

## **OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS**

### **Section 1: Entity overview and resources**

#### **1.1 STRATEGIC DIRECTION STATEMENT**

The strategic direction statement for the Office of the Director of Public Prosecutions (DPP) can be found in the 2018-19 Portfolio Budget Statements. There has been no change to the DPP's strategic direction as a result of Additional Estimates.

#### **1.2 ENTITY RESOURCE STATEMENT**

The entity resource statement details the resourcing for the DPP at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2018-19 Budget year, including variations through Appropriation Bill No. 3.

**Table 1.1: Entity resource statement – additional estimates for 2018-19 as at Additional Estimates February 2019**

	Actual available appropriation 2017-18 \$'000	Estimate as at Budget 2018-19 \$'000	Proposed Additional Estimates 2018-19 \$'000	Total estimate at Additional Estimates 2018-19 \$'000
<b>DEPARTMENTAL</b>				
<b>Annual appropriations – ordinary annual services (a)</b>				
Prior year appropriations available (b)	11,322	12,165	–	12,165
Departmental appropriation (c)	77,405	75,948	534	76,482
s74 retained revenue receipts (d)	9,293	8,984	240	9,224
Departmental capital budget (e)	4,135	2,118	–	2,118
<b>Total net resourcing for entity</b>	<b>102,155</b>	<b>99,215</b>	<b>774</b>	<b>99,989</b>
			<b>Actual 2017-18</b>	<b>2018-19</b>
<b>Average staffing level (number)</b>			379	390

Prepared on a resourcing (appropriations available) basis.

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

- (a) *Appropriation Act No. 1 2018-19* and *Appropriation Bill No. 3 2018-19*.
- (b) Estimated adjusted balance carried forward from previous year for annual appropriation.
- (c) Excludes \$0.234m withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.
- (d) Estimated retained revenue receipts under section 74 of the *PGPA Act*.
- (e) Departmental capital budgets are not separately identified in *Appropriation Act No. 1* and form part of ordinary annual services items. Please refer to Table 3.6 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

### 1.3 ENTITY MEASURES

Table 1.2 summarises new government measures taken since the 2018-19 Budget.

**Table 1.2: Entity 2018-19 measures since Budget**

Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
<b>Expense measures</b>				
Assistance for Victims of Child Sexual Abuse				
Departmental expenses	362	708	712	717
Strengthening Enforcement Capability for Corporate Crime				
Departmental expenses	228	5,432	12,033	10,346
Strengthening the Integrity of Welfare Payments – extension and amendments (a)				
Departmental expenses	–	2,467	2,484	–
<b>Total expense measures</b>	<b>590</b>	<b>8,607</b>	<b>15,229</b>	<b>11,063</b>

Prepared on a Government Financial Statistics (fiscal) basis.

- (a) The lead entity for this measure is the Department of Human Services. The full measure description and package details appear in the 2018-19 Mid-Year Economic and Fiscal Outlook under the Social Services portfolio.

## 1.4 ADDITIONAL ESTIMATES, RESOURCING AND VARIATIONS TO OUTCOMES

The following tables detail the changes to the resourcing for the DPP at Additional Estimates by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2018-19 Budget in Appropriation Bill No. 3.

**Table 1.3: Additional estimates and other variations to outcomes since 2018-19 Budget**

	Program impacted	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
<b>OUTCOME 1</b>					
<b>DEPARTMENTAL</b>					
<b>Annual appropriations</b>					
Assistance for Victims of Child Sexual Abuse	1.1	362	708	712	717
Strengthening Enforcement Capability for Corporate Crime	1.1	228	5,432	12,033	10,346
Strengthening the Integrity of Welfare Payments – extension and amendments	1.1	–	2,467	2,484	–
<b>Other Variations</b>					
Net decrease	1.1	(56)	(56)	(56)	(56)
<b>Net impact on appropriations for Outcome 1 (departmental)</b>		<b>534</b>	<b>8,551</b>	<b>15,173</b>	<b>11,007</b>
<b>Total net impact on appropriations for Outcome 1</b>		<b>534</b>	<b>8,551</b>	<b>15,173</b>	<b>11,007</b>

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

Table 1.4 details the Additional Estimates sought for the DPP through Appropriation Bill No. 3.

