



Office of the Director of Public Prosecutions

Annual Report

2014-2015



ODPP
New South Wales

LETTER OF TRANSMITTAL

OUR REFERENCE

DIRECTOR'S CHAMBERS

YOUR REFERENCE

DATE



Letter of Transmittal

The Hon. G Upton, MP
Attorney General
52 Martin Place
SYDNEY NSW 2000

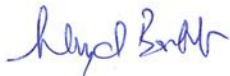
Dear Attorney

2014-2015 Annual Report

I am pleased to forward to you the 28th Annual Report for the Office of the Director of Public Prosecutions (ODPP) for presentation to Parliament. This report encompasses the ODPP's financial statements and performance review for the financial period 2014-2015.

This report has been prepared in accordance to section 34 of the *Director of Public Prosecutions Act 1986* and in compliance with the guidelines from the *Annual Reports (Departments) Act 1985*, *Annual Reports (Departments) Regulation 2010* and the *Public Finance and Audit Act 1983*.

Yours faithfully



Lloyd Babb SC
Director of Public Prosecutions

HIGHLIGHTS: KEY RESULT AREAS

Just, Independent and Timely Conduct of Prosecutions

High Quality Prosecutions

- For the third year in a row, 82% of matters prosecuted in NSW resulted in a finding of guilt (either by way of verdict or plea of guilty).
- 61% of child sexual assault prosecutions resulted in a finding of guilt.
- Approximately 52% of District Court trials and 50% of Supreme Court trials resulted in a guilty verdict.
- 18% increase in the completion of summary prosecutions.

Early Resolution

- 41% of committal matters were finalised in the Local Court.
- 29% of committal matters pleaded guilty in the Local Court and were committed for sentence to the District Court.

Timeliness

- A reduction of 15 days in the time from service of a brief to committal for sentence.
- A reduction of 17 days in the time from service of a brief to committal for trial.

Victims and Witness Service

- Results of the biennial witness survey reveal that the majority of respondents were happy with the level of service provided by the ODPP.
- 7% increase in new Witness Assistance

Service (WAS) referrals.

- 3% increase in domestic violence related referrals.
- 75% of total WAS matters relate to the central focus groups of domestic violence and adult/child sexual assault.

Improvements in the Criminal Justice System

- Participation in 16 Prosecution Liaison Group meetings across the State which considered issues and improvements to interactions between the NSW Police and the ODPP.
- Participation in the E-indictment project – a joint initiative between the ODPP and the Department of Justice to implement an electronic exchange of information with the Courts.
- Law reform submissions made in relation to: Pre-trial disclosure; show cause offences; Bowraville murder inquiry; motor vehicle fatalities on private land and the Department of Justice AVL project.
- Attendance at various interagency committees including: Sexual Assault Working Party, Strengthening Victim's Rights Government Implementation Group; Body Worn Video Steering Committee; Sexual Assault Review Committee (Chair) and Department of Justice AVL Project Team.
- Commencement of the Rolling List Court for Sydney and Sydney West trials.

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PART 01

THE ODPP

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WHAT WE DO

The Office of the Director of Public Prosecutions (the ODPP) was established by the **Director of Public Prosecutions Act 1986** (“the **DPP Act**”) and commenced operation on 13 July, 1987. The creation of a Director of Public Prosecutions changed the administration of criminal justice in New South Wales.

There now exists a separate and independent prosecution service which forms part of the criminal justice system in New South Wales. That independence is a substantial safeguard against corruption and interference in the criminal justice system.

Functions

The functions of the Director are specified in the DPP Act and include:

- Prosecution of all committal proceedings and some summary proceedings before the Local Court.
- Prosecution of indictable offences in the District and Supreme Courts.
- Conduct of District Court, Court of Criminal Appeal and High Court appeals on behalf of the Crown.
- Conduct of related proceedings in the Supreme Court and Court of Appeal.

The Director has the same functions as the Attorney General in relation to:

- Finding a bill of indictment, or determining that no bill of indictment be found, in respect of an indictable offence, in circumstances where the person concerned has been committed for trial.
- Directing that no further proceedings be taken against a person who has been committed for trial or sentence.

- Finding a bill of indictment in respect of an indictable offence, in circumstances where the person concerned has not been committed for trial.

Section 21 of the **DPP Act** provides that the Director may appear in person or may be represented by counsel or a solicitor in any proceedings which are carried on by the Director or in which the Director is a part.

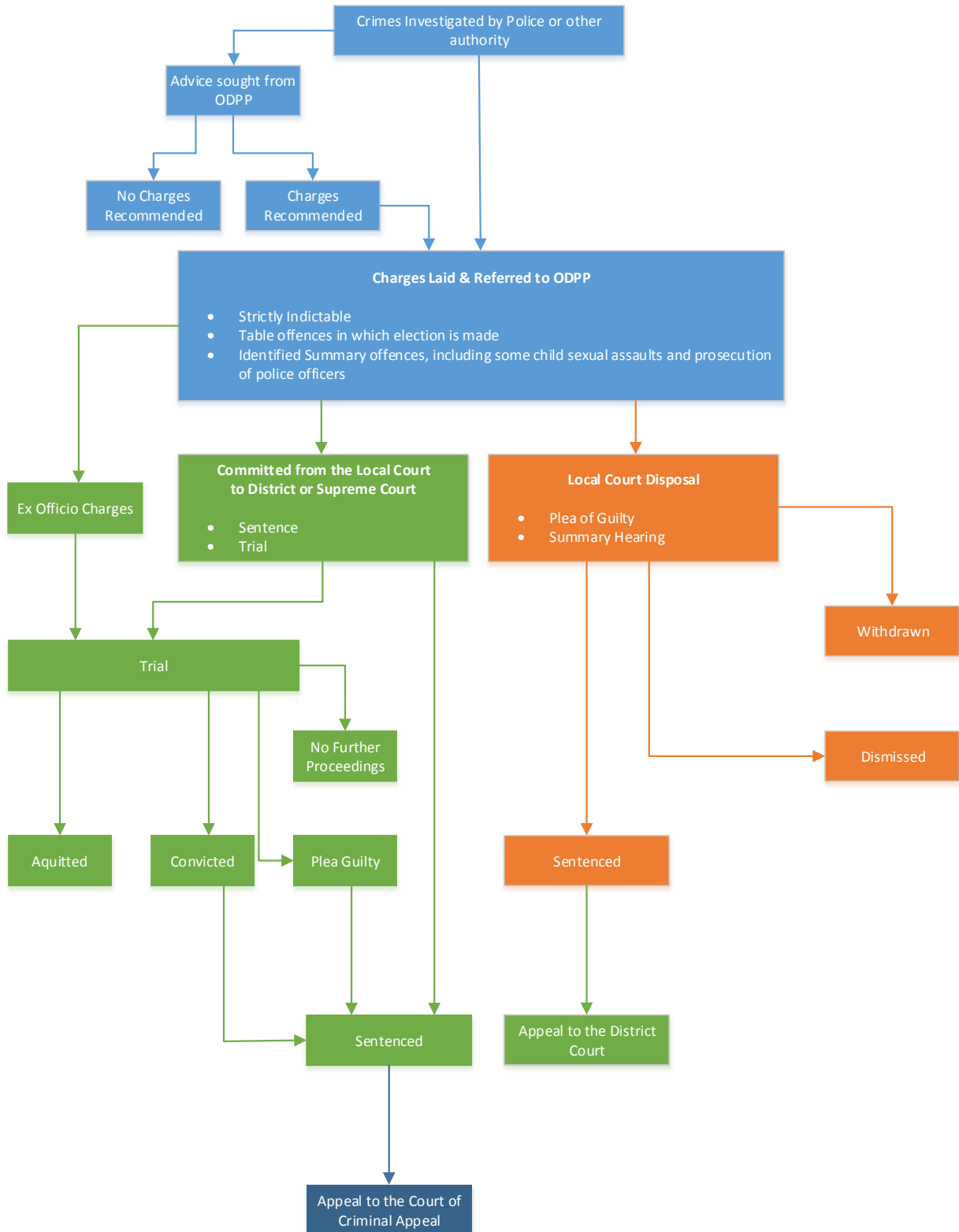
The functions of the Solicitor for Public Prosecutions are prescribed in section 23 of the DPP Act. These are:

- a) To act as solicitor for the Director in the exercise of the Director’s functions.
- b) To instruct the Crown Prosecutors and other counsel on behalf of the Director.

The functions of Crown Prosecutors are set out in section 5 of the Crown Prosecutors Act 1986. They include:

- a) To conduct, and appear as counsel in, proceedings on behalf of the Director.
- b) To find a bill of indictment in respect of an indictable offence.
- c) To advise the Director in respect of any matter referred for advice by the Director.
- d) To carry out such other functions of Counsel as the Director approves.

OUTLINE OF THE PROSECUTION PROCESS



PART 02

DIRECTOR'S OVERVIEW

Director's Overview

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DIRECTOR'S OVERVIEW

It is my pleasure to introduce the Office's Annual report for 2014-2015. It is the ODPP's 28th Annual Report, and my fifth.

This year has been an exceptional one in many regards. In March, the NSW Justice cluster welcomed the appointment of the Honourable Gabrielle Upton as the NSW Attorney General in 2015. Ms Upton succeeded the Honourable Brad Hazzard MLC who was of invaluable assistance to the Office during his term as Attorney General.

During the year my Office, in collaboration with NSW Treasury and the Department of Attorney General, devised a Base Budget Funding model. The model resulted in my Office receiving additional funding for four years commencing 2015-2016. The model and its acceptance by Treasury will greatly assist my Office in conducting the very important work we do on behalf of the community of NSW.

As a result of the funding provided in March this year, the staff and I commenced work on developing a new strategic plan to update and improve our work practices and management.

Workload

Our work never stops. In the past financial year ODPP staff served in 8,450 District Court sitting days which is an increase of 4.8%. The Office registered 18,135 prosecutions this year which was an increase of 4.5% over the previous year. Local Court committal registrations increased to 6,526 (an increase of 4.7%) and matters completed increased to 6,516. District Court trial registrations increased to 1,854 (an increase of 2.7%) whereas the number of trials completed was to 1,599. There is currently an increased backlog of pending trials in the District Court. This year my Office in conjunction with the Chief Judge of the District Court and other Justice Agencies have implemented a number of strategies to

reduce the backlog. Reducing the trial backlog is designed to have trials being heard in a timely manner. The backlog is of a particular concern in regional NSW.

In 2015-2016 it is anticipated the ODPP workload will increase again as the District Court has already advised of a further 5% increase in their sitting day calendar. Without appropriate funding for these increased sitting days, my Office's Budget will be significantly affected and we return to the unsatisfactory situation that existed before the redetermination of the base budget.

New Legislative Provisions

In the 2014-2015 reporting period, 48 pieces of legislation were introduced in NSW. The new legislation is varied and has had an impact on the work of the Office. Amendments to **Bail Act 2013**, **Crimes (Sentencing Procedure) Amendment (Family Member Victim Impact Statement) Act 2014**, **Crimes (High Risk Offenders) Amendment Act 2014**, **Independent Commission Against Corruption (Validation) Act 2015 (No 1)** and **Road Transport Amendment (Mandatory Alcohol Interlock Program) Act 2014** are of particular relevance.

Electronic Indictments Project

A joint initiative between the ODPP and Department of Justice to implement an electronic exchange of indictments from the ODPP to the Higher Courts was implemented. The processing of Electronic Indictments went live on 30 March, 2015. This improvement provides accurate and reliable data for other Justice Agencies and saves them time in updating their records to properly reflect the court results. The Project outcomes



From left: Director of Public Prosecutions Lloyd Babb SC and Deputy Directors of Public Prosecutions John Pickering SC and Keith Alder.

also contributed to our on-going campaign to reduce paper waste.

I am very proud of the Office's achievements. This year Craig Hyland was appointed the Solicitor for Public Prosecutions having come from the same position in Victoria. I would like to acknowledge the significant contribution made by his predecessor Mr Stephen Kavanagh who was the Solicitor for 10 years. Johanna Pheils acted as Solicitor for Public Prosecutions between August 2014 and January 2015. I thank Johanna for her contribution over that time.

Credit for the splendid work undertaken during the last year lies squarely on the shoulders of all my staff and I thank them for their achievements in representing the Office in an exemplary manner. The coming year promises to be as satisfying as this year and I look forward to updating you on the

progress of our Strategic Planning in next year's Annual Report.

Independence and Accountability

No guideline under section 26 of the **Director of Public Prosecutions Act** has been received from the Attorney General, nor has notice been received of the exercise of any of the functions described in section 27. Eight requests have been made to the Attorney General pursuant to section 29.

