015–16 Forward year 2	2016–17 Forward year 3
Number of matters progressed ¹	7,300	6,500			

1. The number of matters to be progressed for the forward years is not able to be determined at this stage.

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.					
Key performance indicators	2012–13 Revised budget	2013–14 Budget	2014–15 Forward year 1	2015–16 Forward year 2	2016–17 Forward year 3
Prosecution 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 which provide a comprehensive snapshot of agency finances for the 2013–14 budget year. 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 no administered funds.

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. The DPP’s special account will be abolished with effect from 2013–14. Table 3.1.2 is included here as the final reporting requirement for this account.

Table 3.1.2: Estimates of special account flows and balances

		Opening balance 2013–14 2012–13 Outcome	Receipts 2013–14 2012–13 \$'000	Payments 2013–14 2012–13 \$'000	Adjustments 2013–14 2012–13 \$'000	Closing balance 2013–14 2012–13 \$'000
Services for Other Entities and Trust Moneys— FMA Act s 20 (A) ¹	1 1	– –	– –	– –	– –	– –
Total special accounts 2013–14 Budget estimate		–	–	–	–	–
<i>Total special accounts 2012–13 estimated actual</i>		–	–	–	–	–

(A) = Administered.

1. The purpose of this account is to disburse amounts held in trust or otherwise for the benefit of a person other than the Commonwealth.

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 material difference between the agency resourcing and financial statements.

3.2.2 Analysis of budgeted financial statements

The DPP's budgeted operating revenue for 2013–14 has decreased by \$2.352m since the 2012–13 Portfolio Budget Statements (from \$84.919m to \$82.567m). The net decrease is due to:

- the transfer of responsibility for the majority of litigation under the *Proceeds of Crime Act 2002* from the DPP to the Australian Federal Police (a decrease of \$1.750m)
- targeted savings for public service efficiencies (a decrease of \$0.448m)
- other departmental efficiencies and wage-cost indexation (a decrease of \$0.454m), and
- an estimated change to own-source revenue (an increase of \$0.300m).

The DPP's appropriation from government has decreased from \$90.704m in 2012–13 to \$79.117m in 2013–14, a reduction of \$11.587m or 12.7%. This is primarily due to the ceasing of funding for the prosecution of organisers of people smuggling ventures of \$8.767m and a reduction of \$0.746m in tax compliance prosecution funding.

For the forward estimates period, the main impact on appropriation is the cessation of \$3.675m in tax compliance prosecution funding, from 30 June 2015.

3.2.3 Budgeted financial statements tables

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	Estimated actual 2012–13 \$'000	Budget estimate 2013–14 \$'000	Forward estimate 2014–15 \$'000	Forward estimate 2015–16 \$'000	Forward estimate 2016–17 \$'000
EXPENSES					
Employee benefits	58,236	49,874	49,150	47,321	47,721
Supplier expenses	35,862	32,637	32,484	31,377	31,747
Depreciation and amortisation	4,802	3,687	3,687	3,688	3,689
Other	570	570	570	570	570
Total expenses	99,470	86,768	85,891	82,956	83,727
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	3,450	3,450	3,450	3,450	3,450
Other	434	434	434	434	434
Total own-source revenue	3,884	3,884	3,884	3,884	3,884
Gains					
Other	80	80	80	80	80
Total gains	80	80	80	80	80
Total own-source income	3,964	3,964	3,964	3,964	3,964
Net cost of (contribution by) services	95,506	82,804	81,927	78,992	79,763
Revenue from government	90,704	79,117	78,240	75,304	76,074
Surplus (deficit) attributable to the Australian Government	(4,802)	(3,687)	(3,687)	(3,688)	(3,689)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	–	–	–	–	–
Total other comprehensive income	–	–	–	–	–
Total comprehensive income (loss) attributable to the Australian Government	(4,802)	(3,687)	(3,687)	(3,688)	(3,689)

	2012–13 \$'000	2013–14 \$'000	2014–15 \$'000	2015–16 \$'000	2016–17 \$'000
Note: Impact of net cash appropriation arrangements					
Total comprehensive income (loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	–	–	–	–	–
Less depreciation/amortisation expenses previously funded through revenue appropriations	4,802	3,687	3,687	3,688	3,689
Total comprehensive income (loss) as per the statement of comprehensive income	(4,802)	(3,687)	(3,687)	(3,688)	(3,689)