**Table 1.4: Appropriation Bill No. 3 2018-19**

	2017-18 Available \$'000	2018-19 Budget \$'000	2018-19 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>DEPARTMENTAL PROGRAMS</b>					
<b>Outcome 1</b>					
Contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the Prosecution Policy of the Commonwealth.	81,540	78,066	78,600	590	(56)
<b>Total departmental</b>	<b>81,540</b>	<b>78,066</b>	<b>78,600</b>	<b>590</b>	<b>(56)</b>

Note: 2017-18 available appropriation is included as a comparison with this year's appropriation.

## Section 2: Revisions to outcomes and planned performance

### 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 Actual expenses \$'000	2018-19 Revised estimated expenses \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
<b>Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth</b>					
Departmental expenses					
Departmental appropriation	76,347	76,482	82,304	90,466	88,658
s74 retained revenue receipts (a)	7,317	9,224	5,875	5,887	5,586
Expenses not requiring appropriation in the Budget year (b)	3,983	4,832	5,053	4,548	4,666
<b>Total expenses for Outcome 1</b>	<b>87,647</b>	<b>90,538</b>	<b>93,232</b>	<b>100,901</b>	<b>98,910</b>

	2017-18	2018-19
<b>Average staffing level (number)</b>	379	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

There are no changes to the performance information for Outcome 1 reported in the 2018-19 Portfolio Budget Statements.

## **Section 3: Special account flows and budgeted financial statements**

### **3.1 SPECIAL ACCOUNT FLOWS**

#### **3.1.1 Estimates of special account flows**

The DPP has no special accounts.

### **3.2 BUDGETED FINANCIAL STATEMENTS**

#### **3.2.1 Analysis of budgeted financial statements**

Changes to the DPP's operating revenue since the 2018-19 Portfolio Budget Statements are due to:

- additional funding to expand the DPP's Witness Assistance Service, providing information and support services to victims of child sexual abuse and their families.
- additional funding to pursue a greater number of prosecutions of those responsible for misconduct in the Banking, Superannuation and Financial Services Industry.
- additional funding for prosecutions resulting from criminal and serious non-compliance in the social security payments system.
- reallocation of funding and resources from the DPP to the Attorney-General's Department to support the transfer of responsibility for mutual legal assistance matters.

## 3.2.2 Budgeted financial statements

**Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2017-18 Actual \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	46,168	47,950	49,584	51,978	49,784
Suppliers	37,138	37,700	38,539	44,319	44,404
Depreciation and amortisation	3,598	4,318	4,539	4,034	4,152
Write-down and impairment of non-financial assets	23	–	–	–	–
Other expenses	720	570	570	570	570
<b>Total expenses</b>	<b>87,647</b>	<b>90,538</b>	<b>93,232</b>	<b>100,901</b>	<b>98,910</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	7,317	9,224	5,875	5,887	5,586
Other	328	284	284	284	284
<b>Total own-source revenue</b>	<b>7,645</b>	<b>9,508</b>	<b>6,159</b>	<b>6,171</b>	<b>5,870</b>
<b>Gains</b>					
Other gains	569	230	230	230	230
<b>Total gains</b>	<b>569</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>
<b>Total own-source income</b>	<b>8,214</b>	<b>9,738</b>	<b>6,389</b>	<b>6,401</b>	<b>6,100</b>
<b>Net cost of/(contribution by) services</b>	<b>(79,433)</b>	<b>(80,800)</b>	<b>(86,843)</b>	<b>(94,500)</b>	<b>(92,810)</b>
Revenue from government	77,405	76,482	82,304	90,466	88,658
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(2,028)</b>	<b>(4,318)</b>	<b>(4,539)</b>	<b>(4,034)</b>	<b>(4,152)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation	12	–	–	–	–
<b>Total other comprehensive income</b>	<b>12</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(2,016)</b>	<b>(4,318)</b>	<b>(4,539)</b>	<b>(4,034)</b>	<b>(4,152)</b>

**Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)****Note: Impact of net cash appropriation arrangements**

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
<b>Total comprehensive income/(loss) excluding depreciation and amortisation expenses previously funded through revenue appropriations</b>	<b>1,582</b>	–	–	–	–
Less depreciation and amortisation expenses previously funded through revenue appropriations (a)	3,598	4,318	4,539	4,034	4,152
<b>Total comprehensive income/(loss) as per the statement of comprehensive income</b>	<b>(2,016)</b>	<b>(4,318)</b>	<b>(4,539)</b>	<b>(4,034)</b>	<b>(4,152)</b>

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the government introduced net cash appropriation arrangements. This meant Appropriation Act No. 1 or Bill No. 3 revenue appropriations for the depreciation and amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the departmental capital budget) provided through Appropriation Act No. 1 or Bill No. 3 equity appropriations. For information regarding departmental capital budgets, refer to Table 3.6: Departmental capital budget statement.