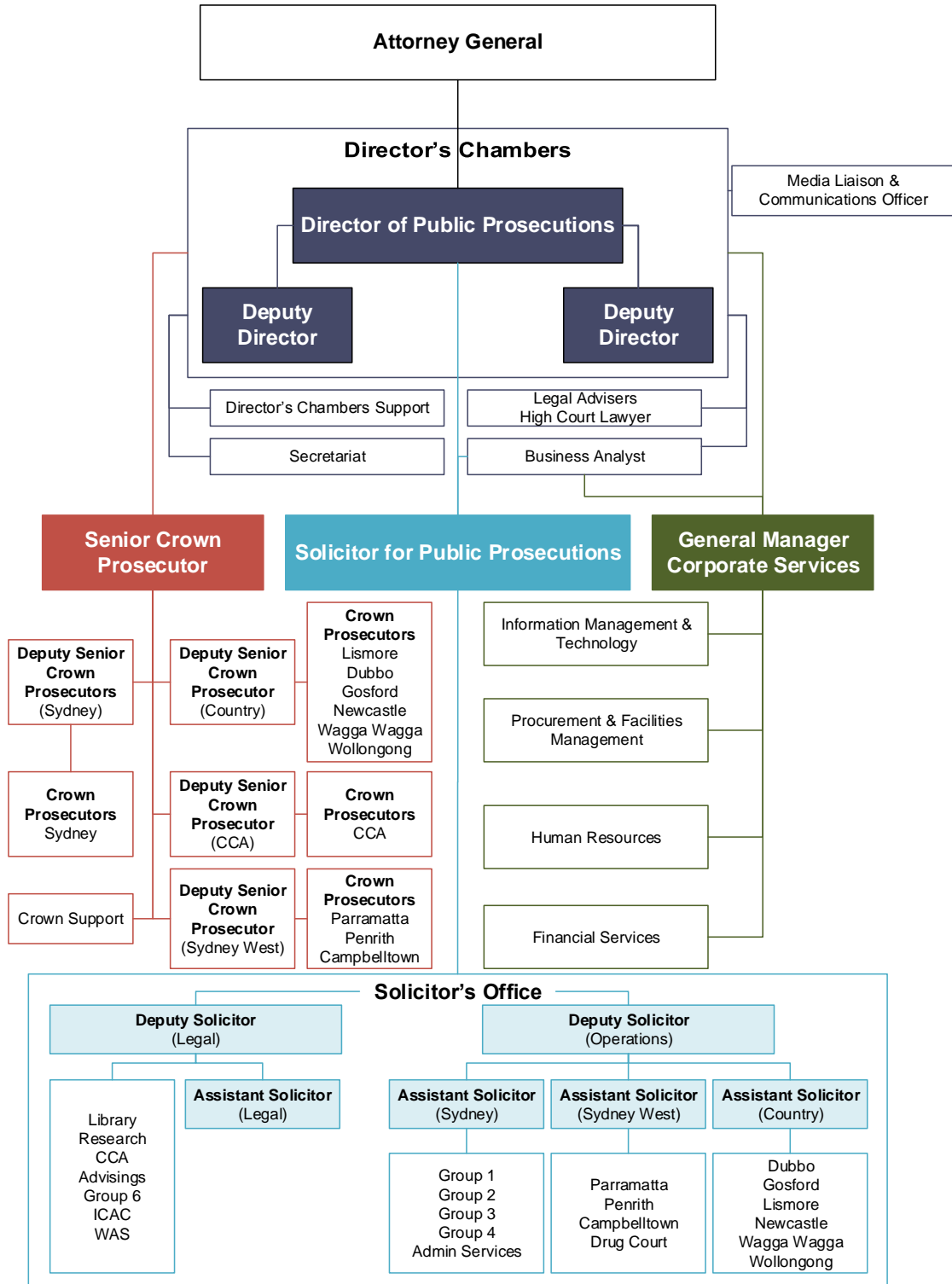
Lloyd Babb SC
Director of Public Prosecutions

PART 03

MANAGEMENT STRUCTURE

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ODPP NSW ORGANISATIONAL STRUCTURE



Members of the Executive Board

ODPP EXECUTIVE BOARD MEMBERS

Lloyd Babb SC BA MA LLB **Director of Public Prosecutions**

Appointed Director of Public Prosecutions in July 2011. Before appointment as DPP, practised as a barrister for 16 years. Had worked as a solicitor in private practice and for the Office of the Director of Public Prosecutions before admission as a barrister. Appointed a Crown Prosecutor in 1998. Seconded as Director of the Criminal Law Review Division 2003 to 2005 and an Acting Public Defender 2006 until 2007. Appointed Senior Counsel and Crown Advocate in 2007. Member of the Bar Council of the Bar Association of New South Wales between 1995 and 2000. He is New South Wales' third DPP.

Keith Alder B. Leg S **Deputy Director of Public Prosecutions**

Admitted as a solicitor in 1988 and in that same year commenced at the Office of the Director of Public Prosecutions. In 1992 Mr Alder was appointed the Managing Lawyer of the Penrith Regional Office. In 1998 he became a Trial Advocate before his appointment as a Crown Prosecutor in 2001. In 2010 Mr Alder was appointed a Deputy Senior Crown Prosecutor. Mr Alder was appointed Deputy Director of Public Prosecutions in November 2011. Mr Alder has been seconded to the Office of the Ombudsman and the Independent Commission Against Corruption.

John Pickering SC BEC LLB **Deputy Director of Public Prosecutions**

Admitted as a solicitor in 1993, and, in that same year employed as a solicitor in the Office of the Director of Public Prosecutions. Appointed as a Trial Advocate in 1998, and appointed as a Crown Prosecutor in 2001. Appointed as an Acting Deputy Senior Crown Prosecutor in January 2012. Appointed Deputy Director of Public Prosecutions in February 2012. Appointed Senior Counsel in October 2012.

Mark Tedeschi AM QC MA LLB **Senior Crown Prosecutor**

Appointed as a Crown Prosecutor in 1983. He has been a Queen's Counsel since 1988, and Senior Crown Prosecutor since 1997. He is the author of a book on international trade law and of numerous articles on environmental law, social welfare law, business law, mental health law and criminal law. He is the President of the Australian Association of Crown Prosecutors and a visiting Professor at the University of Wollongong. He is a member of the Board of Directors of the National Art School in Sydney.

Craig Hyland BJURIS LLB GDPA **Solicitor for Public Prosecutions**

Appointed as the Solicitor for Public Prosecutions from 2 February 2015. He has in excess of 25 years' experience in the criminal justice system, most recently as the Solicitor for Public Prosecutions in Victoria from 2009 to 2015. The remainder was as a solicitor, manager and Senior Executive in the ODPP NSW. Craig graduated from the University of NSW with a Bachelor of Laws and a Bachelor of Jurisprudence in May 1985. He has post graduate qualifications in Public Administration conferred by the University of Sydney in 2007.

Bernard O'Keeffe B. Bus FCPA **Chief Financial Officer & General Manager, Corporate Services**

Appointed Chief Financial Officer of the ODPP in June 2009 and the General Manager, Corporate Services in 2010. Appointed to the NSW Public Sector Committee for CPA's Australia in 2011. Joined the NSW Public sector in 1977 and worked in a number of finance roles with the Government Printing Office and Department of Education and Training. Joined Arnott's Biscuits in 1988 as the Cost and Management Accountant. From that point on held a variety of CFO, senior financial, business management and business consulting roles in the private sector including a multi-national company.

SIGNIFICANT COMMITTEES

Executive Board

Comprises the Director (Chair), two Deputy Directors, Senior Crown Prosecutor, Solicitor for Public Prosecutions, General Manager Corporate Services and two independent members. The Board meets bi-monthly and minutes of proceedings are kept.

The Board's role is to:

- Advise the Director on administrative and managerial aspects of the ODPP with a view to ensuring that it operates in a co-ordinated, effective, economic and efficient manner.
- Advise the Director on issues relating to strategic planning, management improvement and monitoring performance against strategic plans.
- Monitor the budgetary performance of the ODPP and advise the Director on improving cost effectiveness.
- Identify and advise the Director on initiatives for change and improvement in the criminal justice system.
- Provide periodic reports on its operations to the Attorney General and report to the Attorney General upon request on any matter relating to the exercise of its functions, or, after consultation with the Attorney General, on any matters it considers appropriate.

Management Committee

Comprises the Director (Chair), two Deputy Directors, Senior Crown Prosecutor, Solicitor for Public Prosecutions, General Manager Corporate Services, Manager Human Resources, Deputy Solicitor Legal and Operations, and Assistant Solicitors (Sydney, Sydney West and Country). The Committee meets monthly and minutes of proceedings are kept.

Its primary functions are:

- To report, discuss and resolve upon action on operational and management issues affecting the ODPP, including (but not limited to) workload and resource allocation.
- To consider monthly financial reports and to initiate action where funding and expenditure issues are identified.
- To discuss issues affecting major policy decisions and other matters requiring referral to the ODPP Executive Board.
- To serve as a forum for discussion by senior management of any matter affecting the operations of the ODPP, including the activities, challenges and initiatives of the various areas within the Office.

Audit and Risk Committee

The Audit and Risk Committee, in accordance with Treasury Policy, comprises of an independent chair, an independent member and a representative of the ODPP management. Representatives of the Audit Office of NSW, the Deputy Director, Solicitor's Office and the General Manager Corporate Services attend meetings by invitation. Minutes of proceedings are kept.

The Committee meets four times each year and monitors:

- Internal audit
- Risk management
- Anti-corruption functions across all areas of the Office's operations, ensuring that probity and accountability issues are addressed.

Information Management and Technology Steering Committee

Comprises the Chief Information Officer, the Deputy Solicitor Operations as Chair; Solicitor for Public Prosecutions, General Manager Corporate Services, Deputy Solicitor Legal, Assistant Solicitor Operations (CASES owner), Assistant Solicitor Country, a Deputy Senior Crown Prosecutor and Manager Information Management & Technology Services. Minutes of proceedings are kept and published on the ODPP Intranet.

The Committee meets quarterly and is the management body convened to:

- Ensure and promote effective use and management of information and technology.
- Guide the selection, development and implementation of information and technology projects.
- Assure the strategic and cost effective use of information and systems to support ODPP activities.

PART 04

SOLICITOR REPORTS

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REPORT OF THE SOLICITOR FOR PUBLIC PROSECUTIONS

This is my first report as Solicitor for Public Prosecutions NSW having commenced in the role on 2 February 2015, following a period of six years as the Solicitor for Public Prosecutions in Victoria.

For the ten years preceding my appointment (June 2004 – August 2014) Stephen Kavanagh was the Solicitor for Public Prosecutions. Stephen's management of the Office was in the context of increasing legal complexity in the prosecution of criminal matters, increasing case and workload. Stephen's tenure saw ongoing improvements in the relationships with the Courts and with many other agencies including the Police, the Office of the Commonwealth Director of Public Prosecutions, the Law Reform Commission and the Law Society of NSW. Many of the legal and practical improvements to the criminal justice system over that time originated from submissions by the Office or significant contributions by the Office to law reform proposals. Following Stephen's retirement Johanna Pheils acted as Solicitor (August 2014 – January 2015). I take this opportunity to acknowledge the significant contribution of Stephen to the NSW criminal justice system and to his management of the Office that is his legacy. I also thank Johanna for her time as Solicitor over a period of transition.

In March 2015, following extensive consultation and input from staff, the Office embarked on a new four year Strategic Plan with a new vision, values and four new goals. The new organisational vision is for the ODPP to be "A dynamic prosecution service recognised for its excellence and leadership". Aligned with that vision are the goals to:

1. Deliver a high quality, independent and professional prosecution service.
2. Provide a fair, just and timely service to victims and witnesses.

3. Improve the ways we act internally and with our criminal justice partners.
4. Develop, recognise and celebrate the knowledge, skills and commitment of our people.

The new values expected of all ODPP staff are that they will; Act with Integrity; Communicate, Be Courageous, Accountable and Adaptive; Promote a Supportive Environment and Never Stop Learning.

A Project Management Office has been established within the Solicitor's Executive to manage the project streams which have been developed to progress these four goals. The current project streams are working on the legal process, standard operating procedures, the performance management and education of staff, communication and knowledge management and the measurement of our performance. I look forward to reporting on developments in these areas in the Annual Report 2015-2016.

"Our vision: a dynamic prosecution service recognised for its excellence and leadership"

The first six months of my tenure saw the implementation within the Office of a new Executive structure consequent to the **Government Sector Employment Act 2013 (GSE)**. Following an earlier review of the Solicitor's Executive the positions transitioned under the GSE in June 2015. Six Executive positions were reduced to four with the abolition of four Assistant Solicitor and two Deputy Solicitor positions and the establishment of four Deputy Solicitors; one being responsible for the Legal Division and the other three for operational groups. The primary role of the Deputy Solicitor

Legal is to provide legal and policy advice to the Director of Public Prosecutions and the Solicitor for Public Prosecutions. The position has management oversight of Group 6, the Witness Assistance Service, Court of Criminal Appeal, Advisings, Research and the Library. Of the Deputy Solicitor Operations positions one is responsible for the Country, one for Sydney West and Wollongong and the other for Sydney. The Deputy Solicitor Operations primary role is to lead, coordinate and manage operations and resources in the delivery of prosecution services in a nominated region. In addition (including the Deputy Solicitor Legal) each has various project, liaison and committee responsibilities.

Johanna Pheils was appointed as Deputy Solicitor Legal and Sashi Govind, Paula McNamara and Janine Lacy were appointed as the Deputy Solicitors Operations. Johanna and Sashi have extensive experience as senior executives, and together with Janine have post graduate

qualifications in management. All have extensive experience in the prosecution of criminal matters and an innate understanding of the criminal law. I congratulate each on their appointment and look forward to working with these dynamic executives as we embark on a new direction for the Office.

Working in criminal prosecutions is demanding and challenging work. I thank staff at all levels in the Solicitor's Office for their dedication and tireless work. I also take this opportunity to thank the Director of Public Prosecutions, Lloyd Babb SC, his two Deputies, John Pickering SC and Keith Alder, and the Senior Crown Prosecutor, Mark Tedeschi AM QC, for their support, direction and leadership.

Craig Hyland

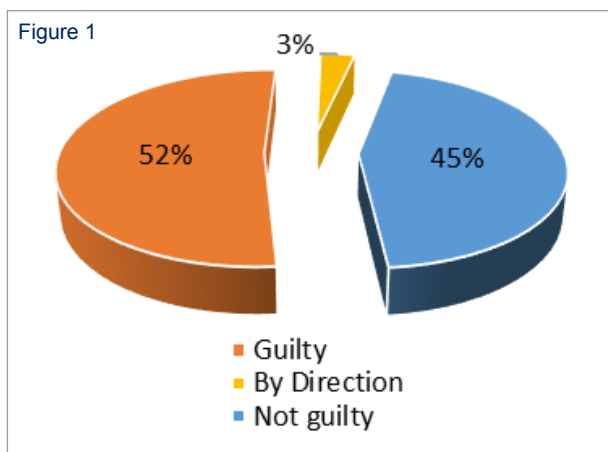
Solicitor for Public Prosecutions

REPORT OF THE DEPUTY SOLICITOR (OPERATIONS)

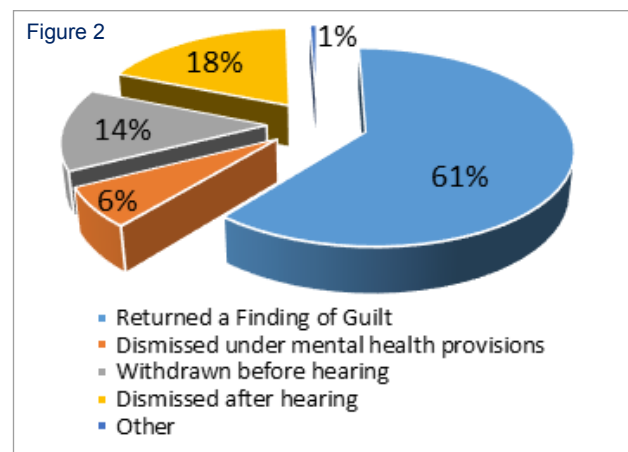
The Operations Unit includes Sydney Groups 1 to 4, Administrative Services and regional offices at Parramatta, Penrith, Campbelltown, Dubbo, Gosford, Lismore, Newcastle, Wagga Wagga and Wollongong and the Drug Courts at Parramatta, Toronto and Sydney. The staff in these units are responsible for prosecutions in all NSW courts including Children's Court, Local Court summary prosecutions and committals; District Court appeals and sentences; instructing in District and Supreme Court trials. Trial Advocates conduct District Court trials.

In 2014-2015 the ODPP maintained its previous two years' achievement of a finding of guilt, either by way of verdict or plea of guilty, in 82% of matters prosecuted in the NSW courts. A further demonstration of high quality prosecutions was a finding of guilt in 61% of child sexual assault prosecutions.