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2012–13 \$'000	Budget estimate 2013–14 \$'000	Forward estimate 2014–15 \$'000	Forward estimate 2015–16 \$'000	Forward estimate 2016–17 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	230	230	230	230	230
Trade and other receivables	68,767	68,767	68,767	68,767	68,767
Total financial assets	68,997	68,997	68,997	68,997	68,997
Non-financial assets					
Land and buildings	6,320	6,320	6,320	6,321	6,323
Property, plant and equipment	4,799	4,799	4,799	4,799	4,799
Intangibles	2,168	2,168	2,168	2,168	2,168
Other non-financial assets	879	879	879	879	879
Total non-financial assets	14,166	14,166	14,166	14,167	14,169
Total assets	83,163	83,163	83,163	83,164	83,166
LIABILITIES					
Payables					
Suppliers	4,821	4,821	4,821	4,821	4,821
Other payables	1,511	1,511	1,511	1,511	1,511
Total payables	6,332	6,332	6,332	6,332	6,332
Interest-bearing liabilities					
Other interest-bearing liabilities	520	520	520	520	520
Total interest-bearing liabilities	520	520	520	520	520
Provisions					
Employee provisions	19,591	18,678	18,738	19,300	19,879
Other provisions	4,675	4,675	4,675	4,675	4,675
Total provisions	24,266	23,353	23,413	23,975	24,554
Total liabilities	31,118	30,205	30,265	30,827	31,406
Net assets	52,045	52,958	52,898	52,337	51,760
EQUITY					
Parent entity interest					
Contributed equity	(2,643)	2,677	1,950	1,965	2,000
Reserves	15,292	15,292	15,292	15,292	15,292
Retained surplus (accumulated deficit)	39,396	34,989	35,656	35,080	34,468
Total parent entity interest	52,045	52,958	52,898	52,337	51,760
Total equity	52,045	52,958	52,898	52,337	51,760

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity—summary of movement (budget year 2013–14)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2013				
Balance carried forward from previous period	39,396	15,292	(2,643)	52,045
Adjustment for changes in accounting policies	(720)	–	2,643	1,923
Adjusted opening balance	38,676	15,292	–	53,968
Comprehensive income				
Surplus (deficit) for the period	(3,687)	–	–	(3,687)
Total comprehensive income	(3,687)	–	–	(3,687)
Transactions with owners				
Contributions by owners				
Departmental capital budget	–	–	2,677	2,677
Sub-total transactions with owners	–	–	2,677	2,677
Estimated closing balance as at 30 June 2014	34,989	15,292	2,677	52,958
Closing balance attributable to the Australian Government	34,989	15,292	2,677	52,958

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Estimated actual 2012–13 \$'000	Budget estimate 2013–14 \$'000	Forward estimate 2014–15 \$'000	Forward estimate 2015–16 \$'000	Forward estimate 2016–17 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	89,148	77,327	76,651	72,371	73,461
Sale of goods and rendering of services	3,450	3,450	3,450	3,450	3,450
Net GST received	2,941	2,979	2,880	2,933	3,183
Other	3,029	3,068	2,967	514	434
Total cash received	98,568	86,824	85,948	79,268	80,528
Cash used					
Employees	54,921	52,009	51,741	49,293	45,461
Suppliers	42,921	34,245	33,637	29,405	34,497
Other	570	570	570	570	570
Total cash used	98,412	86,824	85,948	79,268	80,528
Net cash from (used by) operating activities	156	–	–	–	–
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	527	2,677	1,950	1,965	1,998
Total cash used	527	2,677	1,950	1,965	1,998
Net cash from (used by) investing activities	(527)	(2,677)	(1,950)	(1,965)	(1,998)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	383	2,677	1,950	1,965	1,998
Total cash received	383	2,677	1,950	1,965	1,998
Net cash from (used by) financing activities	383	2,677	1,950	1,965	1,998
Net increase (decrease) in cash held	12	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	218	230	230	230	230
Cash and cash equivalents at the end of the reporting period	230	230	230	230	230

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Estimated actual 2012–13 \$'000	Budget estimate 2013–14 \$'000	Forward estimate 2014–15 \$'000	Forward estimate 2015–16 \$'000	Forward estimate 2016–17 \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budgets—Bill 1 (DCB)	383	2,677	1,950	1,965	1,998
Total new capital appropriations	383	2,677	1,950	1,965	1,998
Provided for:					
Purchase of non-financial assets	383	2,677	1,950	1,965	1,998
Total items	383	2,677	1,950	1,965	1,998
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation—DCB ¹	527	2,677	1,950	1,965	1,998
Total	527	2,677	1,950	1,965	1,998
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	527	2,677	1,950	1,965	1,998
Total cash used to acquire assets	527	2,677	1,950	1,965	1,998

Prepared on Australian Accounting Standards basis.

DCB = departmental capital budget.

1. Does not include annual finance lease costs. Includes purchases from current and previous years' departmental capital budgets.

Table 3.2.6: Statement of asset movements (2013–14)

	Buildings \$'000	Other property, plant & equipment \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2013				
Gross book value	41,107	13,958	3,762	58,827
Accumulated depreciation/ amortisation and impairment	(34,787)	(9,159)	(1,594)	(45,540)
Opening net book balance	6,320	4,799	2,168	13,287
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase—appropriation ordinary annual services ¹	2,188	472	17	2,677
Total additions	2,188	472	17	2,677
Other movements				
Depreciation/amortisation expense	(1,996)	(1,250)	(441)	(3,687)
Other	(2,778)	(602)	(22)	(3,402)
Total other movements	(4,774)	(1,852)	(463)	(7,089)
As at 30 June 2014				
Gross book value	40,325	14,606	4,181	59,112
Accumulated depreciation/ amortisation and impairment	(34,005)	(9,807)	(2,013)	(45,825)
Closing net book balance	6,320	4,799	2,168	13,287

Prepared on Australian Accounting Standards basis.

1. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2013–14 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.

3.2.4 Notes to the financial statements

Basis of accounting

The budgeted financial statements have been prepared on an accrual accounting basis, having regard to Statements of Accounting Concepts, and in accordance with the Finance Minister's Orders, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

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).

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.