**Table 3.3: Budgeted departmental balance sheet (as at 30 June)**

	2017-18 Actual \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	486	486	486	486	486
Trade and other receivables	13,524	10,672	8,228	6,873	5,961
<b>Total financial assets</b>	<b>14,010</b>	<b>11,158</b>	<b>8,714</b>	<b>7,359</b>	<b>6,447</b>
<b>Non-financial assets</b>					
Land and buildings	9,712	10,438	12,829	11,717	10,547
Property, plant and equipment	3,220	3,904	4,206	3,308	2,387
Intangibles	2,700	3,083	2,566	2,424	2,256
Other non-financial assets	2,063	2,952	2,952	2,952	2,952
<b>Total non-financial assets</b>	<b>17,695</b>	<b>20,377</b>	<b>22,553</b>	<b>20,401</b>	<b>18,142</b>
<b>Total assets</b>	<b>31,705</b>	<b>31,535</b>	<b>31,267</b>	<b>27,760</b>	<b>24,589</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	13,486	12,825	13,714	12,467	11,555
Other payables	316	506	886	1,056	1,056
<b>Total payables</b>	<b>13,802</b>	<b>13,331</b>	<b>14,600</b>	<b>13,523</b>	<b>12,611</b>
<b>Provisions</b>					
Employee provisions	14,539	15,259	16,437	16,437	16,437
Other provisions	821	1,159	1,114	836	836
<b>Total provisions</b>	<b>15,360</b>	<b>16,418</b>	<b>17,551</b>	<b>17,273</b>	<b>17,273</b>
<b>Total liabilities</b>	<b>29,162</b>	<b>29,749</b>	<b>32,151</b>	<b>30,796</b>	<b>29,884</b>
<b>Net assets</b>	<b>2,543</b>	<b>1,786</b>	<b>(884)</b>	<b>(3,036)</b>	<b>(5,295)</b>
<b>EQUITY (a)</b>					
<b>Parent entity interest</b>					
Contributed equity	13,892	17,453	19,322	21,204	23,097
Reserves	18,491	18,491	18,491	18,491	18,491
Retained surplus/(accumulated deficit)	(29,840)	(34,158)	(38,697)	(42,731)	(46,883)
<b>Total parent entity interest</b>	<b>2,543</b>	<b>1,786</b>	<b>(884)</b>	<b>(3,036)</b>	<b>(5,295)</b>
<b>Total equity</b>	<b>2,543</b>	<b>1,786</b>	<b>(884)</b>	<b>(3,036)</b>	<b>(5,295)</b>

Prepared on Australian Accounting Standards basis.

(a) Equity is the residual interest in assets after the deduction of liabilities.

**Table 3.4: Departmental statement of changes in equity – summary of movement (2018-19 budget year)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2018</b>				
Balance carried forward from previous period	(29,840)	18,491	13,892	2,543
Adjustment for changes in accounting policies	-	-	-	-
<b>Adjusted opening balance</b>	<b>(29,840)</b>	<b>18,491</b>	<b>13,892</b>	<b>2,543</b>
<b>Comprehensive income</b>				
Surplus/(deficit) for the period	(4,318)	-	-	(4,318)
<b>Total comprehensive income</b>	<b>(4,318)</b>	<b>-</b>	<b>-</b>	<b>(4,318)</b>
<b>Transactions with owners</b>				
Contributions by owners				
Departmental capital budget	-	-	3,561	3,561
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>3,561</b>	<b>3,561</b>
<b>Estimated closing balance as at 30 June 2019</b>	<b>(34,158)</b>	<b>18,491</b>	<b>17,453</b>	<b>1,786</b>
<b>Closing balance attributable to the Australian Government</b>	<b>(34,158)</b>	<b>18,491</b>	<b>17,453</b>	<b>1,786</b>

Prepared on Australian Accounting Standards basis.