District Court Trial Verdicts



Child Sexual Assault Prosecutions

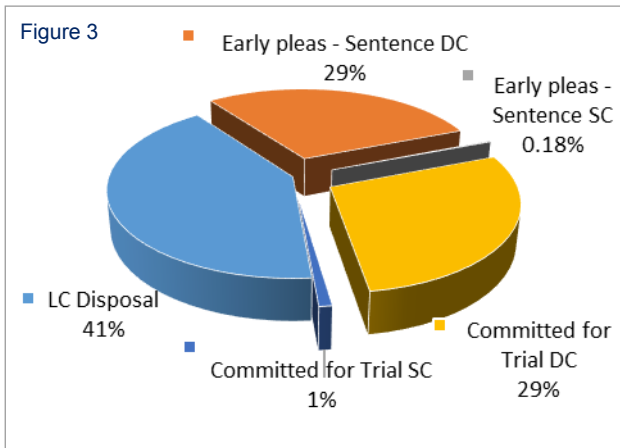


Local Court

The ODPP reduced the number of matters committed for trial to the District and Supreme Courts through robust early resolution strategies. This resulted in 41% of committals being finalised in the Local Court and 29% of matters pleading guilty and being committed to the District Court for sentence. The Office engages in negotiations with Defence representatives at an early stage so that only appropriate matters proceed to trial.

Another major achievement for the Office in 2014-2015 was the 18% increase in completion of summary prosecutions compared to the last financial year. In the Local Court compared to the previous year there was an overall 4.8% increase in all matters (both summary and committal) that were finalised. There was also a reduction of 15 days in the time from service of a brief to committal for sentence and a reduction of 17 days in the time from brief service to committal for trial.

Local Court Disposals

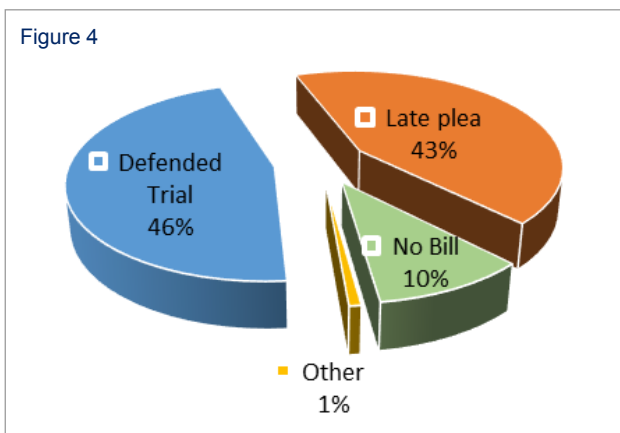


TRIALS

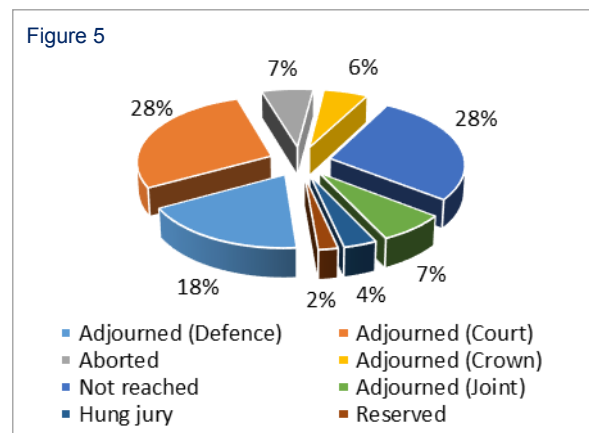
District Court

The ODPP completed 1,599 District Court and 74 Supreme Court trials this year. Approximately 52% of the trials that proceeded in the District Court and 50% of trials that proceeded in the Supreme Court resulted in a guilty verdict.

District Court Trial Disposition



District Court Trial Adjourned



Supreme Court

The Supreme Court hears the most resource intensive and serious matters in NSW. This year there was a 21.2% increase in new trial registrations and a 140% increase in new sentence registrations as a result of pleas of guilty in murder matters.

The Bail legislation changed in January 2015. The impact of this change was compounded by quadruple bails sittings each day for 1 month until 26 February. During these sittings 956 applications were listed, with 41% being withdrawn and 20% adjourned. The ODPP Supreme Court Bails Unit brought in additional resources for the preparation and hearing of those applications.

Matters Discontinued

The Director's Chambers considered a total of 479 submissions to discontinue matters after

committal with 22% (106) being discontinued. In about 25% of the matters discontinued, the victims had expressed their wish not to continue.

The Table below shows that the discontinued matters constituted 3% of all matters that were finalised and 6% of all matters completed in 2014-2015.

Matters Discontinued After Committal Order

	No	%
Submissions received	479	
Discontinued matters	106	22%
Victim's wishes	27	25%
Trial matters completed	1,673	6%
Cases finalised	3,442	3%

2014-2015 INITIATIVES

Targeted Assistance Group

In November 2014 the Relieving Team changed its name to the Targeted Assistance Group (TAG). A more formal structure was implemented to manage the team's resources, reporting and performance. It currently reports to the Deputy Solicitor Operations, Country. Although the team is located in Sydney the lawyers travel to courts and offices across the State to provide short term assistance, as required. The team is made up of experienced lawyers who are able to undertake all types of work in all jurisdictions at short notice. In 2015, the number of lawyers in this team increased from 5 to 7 lawyers due to a rise in demand for assistance due to additional sittings. It is anticipated that with additional ad hoc court sittings, TAG may be expanded in 2016.

Rolling List Court

The Rolling List Court is a joint initiative by the ODPP, Public Defender's Office and the NSW Legal Aid Commission. It is a dedicated court with the same prosecution and defence teams appearing before the same Judge each week in an attempt to efficiently dispose of matters. The pilot commenced at Sydney District Court on 13 April 2015. Two trials are listed each week in the court. The criteria for trials falling within the scope of the pilot include those with an estimate of less than 10 days in length, a single accused, no fitness issues and the accused being represented by the Legal Aid Commission. The ongoing working relationship between the local prosecutors and local defence teams assigned to a permanent judge replicates the court system at smaller regional areas.

The Bureau of Crime Statistics and Research (BOSCAR) will provide an independent assessment of the efficiency of the pilot. A control group of identified suitable trials is also being

tagged and monitored and BOSCAR will compare the disposal of trials in the pilot and those in the control group. The final report will also obtain feedback from the control group.

Digital Evidence Processing Unit (DEPU)

The DEPU Unit, which was established to centralise digital evidence editing and conversion for presentation in court, has now been operational for 12 months. Between May 2014 and May 2015 the DEPU completed approximately 1,068 edits, 1,082 conversions and 11 enhancements for Sydney and the 8 regional offices. Despite being in its infancy, the assistance provided by the technical staff to lawyers and Crown Prosecutors has been immense and timely. There are plans to expand this Unit in 2015-2016.

Trial Development List

The Trial Development List initiative continued to provide excellent opportunities to Level 2 and Level 3 lawyers to conduct short trials in the District Court. In the 2014-2015 period, 57 trials were allocated to lawyers under this program. Mentoring was undertaken by the Director, the Deputy Directors and senior Crown Prosecutors. The mentoring of the lawyers has become a major part of this program's success.

Stakeholder Liaison

The ODPP continues to engage with its stakeholders to improve the effectiveness of prosecutions. In 2014-2015 meetings were held with the Legal Aid Commission, Police, Courts and the Judiciary. The 16 Police Liaison Group meetings across the State have been effective in determining a number of issues and have

improved interaction between police and ODPP. Meetings relating to improving systems for plea negotiation in appropriate matters with the Legal Aid Commission are ongoing. Better engagement with Courts and Judiciary has achieved better listings and useful suggestions for the reduction of District Court backlog such as, special call-overs.

Paper-Saving & Storage Initiative

A paper saving initiative was implemented in January 2015 in relation to Election advisings. All

election considerations are now recorded electronically and no paper files are retained in matters where the Office determines that no election is warranted.

From January 2015, instead of retaining and storing paper files in District Court severity appeals, the documents will be stored electronically. This equates to a saving of about 5000 paper files per year.

Completed Supreme Court bail files are also stored electronically.

OPERATIONS NEWS

Additional Sitzings

In 2014-2015 the regional areas covered 25 additional weeks of District Court sittings. Sydney had quadruple Bails Court sittings early in the year and now sits an additional Short Matters Court each Friday. Central Local Court has an additional day of sittings for DPP matters (Fridays) and additional bail courts 2 days per week. Penrith had additional District Court sittings for about 2 months while a Commonwealth trial occupied one of the Courts at Parramatta District Court. In addition Penrith now has an additional Short Matters court sitting each alternate Friday. Parramatta District Court, Newcastle District Court and some regional courts such as Dubbo and Lismore will sit during the mid-year court vacation period in June 15.

Drug Court

The Drug Court is currently operating at 3 venues in NSW; the Downing Centre, Parramatta and

Toronto (Newcastle). The Parramatta Court is also responsible for the Compulsory Drug Treatment Correctional Centre (CDTCC) at Parklea. The roll-out of the general program since 2011 has seen funded places increase from 160 to 280 across Sydney Local Government Area, Sydney West and the Lower Hunter, as well as the 70 places funded for CDTCC. The ODPP team at the Drug Court has also expanded, from 3 to 11 staff over the 3 centres. The team has met the many challenges that has come with the expansion, by quickly adapting to a marked increase in referrals and workload.

The ODPP Drug Court team also offers a commitment to legal training with its continued relationship with the University of Wollongong Law School Legal Internship Program. This is an extremely successful collaboration which offers students a broader understanding of the role of the ODPP by observing its commitment to supporting the Drug Court program.

The Drug Court program has become a significant part of the criminal justice system and the Office's

support clearly keeps an open dialogue between government and community groups for further expansion of the model to other areas.

Newcastle Office Premises

The Newcastle Office moved to its new premises at 317 Hunter St in the second half of 2014 to be closer to the new court complex. The Office was officially opened by the Honourable Mr Brad Hazzard, NSW Attorney General on 27 November 2014. The Director and Senior Executives attended the opening which included guests from the Legal Aid Commission, Public Defenders, Aboriginal Legal Service and the local legal profession.

Wollongong Court Refurbishment

The Wollongong Court complex closed at the end 2014 for renovation and a large number of District Court trials were listed at Campbelltown District Court. The majority of Short Matters were listed at Sutherland Court. A number of Wollongong based legal staff were temporarily assigned to the Campbelltown office to undertake work to accommodate the additional two District Courts sitting at Campbelltown. It is anticipated that Wollongong courts will reopen by the beginning of 2016.

Witness Survey

In February 2015 the Office conducted its biennial survey of victims and non-expert civilian witnesses to assess witness satisfaction levels with ODPP services. Like the previous survey conducted in 2013, both victim and witness groups received separate surveys. The scope of the 2015 survey included District Court and Supreme Court trials completed between 1 August 2014 and 30 October 2014.

This year the Office achieved a response rate of 12% (approximately 11.4% for victims and 12.2% for witnesses). This was an increase of 2.6% on 2013. The survey revealed that the majority of respondents were happy with the level of service provided by the ODPP. In total, 57% of respondents rated the service as good or very good. Overall, 76% of victims and 53% of witnesses rated the service provided by the ODPP as positive. The rating of service varied across regions and offices with respondents in the Country (60%) more satisfied with ODPP service than Sydney West (54%) or Sydney (52%). The next survey will be conducted in 2017.

PROJECTS

Local Court Improvements

In June 2015, a Local Court Kit was introduced to assist and guide existing and new Local Court lawyers to maintain an efficient and effective Local Court practice. The Kit contains documentation and information relevant to Local Court work. The overarching purpose of the Kit is to facilitate the resolution of appropriate matters at an early stage in the criminal justice process.

The Kit aims to encourage:

- A renewed focus on pre-committal negotiation and efficient disposal of appropriate charges.
- A decrease in the number of matters being committed for trial to the District Court and consequently a decrease in the number of arraignments (and trials).
- A decrease in changes to charges post-committal.
- A decrease in the rate of late guilty pleas in the District Court.
- Standardisation of internal procedures across all ODPP.
- Earlier involvement and advice by Crown Prosecutors in matters that are large, complex or of special interest.

The Kit has been distributed to all Local Court lawyers and an electronic version is also available on the Intranet.

E Indictment

This project was a joint initiative between the ODPP and Department of Justice to implement an electronic exchange of information from the ODPP

to the Courts. The changes will have a significant impact on how indictments are created, edited, saved and filed. A staggered implementation approach has been adopted to enable the ODPP to file indictments and related documents electronically. This system went live on 30 March 2015.

The Year Ahead

- Specific strategies will be required to resolve the District Court trial backlog. The ODPP is collaborating with its criminal justice partners to generate efficiencies in the system.
- The Workload Weighting System designed to measure and manage workload consistently across the Office will be piloted in early 2016. This will assist the ODPP to assess its workload complexities in addition to its caseload.
- A number of strategic planning projects will impact on Operations Units including the legal process, performance management, digital working strategy, knowledge sharing, communications and mentoring strategies.
- Legal, leadership and management training will be a major focus for staff in the coming year.

Sashi Govind

**Deputy Solicitor for Public Prosecutions
(Operations)**

REPORT OF THE DEPUTY SOLICITOR (LEGAL)

The Legal section of the ODPP includes the Witness Assistance Service, the Court of Criminal Appeal Unit, Group 6, the Independent Commission Against Corruption Unit, the Research Unit and the Library. The Deputy Solicitor (Legal) and Assistant Solicitor (Legal) provide policy advice to the Director and are involved in a number of interagency committees concerning legislative reform.

OVERVIEW

On 20 May 2014 the **Bail Act 2013** commenced. Prior to its commencement extensive training was conducted by the Office in preparation for the new Act. The Deputy Solicitor (Legal) and the Managing Lawyer of Group 4 (Short Matters and Supreme Court Bails) participated in the interdepartmental committee, the Bail Monitoring Group, a group created to assess the impact of the new Act and address any further legislative amendments that may be required.

Following community concern, the Government appointed former Attorney General, the Honourable Mr John Hatzistergos to undertake a review of the Act. The initial review was published in July 2014 and the recommendations led to amendments to the Act which commenced in January 2015.

In late 2014 the ODPP provided another round of training, focusing on the amendments. Additionally, the Supreme Court of NSW deployed extra judges to deal with an increase in the number of bail applications to that court. In December 2014 to meet the demand of these extra listings (956 bail applications were prepared) additional staff had to be engaged in order to prepare and appear in the additional bail lists in the Supreme Court. Against this background the tragic events in the Lindt Café at Martin Place on 15 and 16 December 2014 unfolded. The reasons that the accused, Man Monis, was on bail for accessory to murder charges and a number of sexual assault offences was examined by the joint

Government Review “Martin Place Siege Joint Commonwealth – NSW Review” and is currently being examined by the State Coroner in the Inquest into the siege at Martin Place.

In 2014 and 2015 the ODPP redeveloped its intranet. The new site was launched on 1 July 2015. The new intranet will greatly enhance communication within the ODPP and in particular enable collaboration in solving legal issues. One feature of the intranet is the “DPPdia” which is a wiki style shared legal resource, to develop in-house legal resources by sharing legal research and precedents.

This year, the Assistant Solicitor (Legal) has again been very active in providing training to other agencies including; the Police Force on the role of the ODPP, interviewing suspects, sexual assault prosecutions and to the Education Centre Against Violence and Mission Australia about the role of the ODPP.

Law Reform

This year, the Office participated in a large number of inter-agency committees, court user groups and working parties with the aim of considering the reform of criminal law and to implement new legislation. The Director also made a significant number of submissions on proposals for law reform identified by the Attorney General, Law Reform Commissions, Legislative Council Standing Committee on Law and Justice and the Sentencing Council.

Some of the interagency committees that the Office participated in included:

- Strengthening Victim's Rights Government Implementation Group formed by Victims Services, Department of Attorney General and Justice.
- Body Worn Video Steering Committee.
- Sexual Assault Working Party (SAIK consent options).
- Chair of Sexual Assault Review Committee.
- Liaison with the DOJ AVL Project Team in relation to the improvement of courtroom technology in NSW.

The Deputy Solicitor (Legal) has continued to be a member of and participated in the Law Society of New South Wales Criminal Law Committee.

Law reform submissions made this year included:

- Amendment to the Pre-trial Disclosure provisions of the **Criminal Procedure Act 1986** – broadening of areas of mandatory defence disclosure.
- Amendment to the meaning of pre-trial order under s130A **Criminal Procedure Act 1986**.
- Additional Show cause offences submission to the Sentencing Council.
- Response to the Legislative Council inquiry into the murders in Bowraville.
- Submission to the Law Reform Commission on motor vehicle fatalities on private land.
- Report to the Department of Justice, AVL Project in relation to difficulties the ODPP experienced with remote facilities and AVL at courts in NSW.

LEGISLATIVE CHANGES

Bail Act

The most significant legislative change this year were amendments to the **Bail Act 2013**. The main changes introduced by the **Bail Amendment Act 2014** were:

i) Show cause for certain serious offences

When it commenced in May 2014, the **Bail Act 2013** was silent as to which party bore the onus of proof. The **2014 Act** modifies this position by applying more stringent standards to bail decisions for those charged with "show cause" offences. "Show cause" offences are offences that pose a "significant risk to the community or the administration of justice." Under the "show cause" requirement in the new s16A, a person charged with such an offence must demonstrate why his or her detention is not justified. If the accused shows

cause as to why their detention is not justified, the bail authority must make a bail decision under the "unacceptable risk test": s16A(2):

The show cause requirement in the **2014 Act** operates to confer an onus on the accused person and is a key departure from the **2013 Act**. Similar requirements appear in the **Bail Act 1977 (Vic)** and the **Bail Act 1980 (Qld)**.

ii) Unacceptable risk test – all offences

When first commenced, the **Bail Act 2013** contained a two-step process for determining a bail application. This involved a bail authority firstly, determining if there was an unacceptable risk in granting bail and, secondly, considering whether it was possible to impose bail conditions that would mitigate that risk.

The **2014 Act** replaces this two-step approach with a one-step method, based on the fundamental concept of an “unacceptable risk” test for all offences. Under the new s 17 a bail authority must identify whether there are any “bail concerns” before it can make a bail decision. A “bail concern” is defined in s 17(2) as a concern that an accused person, if released from custody, will: (a) fail to appear or commit a serious offence or endanger the safety of victims, individuals or the community or interference with witnesses or evidence.

The new s 18 creates a mandatory list of matters to be considered in assessing “bail concerns”.

Crimes Legislation Amendment (Child Sex Offences) Act 2015 (No 15)

The **Crimes Legislation Amendment (Child Sex Offences) Act 2015** amended s 66A of the **Crimes Act 1900** which deals with Sexual intercourse — child under 10. Prior to the amendment s 66A carried a maximum penalty of 25 years imprisonment for sexual intercourse with a child under ten absent aggravating circumstances. Section 66A is substituted to remove the basic and aggravated offences. In its place is a single offence of sexual intercourse with a child under ten years of age which carries a maximum penalty of life imprisonment. Under the new s 66A(2) “life” means “for the term of the person’s natural life.”

The **Crimes Legislation Amendment (Child Sex Offences) Act 2015** also amends the **Crimes (Sentencing Procedure) Act 1999** by adding 13 new offences to the Table of Standard Non-Parole Period Offences following s 54D. A standard non-parole period does not apply to the newly added offences if committed or allegedly committed before the commencement of the Act. Put another way, amendments by the Act

apply on and from its commencement date, namely 29 June 2015.

Independent Commission Against Corruption (Validation) Act 2015 (No 1)

The **Independent Commission Against Corruption (Validation) Act 2015** amended the **Independent Commission Against Corruption Act 1988 (ICAC Act 1988)** to validate certain previous actions of the Independent Commission Against Corruption (ICAC) following the High Court of Australia decision in *Independent Commission Against Corruption v Cunneen* [2015] HCA 14. In that decision, published on 15 April 2015, the High Court held that the ICAC’s jurisdiction in relation to “corrupt conduct” excluded specified criminal conduct of private persons or public officials (e.g. perverting the course of justice, fraud, election funding offences) that adversely affected the exercise of official functions by public officials unless there was a lack of probity in the exercise of official functions by public officials. That is, some lack of honesty or impartiality by a public official in the exercise of their official functions. The High Court held that it was not sufficient that the alleged criminal conduct adversely affected the efficacy of the exercise of official functions.

The **Independent Commission Against Corruption (Validation) Act 2015** did not reverse the High Court decision. Rather it validates action taken by the ICAC before 15 April 2015 based on the previous understanding that corrupt conduct included relevant criminal conduct that adversely affected in any way the exercise of official functions, and therefore validates action taken by others in reliance on action taken by the ICAC.

The Act does not authorise the continuation of ICAC investigations or inquiries assessed by the

High Court as exceeding the Commission's jurisdiction. It does, however, enable the ICAC to refer any such matters to other investigative or prosecuting authorities and to provide them with any evidence or information obtained by the ICAC before 15 April 2015.

Surveillance Devices Amendment (Police Body-Worn Video) Act 2014 (No 81)

The **Surveillance Devices Amendment (Police Body-Worn Video) Act 2014** amends the **Surveillance Devices Act 2007** to allow police to wear video recording equipment for operational (work) purposes.

SPECIALIST UNITS

Advisings Unit

The Advisings Unit undertakes various types of criminal related litigation in the Court of Appeal, Court of Criminal Appeal (CCA) and Supreme Court. It provides advice to the Director and conducts some High Court work. It also instructs the Crown Solicitors Office in respect of malicious prosecution claims against the ODPP.

This year a number of cases of interest in those jurisdictions were finalised including the following:

The appellants in *Kentwell v The Queen* [2014] HCA 37 and *O'Grady v The Queen* [2014] HCA 38 were sentenced in the District Court in 2009 and 2010 respectively for offences subject to standard non-parole periods. In each case, in the course of the proceedings on sentence, the sentencing judge considered whether there were good reasons for departing from the relevant standard non-parole period. That approach followed the procedure laid down by the Court of Criminal Appeal in *R v Way* (2004) 244 CLR 120. However the High Court in *Muldock v The Queen* (2011) 244 CLR 120 held that *R v Way* was wrongly decided.

Following the delivery of the judgment in *Muldock*

v The Queen, each appellant applied to the CCA for an extension of the time in which appeals against their sentences could be lodged. In each case, in considering that application, the CCA held that the respective sentencing judges had erred in the manner in which the standard non-parole period had been taken into account (referred to as a '*Muldock*' error). However in each case the CCA refused to exercise its discretion to extend the time for lodging an appeal on the basis of the test formulated in *Abdul v The Queen* [2013] NSWCCA 247. The '*Abdul*' test included consideration of whether 'substantial injustice' would result if the extension of time were refused. The consideration of 'substantial injustice' was said in *Abdul* to involve an assessment of the strength of the proposed appeal, but one carried out in a 'more summary' fashion than would be done in an application for leave to appeal lodged within time.

Following grants of special leave, the appellants appealed to the High Court against the CCA's decision in each case. The High Court held that the decision in *Abdul v The Queen* followed by the CCA in each case was wrong, and that it was an error to introduce into applications for extensions of time for sentence appeals based on alleged

'Muldrock error' consideration of whether refusal of the extension would occasion 'substantial injustice'. The issue for the CCA's consideration in each case was whether upon the hearing of the appeal it might conclude, taking into account the full range of factors, that a lesser sentence is warranted in law. Accordingly in each case the appeal was allowed, and the application for an extension of time remitted to the CCA for determination.

JC & Ors v DPP (NSW) & 1 Or [2014] NSWCA 228 concerned the construction of s 2 of the **Costs in Criminal Cases Act 1967** (the **CCC Act**), which sets out the circumstances in which a certificate under s 3 of the **CCC Act**, entitling the recipient to seek payment for costs incurred in proceedings to which the certificate relates, may be granted.

The applicants in that case were committed for trial in relation to a number of alleged offences. Subsequently they appeared before the District Court, were arraigned, and entered pleas of 'not guilty'. The charges were then listed for trial. Several days before the date the matter was listed for trial the DPP determined that no further proceedings should be taken, and accordingly the applicants were not further arraigned before a jury.

Thereafter the applicants sought certificates under s 3 of the **CCC Act**. Pursuant to s 2(1)(a) of the **CCC Act** such a certificate may only be granted following a 'no further proceedings' direction if that occurs 'after the commencement of a trial in the proceedings'. The District Court noted that at the time of the direction the trial, in the sense of the arraignment and further proceedings before the jury, had not yet commenced, and accordingly held that there was no jurisdiction to grant a s 3 certificate.

The applicants sought judicial review of that decision in the Court of Appeal (CA). The CA determined that the District Court did have

jurisdiction to grant a s 3 certificate, and directed that the matter be remitted to the District Court for further consideration of the applications. In reaching that decision the CA held that pursuant to s 130 (2) and (3) of the **Criminal Procedure Act 1986** the proceedings before the District Court in which the applicants were initially arraigned and entered their pleas, and the matters listed for trial, constituted 'part of the trial'. Accordingly, for the purposes of s 2 of the **CCC Act**, the trial had 'commenced' on the date of the initial arraignment, and thus had commenced prior to the Director's determination that there be no further proceedings.

Court of Criminal Appeal Unit

During the 2014-2015 financial year, the CCA Unit adapted to the significant changes made by the High Court in *Kentwell* to the appropriate test for leave being granted to appeals lodged out of time. This resulted in appeals being reopened and reconsidered in the context of the new test. Where previously the Crown would ordinarily argue against leave being granted, often with success, the more liberal test resulted in concessions by the Crown that leave not be opposed, and leave has been granted in a number of appeals where the grant of leave would have previously been refused.

The CCA Unit has responded to recent High Court authority in respect of Crown appeals. The High Court has reinforced the limited ambit of Crown appeals and at the same time shifted the onus onto the Crown in respect of the Court's exercise of its residual discretion; *CMB v Attorney-General of NSW* HCA 9 (11 March 2015); (2015) 317 ALR 308.

A significant conviction appeal was in relation to the sexual assault of a severely cognitively impaired woman by a train guard on a train (*Panchal v R; R v Panchal* [2015] NSWCCA 275).

The conviction appeal was run on the basis of an unreasonable verdict, as a result of inconsistencies with the complainant's evidence and the vagueness of some of her evidence. Corroborative DNA evidence and immediate complaint were relevant considerations in the Court dismissing the appeal. The Court also upheld a Crown appeal and increased the sentence imposed.

The Crown also successfully argued against a conviction appeal being upheld in which the offender had been charged with murder and where evidence was led at trial of his military training (in 1978), including knife attack training (*Marsh v R* [2015] NSWCCA 154). The evidence was led as part of the Crown's circumstantial case, and it was held to be of probative value and not unfairly prejudicial, in the context of evidence led by the Crown of the knife wounds sustained by the deceased, and the similarity of injuries as established by the evidence of a forensic pathologist to wounds that would be inflicted by someone with the particular training. These were relevant factors in the circumstantial case against the offender, and the Court rejected the argument that this was coincidence reasoning.

The CCA heard an appeal under s107 of the **Crimes (Appeal and Review) Act** against a directed verdict for manslaughter (*R v CLD* [2015] NSWCCA 114). The death occurred during the manufacturing process of pseudoephedrine in a shed. The basis of manslaughter was an unlawful and dangerous act carrying an appreciable risk of serious injury – as a result of the use of a highly flammable solvent. There were a number of possible causes for the solvent to ignite and explode. At trial the Crown could not identify which cause was the active source of the explosion. On appeal it was held that this was not necessary, and that the Crown only needed to establish that a reasonable person in the position of the offender would have realised that multiple potential sources of ignition existed, and that it was for the jury to be

satisfied that one of the possible sources of ignition was the actual source of ignition and that the respondent was causally responsible.

Group 6

This year Group 6 prosecuted a number of high profile matters.

The Independent Commission Against Corruption (ICAC) Referral Unit

The ICAC Referral Unit was set up in 2013. A number of large corruption matters were referred to the Office in 2013 and advice was provided to the Director of Public Prosecutions as to sufficiency of evidence to support criminal charges. Several prosecutions are before the courts.

More referrals were made to the Unit in late 2014.

Witness Assistance Service (WAS)

The Witness Assistance Service (WAS) provides information, referral and support for victims of violent/sexual crime and vulnerable witnesses who are involved in prosecutions and meet the obligations in the NSW Charter of Victims Rights.

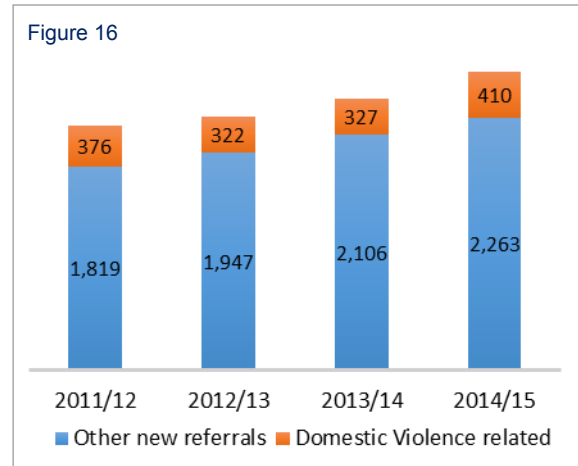
In 2014 WAS entered its 22nd year of operation as a specialist unit within the ODPP NSW. In June 2015 Lee Purches retired as the Manager of WAS after 17 years in the position. Also in June 2015 WAS added an identified ATSI WAS Officer (based in Sydney). It is noteworthy that the ODPP now has three designated ATSI WAS roles (Sydney, Newcastle and Dubbo) and is the only State in Australia to have any indigenous identified positions in Witness Assistance Service.