**Table 3.5: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2017-18 Actual \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	86,321	79,334	84,748	91,821	89,800
Sale of goods and rendering of services	7,841	9,224	5,875	5,887	5,586
Net GST received	3,587	–	–	–	–
<b>Total cash received</b>	<b>97,749</b>	<b>88,558</b>	<b>90,623</b>	<b>97,708</b>	<b>95,386</b>
<b>Cash used</b>					
Employees	48,028	47,044	48,026	51,808	49,784
Suppliers	37,072	32,058	36,107	39,165	39,446
Appropriation cash returned to Official Public Account	9,293	9,224	5,875	5,887	5,586
Other	720	432	615	448	570
<b>Total cash used</b>	<b>95,113</b>	<b>88,758</b>	<b>90,623</b>	<b>97,308</b>	<b>95,386</b>
<b>Net cash from/(used by) operating activities</b>	<b>2,636</b>	<b>(200)</b>	<b>–</b>	<b>400</b>	<b>–</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant, and equipment and intangibles	5,489	3,361	1,869	2,282	1,893
<b>Total cash used</b>	<b>5,489</b>	<b>3,361</b>	<b>1,869</b>	<b>2,282</b>	<b>1,893</b>
<b>Net cash from/(used by) investing activities</b>	<b>(5,489)</b>	<b>(3,361)</b>	<b>(1,869)</b>	<b>(2,282)</b>	<b>(1,893)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	2,689	3,561	1,869	1,882	1,893
<b>Total cash received</b>	<b>2,689</b>	<b>3,561</b>	<b>1,869</b>	<b>1,882</b>	<b>1,893</b>
<b>Net increase/(decrease) in cash held</b>	<b>(164)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Cash and cash equivalents at the beginning of the reporting period	650	486	486	486	486
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>486</b>	<b>486</b>	<b>486</b>	<b>486</b>	<b>486</b>

Prepared on Australian Accounting Standards basis.

**Table 3.6: Departmental capital budget statement (for the period ended 30 June)**

	2017-18 Actual \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget – Act No. 1 and Bill No. 3 (DCB)	4,135	2,118	1,869	1,882	1,893
<b>Total new capital appropriations</b>	<b>4,135</b>	<b>2,118</b>	<b>1,869</b>	<b>1,882</b>	<b>1,893</b>
<b>Provided for:</b>					
Purchase of non-financial assets	2,692	2,118	1,869	1,882	1,893
<b>Total items</b>	<b>2,692</b>	<b>2,118</b>	<b>1,869</b>	<b>1,882</b>	<b>1,893</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation – DCB (a)	2,692	3,561	1,869	1,882	1,893
<b>Total amount spent</b>	<b>2,692</b>	<b>3,561</b>	<b>1,869</b>	<b>1,882</b>	<b>1,893</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	2,692	3,561	1,869	1,882	1,893
<b>Total Cash used to acquire assets</b>	<b>2,692</b>	<b>3,561</b>	<b>1,869</b>	<b>1,882</b>	<b>1,893</b>

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 3.7: Statement of asset movements (2018-19 budget year)**

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2018</b>				
Gross book value	11,657	4,330	2,195	18,182
Accumulated depreciation/ amortisation and impairment	–	–	–	–
<b>Opening net book balance</b>	<b>11,657</b>	<b>4,330</b>	<b>2,195</b>	<b>18,182</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase – appropriation ordinary annual services (a)	1,301	943	1,317	3,561
<b>Total additions</b>	<b>1,301</b>	<b>943</b>	<b>1,317</b>	<b>3,561</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(2,520)	(1,369)	(429)	(4,318)
<b>Total other movements</b>	<b>(2,520)</b>	<b>(1,369)</b>	<b>(429)</b>	<b>(4,318)</b>
<b>As at 30 June 2019</b>				
Gross book value	12,958	5,273	3,512	21,743
Accumulated depreciation/amortisation and impairment	(2,520)	(1,369)	(429)	(4,318)
<b>Closing net book balance</b>	<b>10,438</b>	<b>3,904</b>	<b>3,083</b>	<b>17,425</b>

Prepared on Australian Accounting Standards basis.

(a) "Appropriation ordinary annual services" refers to funding provided through *Appropriation Act No. 1 2018-19* and *Bill (No.3) 2018-19* for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.