WAS Interagency Activities

WAS has been proactive in building and maintaining key stakeholder partnerships throughout the 2014-2015 period. Given the ongoing workload demands, it is envisaged that functional stakeholder partnerships with key agencies will assist in the reduction of work tasks such as court support. Accordingly monthly meetings with significant strategic partners including Mission Australia Court Support, Victims and Witnesses of Crime Court Support (VWCCS) and Victim Services have occurred at the petition of WAS throughout the 2014-2015 period.

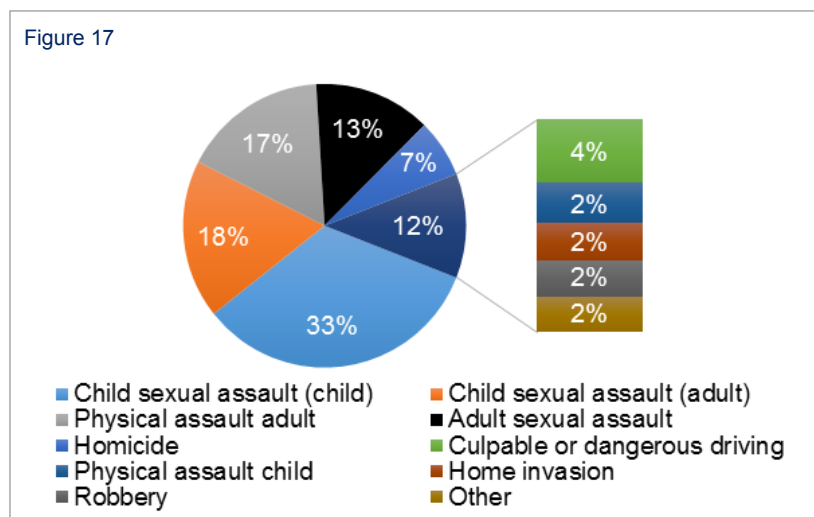
WAS has continued to be a vocal leader and contributor to a range of interagency forums and taskforces throughout 2014-2015 including the JIRT State-wide Managers conference, DVEC Implementation and Monitoring Group, The Criminal Justice Strategy Children’s Champions Pilot and the Sexual Assault Review Committee. WAS has also facilitated workshops and training to many non-government and charity organisations including NSW Police, ECAV Specialist Sexual Assault Service, VWCCS and Mission Australia.

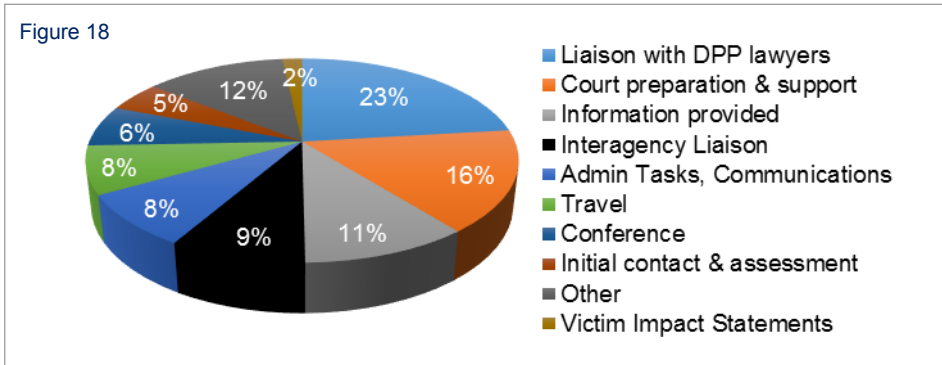
WAS Key Performance Indicators 2014-2015



Consistent with workload levels across the ODP generally, the WAS workload and referrals has continued to escalate in a consistent pattern over the past five years (see Figure 16). WAS new referrals increased by approximately 7% over the 2014-2015 financial year which is on par with previous years increases.

Domestic violence has been a spotlight issue nationwide in 2015. In NSW there has been law reform with the **Criminal Procedure Amendment (Domestic Violence Complaints) Act 2014**





coming into effect from June 2015 allowing the pre-recording of evidence in chief. Domestic violence referrals have escalated from 15% of matters in 2013-2014 to 18% of matters in the 2014-2015 financial year. For indigenous victims the referral rate is 28% of the total matters.

The WAS priority matters have remained relatively consistent over the preceding twelve months, with the central focus groups of domestic violence and adult/child sexual assault victims capturing around 75% of total matters dealt with (see Figure 17).

Figure 18 highlights that over half of a WAS Officer's time is spent on the provision of frontline services to victims including information, court support and crisis counselling. A further quarter of their time is spent engaging with ODPP Legal staff. This data is entirely consistent with the 2013-2014 statistical review.

Johanna Pheils
Deputy Solicitor for Public Prosecutions (Legal)

PART 05



CORPORATE REPORT

Corporate Overview

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CORPORATE OVERVIEW

Our efforts in understanding our business cost drivers and funding requirements came to fruition this year, with the introduction of a new Financial Model. As a direct consequence of the new Financial Model, the Office received a significantly increased base budget and has now embarked upon an exciting strategic planning journey to make the most effective use of our resources.

We continued to focus on the wellbeing of our staff, with the introduction of a Healthy Lifestyles Program and completed negotiations on a new

flexible working hours agreement to better recognise and manage the hours worked by our staff.

In the information technology space we launched our new intranet, which is a state of the art digital workspace incorporating forums, on-line resources and the DPPdia to improve collaboration, knowledge sharing and communication across the Office. We also worked closely with our partners in the Justice cluster to finalise the implementation of the Electronic Indictments system in March 2015.

OUR PEOPLE

The ODPP has a strong depth of talent and diversity of staff.

Some Facts

- 629 full-time equivalent staff
- 63% of all employees are female
- 13% of staff are working part time
- 15.4% of new starters are under the age of 25
- 34.1 was the average age of new starters.

Recruitment and Retention of Quality Staff

- Staff turnover for 2014-2015 was 10.2% in comparison with 11.4% in 2013-2014
- No salary increments were deferred during 2014-2015.

Professional Learning Programs

Included in the professional learning programs offered to staff this year were the following topics specific to equity and diversity:

- Development in Discrimination and Employment Law
- Respect in the Workplace
- Cultural Competence in working with Aboriginal People
- Demystifying Mental Illness
- Raising Awareness of Mental Health and Suicide Awareness.

Enhancement of Staff Skills and Knowledge

The annual training calendar was developed based on training needs analysis results, manager assessment of staff developmental needs and legislative and law reform changes.

	MCLE's	External training workshops	Conference & workshops	TOTAL	% Increase over prior
Programs	147	113	2	262	17.49%
Attendees	2,418.50	813	370	3,601.50	14.99%
Hours	3,632.75	2,915.30	2,537	9,085.05	29.90%

Studies Assistance

- Number of Studies Assistance participants: 23
- Total days of study leave accessed: 170 days (1194.5 hours)
- Total Study re-imbursments of \$22,378 paid to 10 participants.

Awards for Service and Excellence

We are proud of the 56 dedicated staff who this year became eligible for recognition for their service to the Office. 48 staff became eligible for the 10 Year Service Award, and 8 staff for the 20 Year Service Award during the reporting period.

A Director's Excellence Award was awarded to the team of Bernard O'Keeffe, Robert Saville, Peter Le Marsney and Mauro Santos Otero for the preparation, submission and subsequent approval of the ODPP's funding model.

Health and Wellbeing

Following the introduction of the ODPP Wellbeing Policy in 2012, the Office's focus throughout 2014-2015 was on a holistic approach to physical and mental health. The Workplace Wellbeing Taskforce (WWT) continued providing guidance to the Director on determining the direction the

Office should take to best manage wellbeing into the future. The training and awareness sessions conducted as part of the Wellbeing Program were:

- Raising Awareness of Mental Health and Suicide Awareness
- Threatened and Actual Suicide Awareness
- Why Zebra's Don't Get Ulcers and Humans Do (Stress Management)
- Workplace Health & Safety
- Mindfulness Based Resilience
- It Feels Personal: Resolving Conflict @ Work
- Demystifying Mental Illness
- Building Resilience: How to Stay Healthy At Work.

Healthy Lifestyles Program

The Healthy Lifestyles Program commenced in August 2014 with Health Fairs at each Office, incorporating individual health assessments and a broad range of health awareness activities. Exercise Classes, Yoga, Pilates and Kickboxing were conducted at different offices along with Seminar Sessions such as Get Up Get Active and Energy Hit. A series of educational emails were also circulated throughout the year.

In March and April 2015, a pedometer based walking challenge ran across the organisation with over 230 participants. The Flu Vaccination Program took place in April and May 2015, with 290 staff receiving vaccinations across the State. The year ended with Individual Wellness consultations running at each Office.

Workers Compensation

The Office continues to work on preventative and early intervention strategies to effectively manage

workers compensation claims. This year, the return to work process and performance in this area was outstanding.

In comparison to 2013-2014, there was a:

- 63% reduction in workers compensation claims when compared to an average across the last 5 years.
- 14% reduction in the number of open workers compensation claims as at 30 June.

The ongoing development and improvement in monthly WH&S reporting to the Management Committee and Executive Board has assisted in reiterating our commitment to a broader strategic approach to injury prevention and management.

Workplace Support

- Average Sick Leave for the Office for 2014-2015 was 6.74 days. This is a 4% decrease from last year's figure.

- 63% reduction in workers compensation claims compared to last year.
- The Office continues to ensure that injured workers are returned to work as soon as they are deemed medically fit to resume duties.
- There was a 64% increase in the average cost of claims for the Office over 2014-2015 (as reported by NSW SI Corp). This was due to 2 larger claims. The Office will continue to work to returning to a target of a 5% reduction for 2015-2016.
- The Office has maintained its 100% record with respect to managing injured workers within statutory timeframes. All workers injured within the reporting period have been returned to suitable duties and provided with graduated return-to-work plans in line with medical restrictions presented.

The Office continues to provide appropriate information, instruction and training to managers in their roles and responsibilities.

USING TECHNOLOGY TO IMPROVE OUR CAPABILITY

The delivery of prosecution services in a dynamic environment requires reliable, effective and adaptive information and technology systems. Throughout 2014-2015, we continued to drive technology change within the ODPP through forward planning and the development of our three year ICT Strategic Plan which is focused on the delivery of our strategic objectives. We worked on the following range of projects and initiatives:

- Major technology replacement projects including:
 - Upgrades of security appliances used for the protection of email and internet.
 - Replacement of the tape library used for off-site storage of ODPP data.
 - Replacement of Storage Area Network (SAN) devices.
 - Replacement of all Regional Office servers.
 - Replacement of network routers to improve the performance of the network at regional offices.
- All data links, including the internet connection, have been upgraded to at least double their existing capacity. This results in faster internet access and better application response times, especially for Regional Offices.
- The Information Security Management System (ISMS) has been successfully certified to be compliant with the current ISO27001:2013 standard for all digital information.
- Go-live of the Electronic Indictments system occurred in March 2015, which was jointly managed with the Department of Justice to deliver an electronic indictment solution for the Justice Sector. The electronic interface has improved the accuracy, timeliness and reliability of information across the Justice Sector.
- Implementation of a contemporary internal

ODPP intranet that is user friendly and enables the efficient retrieval and communication of ODPP policies, procedures, research, news items, announcements and other information to staff of the ODPP.

- Completion of further enhancements to the Business Intelligence Reporting (BIR) system, which focused on the delivery of a number of key improvements and changes. These include the implementation of a variety of new data marts such as Timeliness, ABC Hours, Employee Leave, and Employee Hours.

The Year Ahead

We continue to drive technology change within the Office through forward planning and the development of our major technology and infrastructure strategic initiatives. During 2015-2016 we aim to:

- Implement Internet Telephony to replace the ODPP analogue telephone system with digital phones using the existing ODPP data network infrastructure to provide telephony services to all ODPP offices.
- Further enhance the Business Intelligence Reporting (BIR) system to improve its reporting capability. This will result in further enriched information to be available for strategic and operational decision making.

Bernard O’Keeffe

**Chief Financial Officer & General Manager,
Corporate Services**

PART 06

APPENDICES

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APPENDIX 1: DIRECTOR OF PUBLIC PROSECUTIONS ACT 1986 NSW: KEY PROVISIONS

The **Director of Public Prosecutions Act 1986** was enacted to create the Office of Director of Public Prosecutions, to confer functions on the Director and for related purposes.

For the period 1 July 2014 to 30 June 2015 no amendments were made to the Act.

s 4 Director The Director is responsible to the Attorney General for the exercise of his functions. Nothing in s 4(3) affects the Director regarding the preparation, institution and conduct of any proceedings.

s 7 Principal Functions The principal functions of the Director are to: (a) institute and conduct prosecutions for indictable offences in the Supreme Court and District Court; (b) conduct appeals in any court for any such prosecution, and (c) conduct, as the responding party, any appeal in any court for any such prosecution: s 7 (1). The Director has the same functions as the Attorney General in relation to: (a) finding a bill of indictment or determining that no bill of indictment be found for an indictable offence where the person charged has been committed for trial; (b) directing that no further proceedings be taken against a person committed for trial or sentence; and (c) finding an ex officio indictment where the person has not been committed for trial.

s 8 Instituting other proceedings The Director can institute and conduct committal proceedings for indictable offences, summary proceedings in any court, and summary proceedings for those indictable offences which can be dealt with summarily in the Local Court.

s 11 Consents The power to consent, authorise or sanction various prosecutions is delegated to the Director.

s 12 Coroners The Director can, with the Coroner's consent, assist a coroner in any inquest or inquiry.

s 13 Guidelines to Crown Prosecutors by Director The Director can provide written guidelines to the Deputy Directors, the Solicitor for Public Prosecutions and Crown Prosecutors concerning the prosecution of offences, but Guidelines are not issued in relation to particular cases.

s 14 Recommendations and guidelines to police by Director The Director can issue guidelines to the Commissioner of Police regarding the prosecution of offences, but not in relation to specific cases.

s 15 Provisions relating to guidelines Guidelines issued by the Director are required to be published in the Office's Annual Report.

s 15A Disclosures by law enforcement officers Police have a duty to disclose, to the Director, all relevant material obtained during an investigation that might reasonably be expected to assist the prosecution or defence case.

s 18 Request for assistance from police by Director The Director may request police assistance in investigating a matter that the Director may institute or take over.

s 19 Indemnities and undertakings The Director may request the Attorney General to grant indemnities and give an undertaking that an answer or statement will not be used in evidence.

s 24 Offences under Commonwealth laws Where an officer, with the consent of the Attorney General, holds an authority to prosecute Commonwealth offences, that officer may institute and conduct prosecutions for such offences.

s 25 Consultation Consultation between the Director and the Attorney General is provided for.

s 26 Guidelines by Attorney General The Attorney General may provide guidelines to the Director but not in relation to a particular case. Guidelines furnished are required to be published in the Government Gazette and laid before both houses of parliament.

s 27 Attorney General to notify Director of bills and no bills The Attorney General is obliged to notify the Director whenever the Attorney exercises any of the following functions: (a) finding a bill of indictment, or determining that no bill of indictment be found for an indictable offence where the person concerned has been committed for trial; (b) directing that no further proceedings

be taken against a person committed for trial or sentence; (c) finding a bill of indictment for an indictable offence where the person has not been committed for trial; and (d) appealing under s 5D of the **Criminal Appeal Act 1912** to the Court of Criminal Appeal against a sentence. The Director is required to include in the Annual Report, information on notifications received from the Attorney General under this section during the period to which the report relates.

s 29 Director may make request to Attorney General If the Director considers it desirable, in the interests of justice, that he not exercise certain functions in relation to a particular case, the Director may request the Attorney General to exercise the Attorney General's corresponding functions.

s 30 Attorney General's powers not affected Nothing in this Act affects any functions of the Attorney General that the Attorney General has apart from this Act.

s 33 Delegation (1) The Director may delegate to an Officer, a Crown Prosecutor, or a person approved by the Attorney General, the exercise of any of the Director's functions other than this power of delegation.

APPENDIX 2: DELEGATIONS

The Attorney General has delegated to the Director, by orders published in the Gazette, authority to consent to prosecutions for particular offences by virtue of section 11(2) of the **Director of Public Prosecutions Act 1986**. This notification of the giving or refusing of consent under the authorisation is made pursuant to section 11(6).

Consent Given

- * Section 66F(2), **Crimes Act 1900** (sexual intercourse with person with cognitive impairment by person responsible for care) x 7
- * Section 66F(3), **Crimes Act 1900** (sexual intercourse by taking advantage of person with cognitive impairment) x 26
- * Sections 61M and 66F(6), **Crimes Act 1900** (where consent is no defence to indecent assault of person with cognitive impairment) x 7

- * Section 78A, **Crimes Act 1900** (incest) x 12
- * Section 78H, **Crimes Act 1900** (homosexual intercourse with male under 10 years where the accused was under 18 years) x 5
- * Section 7, **Surveillance Devices Act 2007** (install, use or maintain a listening device) x 4
- * Section 8, **Surveillance Devices Act 2007** (install, use or maintain an optical surveillance device) x 8
- * Section 11, **Surveillance Devices Act 2007** (communication or publication of private conversations or recordings of activities) x 1

Consent Declined

- * Section 7, **Surveillance Devices Act 2007** (install, use or maintain a listening device) x 2

APPENDIX 3: INTERNAL COMMITTEES

Committee	ODPP Representatives	
Executive Board	Lloyd Babb SC (Chair) Keith Alder John Pickering SC Mark Tedeschi AM QC Stephen Kavanagh (final meeting 21 Aug 2014)	Bernard O'Keeffe Craig Hyland (first meeting 23 Apr 2015) John Hunter (Independent) Janis Watson-Wood (Independent) (final meeting 11 Dec 2014)
Management Committee	Lloyd Babb (Chair) Keith Alder John Pickering SC Mark Tedeschi AM QC Bernard O'Keeffe Stephen Kavanagh (final meeting 21 Aug 2014) Claire Giroto (final meeting 17 Jul 2014)	Craig Hyland (first meeting 19 Feb 2015) Johanna Pheils Sashi Govind Paula McNamara Janine Lacy Nigel Richardson
Audit & Risk Committee	Alexander Smith AM (Chair/Independent)	Sashi Govind (Member) Carolyn Walsh (Independent)
Information Management & Technology Steering Committee	Claire Giroto (Chair) (final meeting 5 Aug 2014) Sashi Govind (Chair) Hop Nguyen (Co-Chair) Mark Hobart SC (alt. Richard Herps)	Bernard O'Keeffe Craig Hyland (first meeting 3 Feb 2015) Johanna Pheils Paula McNamara
Crown Prosecutors Management Committee	Mark Tedeschi AM QC Chris Maxwell QC Phil Ingram SC Lee Carr (first meeting 25 Aug 2014) Terry Thorpe Craig Everson Philip Hogan (alt. David Patch)	Michael Fox Frank Veltro (alt. Siobhan Herbert) Gina O'Rourke Huw Baker (alt. Peter McGrath) Helen Roberts Ana Seeto (Treasurer) Deborah Carney (Crown Support)
Work Health & Safety Committee	Employee Representatives Melissa Day Vesna Medica Peter Phythian (final meeting 1 Apr 2015) Bree Chisholm Andrew McMaster (Proxy)	Employer Representatives Peter Burns (final meeting 1 Apr 2015) Peter Bridge Keith Holder Nigel Richardson (Proxy)
PSA / Management Joint Consultative Committee	ODPP Representatives Nigel Richardson (Chair) Craig Hyland Keith Alder Sashi Govind Bernard O'Keeffe	ODPP PSA Representatives Fiona Horder Andrew Horowitz Carla Black PSA Industrial Officer Xanthe Thomson
Workplace Wellbeing Taskforce	Lloyd Babb SC Nanette Williams Carla Black Sharon Wills Susan Ayre Bea Woolford Andrew Horowitz	Arnis Tillers Michael Reville Luke Muller Rebecca Gilvear Keith Holder Nigel Richardson

APPENDIX 4: EXTERNAL COMMITTEES

Committee/Steering Group	ODPP Representative/s	
Apprehended Violence Legal Issues Coordination Committee (<i>reviews problems associated with apprehended violence orders</i>)	Edna Udovich	
Burwood Court Users Group	Bree Chisholm	
Campbelltown Criminal Court User Group	Melinda Graczol	
Court Security Committee	Peter Bridge	
Criminal Business Committee	Lloyd Babb SC/Keith Alder	Sashi Govind
Criminal Justice Strategy Board	Lloyd Babb SC	
Criminal Law Committee of the Law Society of NSW	Johanna Pheils	
Criminal Listing Review Committee (<i>review listings in the District Court</i>)	Lloyd Babb SC	
Downing Centre Users Group	Paula McNamara	
Drug Court Senior Officers Implementation Group (Sydney Metro)	Sashi Govind	
Joint Investigative Response Team State Management Group	Georgia Turner	
Justice Cluster Bail Monitoring Group	Michael Day	Johanna Pheils
Justice Process Improvement Committee	Johanna Pheils	
Koori Court Working Group	Lloyd Babb SC	Craig Hyland
Magistrates Early Referral Into Treatment (MERIT) – State-wide Steering Group	Sashi Govind	
National DPP Executives Conference	Johanna Pheils	Bernard O’Keeffe
NSW Sentencing Council	Lloyd Babb SC	
Parramatta Children’s Court User Forum	Bree Chisholm	
Parramatta Court Users Group	Bree Chisholm	
Police- ODPP Liaison Group Meeting – Northern Region	Janine Lacy Sashi Govind	Aranka Zsidi Colin Cupitt
Police- ODPP Liaison Group Meeting – Sydney West	Janine Lacy Mel Graczol Fiona Horder Joanna Croker	Bree Chisholm Ian Boyd Allison Gill Tracey Cornwall
Police – ODPP Liaison Group Meeting – Southern	Sashi Govind/Janine Lacy Peter Burns	Allison Dunn
Police – ODPP Liaison Group Meeting – Western	Sashi Govind/Janine Lacy Roger Montgomery/Michael Maher	Susan Ayre
Police – ODPP Liaison Group Meeting – Mid North Coast	Arnis Tillers Christine Hunter Paula McNamara	Janet Little Malcolm Young
DPP – ODPP Police Liaison Group Meeting – Riverina	Tonia Adamson Paula McNamara	Kylie Knight
Police – ODPP Prosecution Liaison Standing Committee	Johanna Pheils Paula McNamara Sashi Govind	Janine Lacy Craig Hyland
Sex Crimes and Joint Investigation Response Squad Advisory Council Meeting	Lee Purches	
Sexual Assault Review Committee	Georgia Turner Lee Purches	Gina O’Rourke
Victims Advisory Board under the Victims’ Rights and Support Act 2013	Johanna Pheils	
Victims of Crimes Advisory Group	Lee Purches	

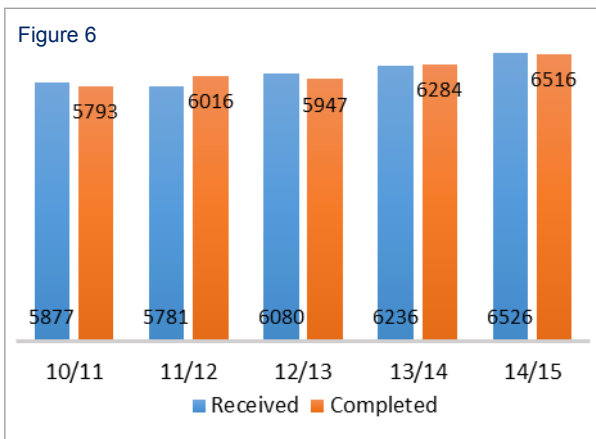
APPENDIX 5: PRODUCTIVITY

In 2014-2015 the Office completed approximately 19,599 matters including severity appeals and Supreme Court bail applications.

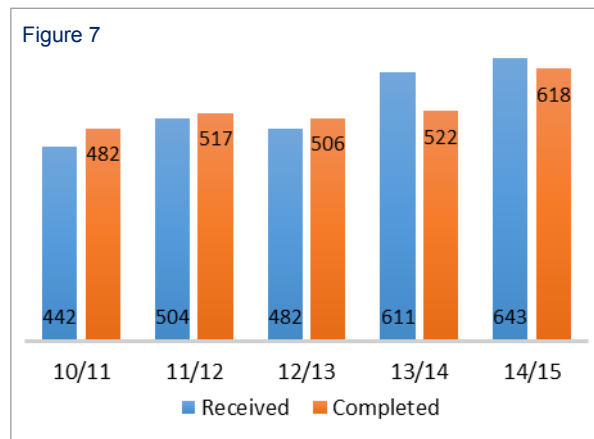
The statistics below represent the most resource intensive work conducted by the ODPP. They relate to the number of matters received and completed in each jurisdiction. A “completed” matter describes the closing of a file and does not refer to the outcome of the case.

LOCAL COURT

Local Court Committals

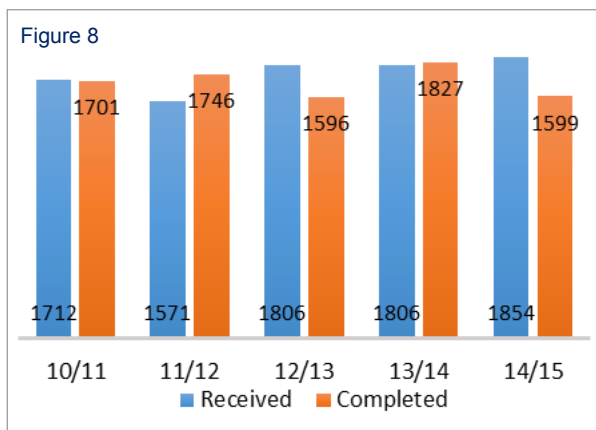


Local Court Summary Prosecutions

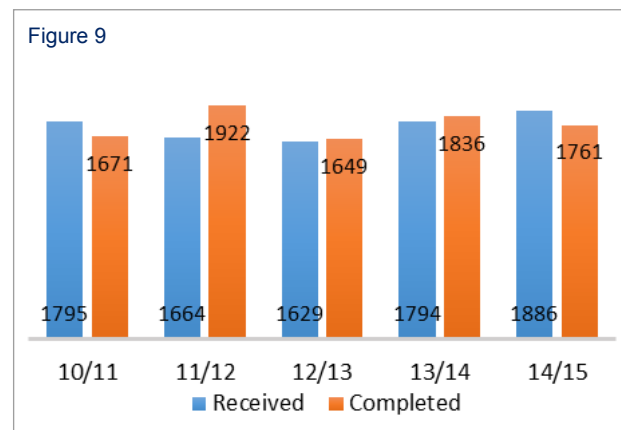


DISTRICT COURT

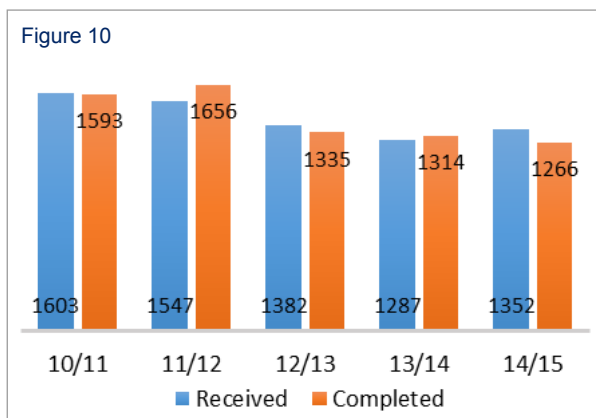
District Court Trials



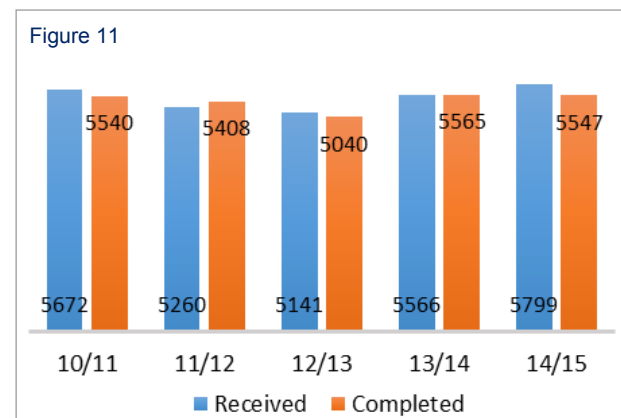
District Court Sentences



District Court All-Grounds Appeals

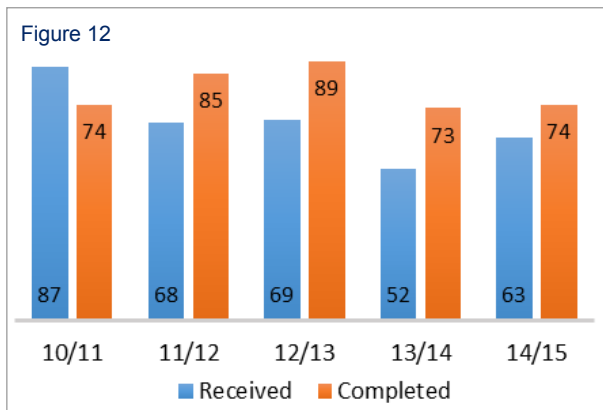


District Court Severity Appeals

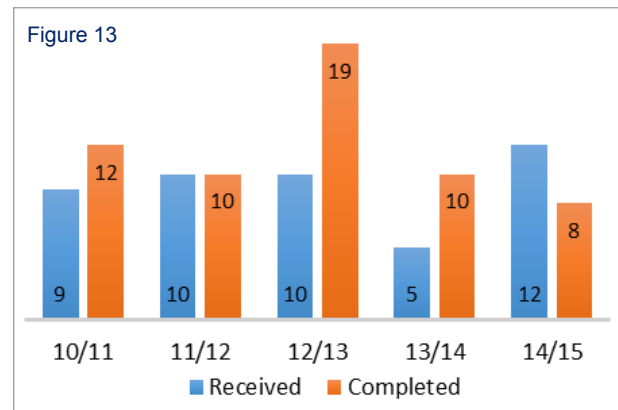


HIGHER COURTS

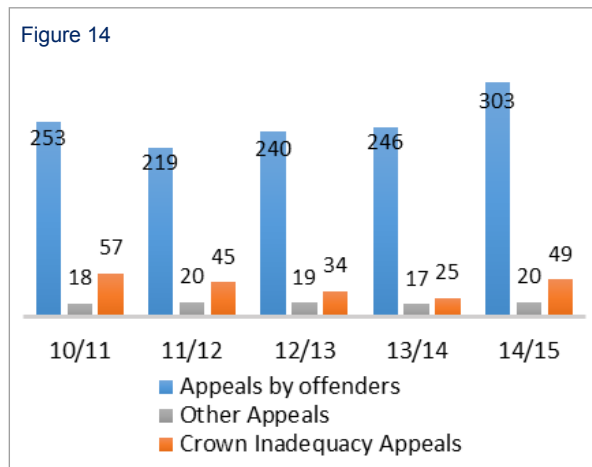
Supreme Court Trials



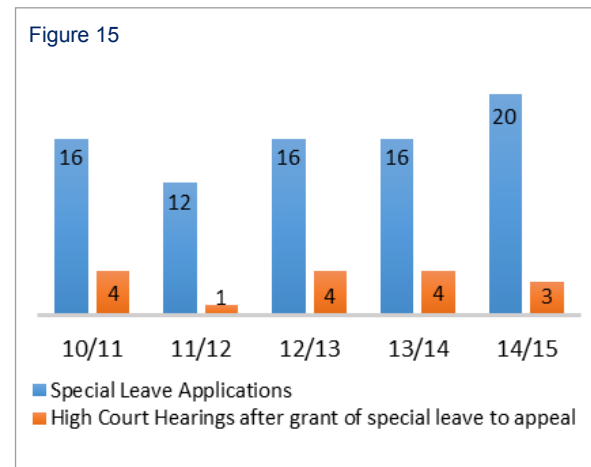
Supreme Court Sentences



Appeals Finalised in the CCA



High Court Matters



APPENDIX 6: RECOVERY OF PROCEEDS OF CRIME

Confiscation of Proceeds of Crime Act 1989 (CoPoCA)

The Director of Public Prosecutions may commence proceedings for the forfeiture of assets and pecuniary penalty orders pursuant to CoPoCA after a conviction has been recorded. In NSW the Crime Commission also has responsibility for taking confiscation proceedings under the **Criminal Assets Recovery Act 1990**; such proceedings are not conviction based. The Crime Commission usually commences proceedings in matters where there are significant amounts that may be forfeited to the State.

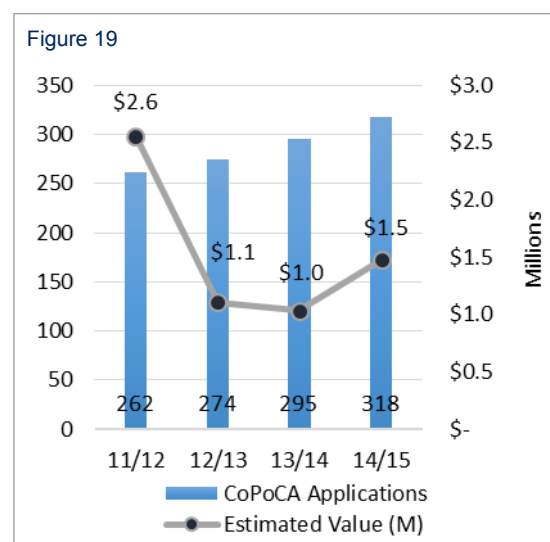
Resources

The ODPP receives recurrent funding of \$310,000 per annum to fulfil the obligations required under CoPoCA. This funding is partly applied to the position of a full time confiscation lawyer in Sydney with the remainder being applied to other related resources required in the area, including information technology development and training.

Performance and Statistics

During the 2014-2015 financial year confiscation applications made pursuant to the Act rose 7%, a further increase of the trend that began during the 2013-2014 financial year. The estimated value of confiscated property was five times the amount of recurrent funding. In addition, the number of successful CoPoCA applications which were successful also rose from 93% to 95%. Particulars appear in the following graph (Figure 19) and table.

Number of Applications and Estimated Value



Summary of Applications Made Pursuant to the Confiscation of Proceeds of Crime Act 1989

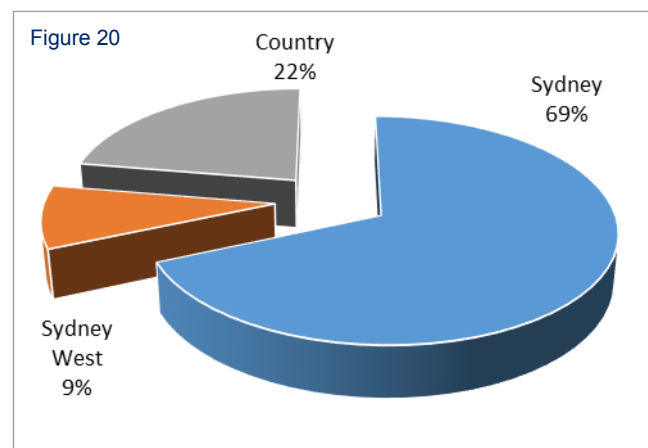
	2011/12	2012/13	2013/14	2014/15
Number of Orders Applied for (FO, PPO & DPO)	262	274	295	318
Number of Orders Granted	240	265	274	303
Number of Forfeiture Orders (FO)	223	257	271	297
Number of Pecuniary Penalty Orders (PPO)	9	4	1	1
Number of Drug Proceeds Orders	8	3	2	5
Percentage of matters where application was successful	97%	97%	93%	95%
Total estimated value of property confiscated (millions)	\$2.6	\$1.1	\$1.0	\$1.5

Cash was the most common property confiscated, followed by motor vehicles.

Computers used in child pornography, mobiles phones, and hydroponics equipment were also forfeited.

For the second year, the Sydney Office obtained the largest share of assets confiscated by value.

Estimated Value of Property Confiscated by Region



APPENDIX 7: MATTERS WHERE COSTS WERE AWARDED AGAINST THE ODPP

Cost Efficiency

Costs were awarded against the ODPP in 2014-2015 in 47 matters, a 5% increase from 2013-2014. The total value of costs orders made was \$503,210.

	2010/11	2011/12	2012/13	2013/14	2014/15
Criminal Procedure Act	35	49	64	30	31
Costs in Criminal Cases Act	17	12	13	14	12
"Mosely" Orders	9	10	3	0	4
Crimes (Appeal & Review) Act	1	11	1	0	0
CoPoCA	2	1	0	1	0
Total number of orders	64	83	81	45	47
Total Value of orders made (\$'000)	1,288	1,932	1,104	462	503
Number of matters registered by ODPP in period	16,254	16,254	16,347	16,946	17,385
Number of costs awarded where fault of prosecution	18	6	12	2	9
Percentage of matters where costs orders were made due to the conduct of the prosecution	0.07%	0.04%	0.07%	0.01%	0.05%

APPENDIX 8: PUBLIC INTEREST DISCLOSURE

Number of public officials who have made a public interest disclosure to the public authority	0
Number of public interest disclosures received by the public authority in total and the number of public interest disclosures received by the public authority relating to the following:	0
▪ Corrupt conduct	0
▪ Maladministration	0
▪ Serious and substantial waste of public money or local government money (as appropriate)	0
▪ Government information contraventions	0
▪ Local government pecuniary interest contraventions	0
▪ Number of public interest disclosures finalised by the public authority	0
Does the public authority have a public interest disclosure policy in place	Yes

APPENDIX 9: DISABILITY ACTION PLAN

The Office remains committed to implementing the Disability Policy Framework to ensure that any difficulties accessing its services by people with disabilities are identified and eliminated wherever possible.

The key objectives of the plan are to ensure that:

- All members of the community have equal access to our services
- There is no discrimination against people with disabilities in our services or workplaces
- Disability principles are incorporated into the Office's policies and practices.

Victims and witnesses with a disability are one of the main groups prioritised by the Witness Assistance Service (WAS). In 2014-2015 WAS provided case management services to victims and witnesses with identified disabilities. This included intellectual and cognitive disabilities, acquired brain injury, physical disabilities, sensory disabilities and mental health disabilities.

The WAS liaises closely with ODPD staff and the following external agencies to enable people with disabilities to participate in the criminal justice system and give their evidence to the best of their ability:

- Courts
- Diversity Services with Department of Attorney General and Justice (DAGJ)
- Intellectual Disability Rights Service, Criminal Justice Support Network.

Vulnerable persons under the **Criminal Procedures Act 1986** include children and people with a cognitive impairment. Vulnerable persons who are called as witnesses are entitled to:

- Have their police statements recorded electronically and played to the court as evidence-in-chief.

- Give evidence via CCTV.
- Have a support person with them while giving evidence.

WAS assists in preparing witnesses for Court and informing them of their rights and entitlements. WAS Officers coordinate and provide court support if not provided by other services.

The Office is also committed to providing training for all staff to ensure that they are familiar with new and changed laws to ensure that victims and witnesses with a disability are given every opportunity. Training provided to staff included:

- Unfit and NGMI Matters at the Mental Health Review Tribunal.
- The use of intermediaries for children and vulnerable people at court.
- Overview of the WAS Service as part of Induction programs run for new staff.

In addition the Office provided in depth training on changes to legislation that may impact upon those victims and witnesses with a disability:

- Recent Issues and Changes to Sexual Assault Prosecutions.
- Changes to Victims Support and the New Legislation.
- Sexual Assault Communication Privilege: The Law.

APPENDIX 10: ETHNIC AFFAIRS PRIORITY STATEMENT

The ODPP continues to meet its commitment to the Community and Ethnic Affairs Priority Statement. All staff endeavour to ensure that members of the community are afforded every respect when dealing with the ODPP. All witnesses, victims and accused are entitled to access free interpreter services and the Office consistently ensures these entitlements are met.

Witness Assistance Service

WAS prioritises service delivery to sexual assault complainants, family of victims in homicide and dangerous driving matters, domestic violence victims, children, Aboriginal and Torres Strait Islanders, people with a disability, the elderly and other vulnerable witnesses and special needs groups. A number of victims and witnesses can experience cultural or language barriers. WAS consults with ODPP staff and Crown Prosecutors to assess the special needs and support issues of victims and witnesses. While some victims and witnesses who have cultural and language difficulties can often communicate effectively, their interaction with the criminal justice system can cause stress and anxiety. WAS utilises interpreter services for both face-to-face and telephone contacts with victims and witnesses so that the victim or witness can use their primary language. Victims are also able to utilise both interpreters and translation services when writing their victim impact statements. When an interpreter is required for giving evidence at court, the interpreters are booked by the ODPP solicitors through the courts.

Learning and Development Branch

The ODPP training programs for all staff have components covering cultural diversity. Training

providers are required to adhere to the ODPP Code of Conduct, which requires respect for individual differences and non-discriminatory behaviours.

In June 2015 the Office conducted training titled 'Respect in the Workplace' which was open for all staff to attend. This training was recorded and is available through the Online DVD Resource Library to all staff on the intranet.

Training supporting cultural awareness was offered in the specific areas of 'Cultural Competence in Working with Aboriginal People' in July 2014 and 'Developments in Discrimination and Employment Law' in November 2014. These were both recorded and are available through the Online DVD Resource Library to all staff on the intranet.

Corporate Induction training conducted throughout the year included information on the ODPP's policies on 'Dignity and Respect in the Workplace', 'Workplace Relations Policy (Building a Harassment-Free Workplace)' and 'Workplace Wellbeing Policy'.

Overseas Visitors

Nepal

December 2014 - the Attorney General of Nepal, Mr Babu Ram Kunwar, and three of his prosecutors, met with the Director and Senior Crown Prosecutor.

Samoa

7 April to 16 June 2015 - the Office hosted three prosecutors from Samoa on placement programs to help broaden their experience by exposure to prosecutions in a new jurisdiction.

APPENDIX 11: MULTICULTURAL POLICIES AND SERVICES PROGRAM

As a small agency, the ODPP's priorities over the past 3 years have continued to be focused on the following key opportunities with respect of multicultural planning:

- Where appropriate, all witnesses and victims are encouraged to use the services of interpreters when interacting with the criminal justice system.
- Witness and victim literature and media is available in different languages to assist those from non-English speaking backgrounds.
- ODPP staff receive regular on-going training and instruction in areas such as cross-cultural awareness and how to utilise and work with interpreter services when communicating with witnesses and victims.

The following training programs were run for staff during the reporting period:

- Respect in the Workplace
- Working with Clients from Afghanistan, Iran

and Iraq

- Working Effectively with Refugee Survivors
- Understanding of Islam and Muslims
- Developments in Discrimination and Employment Law.

Over the next four years, the Office is entering a new strategic planning cycle with training and development and communication as key priority areas. The ODPP will continue to recognise the challenges confronted by culturally diverse witnesses and victims and ensure services and opportunities for improvement are incorporated into its multicultural plans.

APPENDIX 12: GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009 NSW

Name of Agency

Office of the Director of Public Prosecutions (NSW) (ODPP)

Period

1 July 2014 to 30 June 2015

Contact

Right to Information Officer

Deputy Solicitor (Legal)

Telephone (02) 9285 8669

Summary

The ODPP is an agency under the **Government Information (Public Access) Act 2009 (GIPA Act)**. Pursuant to section 43 and clause 1 of Schedule 2 of the **GIPA Act**, information in respect of the ODPP's prosecuting functions is "excluded information".

In the period 1 July 2014 to 30 June 2015 the ODPP received no valid and 10 invalid applications under the **GIPA Act** for access to documents.

Table A: Number of Applications by Type of Applicant and Outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	4	0	0	0	0	0
Members of the public (other)	0	0	6	0	0	0	0	0

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of Applications by Type of Application and Outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	10	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

*A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid Applications

	No. of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	10
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table D: Conclusive Presumption of Overriding Public Interest Against Disclosure: Matters Listed in Schedule 1 to Act*

	No. of applications
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

*More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other Public Interest Considerations Against Disclosure: Matters Listed in Table to Section 14 of the Act

	No. of applications
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0

Table F: Timeliness

	No. of applications
Decided within the statutory timeframe (20 days plus any extensions)	10
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	10

Table G: Number of Applications Reviewed Under Part 5 of the Act (by Type of Review and Outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by Administrative Decisions Tribunal	0	0	0
Total	0	0	0

*The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made.

Table H: Applications for Review Under Part 5 of the Act (by Type of Applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

APPENDIX 13: CONSUMER RESPONSE

The ODPP conducts a biennial survey of all non-expert witnesses and victims who have been involved in trial. The latest survey was conducted in 2015, and found the majority of victims and non-expert witnesses viewed their experience with the ODPP favourably.

The ODPP has a Witness Assistance Service, designed to improve engagement and communication between the ODPP and victims in certain prosecutions.

The ODPP has a formal procedure for handling complaints, which is made known to staff and to members of the public (via the ODPP's website). A record is kept of all complaints made against the Office.

APPENDIX 14: CHIEF EXECUTIVE SERVICE AND SENIOR EXECUTIVE SERVICE

SES band	30 June 2014					30 June 2015				
	Total	Male	Female	Average remuneration	% of total employee related expenditure	Total	Male	Female	Average remuneration	% of total employee related expenditure
Band 1	11	5	6	\$169,248.04	2.74%	11	5	6	\$158,102.36	2.28%
Band 2	-	-	-	-	-	-	-	-	-	-
Band 3	-	-	-	-	-	-	-	-	-	-
Band 4	-	-	-	-	-	-	-	-	-	-

In addition to the Senior Executive roles shown in the above table, the ODPP also has the Director of Public Prosecutions, 2 x Deputy Directors of Public Prosecutions and the Solicitor for the Public Prosecutions who are statutory appointees, appointed under the Director of Public Prosecutions Act 1996.

Statutory Appointments

The Office had a total of 85 Statutory appointed staff as at 30 June 2015. 4 of these were newly recruited in 2014-2015.

	30 June 2008	30 June 2009	30 June 2010	30 June 2011	30 June 2012	30 June 2013	30 June 2014	30 June 2015
Statutory appointed & SE	97	94	92	90	89	84	85	85
Lawyers	299	301	300	320	319	319	323	341
Administration & Clerical Staff	216	211	210	212	209	214	203	203
Total	612	606	602	622	617	617	611	629

Staff Profile used to prepare above statistics. Note - 2013/2014 Annual Report indicated Lawyers numbers totalled 204 and Administration & Clerical Staff totalled 323 (figures for 30 June 2014 have been corrected above).

Recruitment Statistics

	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Senior Executive	1	0	0	0	0	0	0
Statutory Appointed	0	0	0	3	0	1	1
Crown Prosecutors	0	2	0	5	2	0	3
Prosecution Officer (Lawyers)	28	18	32	33	21	16	38
Prosecution Officer (Admin)	48	35	50	49	29	35	45
Total	77	55	82	90	52	52	87

As per Workforce Profile, all new starters within the financial year

Chief Executive Officer Statement of Performance

*The Director of Public Prosecutions is a statutory appointment under Section 4 of the **Director of Public Prosecutions Act 1986**. The Director is responsible to Parliament and there is no annual performance review under the **Public Sector Employment and Management Act 2002**.*

Lloyd Babb SC

Period in Position: 1 July 2014 to 30 June 2015

Position and Level: Director of Public Prosecutions

Remuneration: \$426,890 pa (salary plus allowance as at 30 June 2015)

Senior Executive Performance Statement

Nil to report

APPENDIX 15: PROCUREMENT, CORPORATE GOVERNANCE & FINANCIAL ACCOUNTABILITY

Caring for the Environment

NSW Government Resource Efficiency Policy (GREP)

The Government Resource Efficiency Policy (GREP) aims to drive resource efficiency in three main areas – energy, water and waste – and also reduce harmful air emissions from government operations. This policy replaces the previous NSW Government Sustainability Policy and streamlines reporting under the Waste Reduction and Purchasing Policy (WRAPP). This policy ensures that NSW Government agencies:

- Meet the challenge of rising costs for energy, water, clean air and waste management.
- Use purchasing power to drive down the cost of resource-efficient technologies and services.
- Show leadership by incorporating resource efficiency in decision making.

The ODPP has submitted its GREP Agency Report for the financial year 2014-2015 and these results will be published in the 2015-2016 Annual Report. For further information regarding the Government Resource Efficiency Policy (GREP) please visit www.environment.nsw.gov.au.

The Office has developed a four pillar strategic approach to reduce its environmental impact. We consistently aim to implement established Government procurement and management strategies that reduce waste, utilise Government contracts to purchase recycled or 'green' products (carbon neutral) and recycle or reuse furniture and equipment where possible to ensure the reduction of waste within the Office, reduce dumping in land fill and to attain its energy management goals.

The four main pillars are:

Energy Use

- We save energy by using T5 lighting. Also less

waste and service costs for replacement as the T5 bulbs last five times longer than the T8 bulbs.

- Building energy efficient facilities that include efficient sensor operated lighting systems.
- Photocopiers have power reduction buttons – 'sleep mode'.
- The air conditioning plant is fitted with timers which limits operation only to business hours.
- Energy efficient hot water systems are used in bathrooms and kitchens.
- Buying green electricity where possible via contracts 777 and 776. The Sydney Office continues to achieve a 5 Star NABERS rating. 6% green power minimum.
- Procuring equipment that complies with energy star-rating requirements.
- Increasing staff awareness of energy management by publishing best practice guides.

Water

- Water efficient taps are used in bathrooms and kitchens.
- Half flush and full flush toilets.
- Auto flushing systems are used in the men's toilets.
- Showers are fitted with water saving heads.
- Hydra boil or mini boil hot water units are installed to eliminate water wastage.

Equipment, Furniture and Motor Vehicles

- Reduce the number and type of office equipment through the purchase of multi-

function devices.

- Trade in equipment at the expiry of its serviceable life for use as re-engineered machines or stripped for the supply of parts (manage the 'life-span' of office equipment by rotating and relocating machines to low use ODPP Chambers in Court Houses).
- Recycle computers at the expiry of their serviceable life to enable the recycling of appropriate parts or to be re-engineered as usable machines.
- Furniture is re-used, sold at auction, sent to tender or transferred to other Government Departments.
- Purchasing motor vehicles that are fuel efficient and suitable to use EIO fuel.
- Recycle toner cartridges, paper and cardboard products where possible.
- Use co-mingled waste collection where possible.
- Ensure paper stocks purchased are environmentally friendly. We use soy based inks in preference to solvent based products for printing of stock where possible.

Paper Procurement, Waste and Recycling

- Use of multi-function devices (MFDs) that offer multiple page and double-sided copying.
- Provide clear instructions and training in the use of MFDs and printers to minimise paper usage.
- Use of multi-destination (internal) envelopes.
- Use of electronic documents with workflow and digital signatures.

Accountability and Efficiency

All Statutory Reports have been provided within the prescribed timeframes.

- **2014-2015 Annual Financial Statements:** completed and submitted to the Auditor-General within the set deadline of 27 July 2015.
- **Fringe Benefit Tax (FBT): 2014-2015 Annual Return:** submitted by due dates of 21 May 2015 and 29 July 2015.
- **Business Activity Statement (BAS): Monthly Returns:** submitted up to June 2015 by due dates.

The Audit and Risk Committee monitors compliance with ODPP policies, with compliance found to be high. The Committee reviews all audit reports and where a breach of Office policy is identified, corrective action is taken.

Stock Item	Recycled	Environmental accreditation	Elemental chlorine free	Wood fibre sustainable forests	Archival	ISO14001 international standard
Folders	40-60%	✓	✓	✓		
Letterhead		✓	✓		✓	✓
With compliments slips		✓	✓		✓	✓
Business cards		✓	✓			✓
Envelopes	80-90%					
Brochures	30%	✓	✓	✓		

APPENDIX 16: RISK MANAGEMENT & INSURANCE ACTIVITIES

Risk Management

The following internal Audits were completed in the 2014-2015 financial year:

- Payments, purchasing cards and banking
- Payroll controls
- Fiduciary and governance control audit – Code of Conduct
- Review of the internal emergency action plans.

The Office accepted the improvement recommendations tabled in the report.

Internal Audits of the following identified areas are to be undertaken in the 2015-2016 financial year:

- Newcastle ODPP operational audit
- Wagga Wagga ODPP operational audit
- IT security and controls
- Audit of compliance – operational procedures in child sexual assault prosecutions
- Audit of staff awareness of key internal policies.

Motor Vehicles

The Office's 2014-2015 Motor Vehicle claims totalled 10, representing an average damage/loss net cost in claim payments of \$12,000. In comparison to the 2013-2014 Financial Year, there was a decrease of one claim and a decrease in the net damage/loss of \$38,000.

Property

In 2014-2015, there were four Property Claims finalised for the Office. The items claimed received a full refund from the Treasury Managed Fund in the total amount of \$4,282.32.

Miscellaneous

The 2014-2015 reporting year saw the Office make Nil Miscellaneous Claims.

Credit Card Certification

During the 2014-2015 financial year, credit card use within the ODPP was in accordance with Premier & Cabinet Memorandum, Treasury directions and award conditions for travel related expenses.

Credit Card Use

Credit card use within the ODPP is largely limited to:

- Claimable work related travel expenses
- Expenditure for minor purchases where the use of credit card is a more efficient means of payment.

Monitoring Credit Card Use

The following measures and practices are used for providing guidelines and monitoring the efficient use of credit cards within the ODPP:

- Officers are issued with a credit card monthly statement to verify and certify that all expenses were incurred for official purposes. Acquittals are examined and authorised by officers with appropriate financial delegation.
- As a minimum, annual reviews of usage levels and appropriateness of credit card limits are conducted.
- A half-yearly report is submitted to Treasury certifying that credit card use in the ODPP is within set guidelines.

APPENDIX 17: INTERNAL AUDIT AND RISK MANAGEMENT ATTESTATION FOR THE 2014-2015 FINANCIAL YEAR FOR THE ODPP

OUR REFERENCE

DIRECTOR'S CHAMBERS

YOUR REFERENCE

DATE

30 June 2015



Internal Audit and Risk Management Attestation for the 2014-2015 Financial Year for the Office of the Director of Public Prosecutions

I, Lloyd Babb SC, am of the opinion that the Office of the Director of Public Prosecutions has internal audit and risk management processes in operation that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*. These processes provide a level of assurance that enables the senior management of the Office of the Director of Public Prosecutions to understand, manage and satisfactorily control risk exposures.

I, Lloyd Babb SC, am of the opinion that the Audit and Risk Committee for the Office of the Director of Public Prosecutions is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08.

The Chair and Members of the Audit and Risk Committee are:

- Alexander Smith AM, Independent Chairperson (8 October 2013 – 7 October 2016)
- Carolyn Walsh, Independent Member (7 January 2013 – 6 January 2016)
- Sashi Govind, Non-independent Member (31 August 2012 – 30 August 2016)

Lloyd Babb SC
Director of Public Prosecutions

Department Contact Officer/ Chief Executive Officer (Audit and Risk)
Keith Alder
Deputy Director of Public Prosecutions

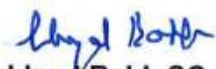
APPENDIX 18: DIGITAL INFORMATION SECURITY ANNUAL ATTESTATION STATEMENT FOR THE 2014-2015 FINANCIAL YEAR FOR THE ODP

Digital Information Security Annual Attestation Statement for the 2014-2015 Financial Year for Office of the Director of Public Prosecutions

I, Lloyd Babb SC, am of the opinion that the Office of the Director of Public Prosecutions had an Information Security Management System in place during the financial year being reported on consistent with the Core Requirements set out in the *Digital Information Security Policy for the NSW Public Sector*.

I, Lloyd Babb SC, am of the opinion that the security controls in place to mitigate identified risks to the digital information and digital information systems of Office of the Director of Public Prosecutions are adequate for the foreseeable future.

I, Lloyd Babb SC, am of the opinion that, where necessary in accordance with the *Digital Information Security Policy for the NSW Public Sector*, certified compliance with *AS/NZS ISO/IEC 27001 Information technology - Security techniques - Information security management systems - Requirements* had been maintained by the Office of the Director of Public Prosecutions.



Lloyd Babb SC
Director of Public Prosecutions

9/9/15

APPENDIX 19: OVERSEAS TRAVEL

Staff member	Dates, places and travel details	Reason for travel, and expenses details (\$AUS)	Total cost
Lloyd Babb SC	15-18 April 2015 Mauritius	Heads of Prosecuting Agencies Conference accommodation	\$1,871.71
		Airfares	\$5,435.44
		Meals	\$305.36
			\$7,612.51

APPENDIX 20: CONSULTANTS

Engagements Greater than \$50,000

Consultant	Category	Name of project and purpose	Cost ex GST
Grant Thornton Australia Limited	Organisational Review	Strategic four year plan	\$89,605

Engagements Less than \$50,000

Categories	Total no. of engagements	Cost ex GST
Finance and accounting	2	\$58,100
Management services	5	\$38,218
Information technology	1	\$39,600
Organisational review	2	\$6,720
Total consultancies each engagements costing less than \$50,000		\$142,638

APPENDIX 21: ACCOUNT PAYMENT PERFORMANCE 1 JUL 2014 — 30 JUN 2015

Ageing of Accounts Payable at the End of Each Quarter

Quarter	Current (within due date) \$	< 30 days overdue \$	30 - 60 days overdue \$	60 - 90 days overdue \$	> 90 days overdue \$
September					
All suppliers	1,228,707	-	1,081	-	-
Small business suppliers	-	-	-	-	-
December					
All suppliers	289,573	-	-	-	-
Small business suppliers	-	-	-	-	-
March					
All suppliers	1,328,958	20,424	717	-	-
Small business suppliers	-	-	-	-	-
June					
All suppliers	752,282	39,863	675	2,107	-
Small business suppliers	-	-	-	-	-

Details of Accounts Due or Paid Within Each Quarter

Quarter	September	December	March	June
Number of accounts due for payment				
All suppliers	1,398	1,232	1,297	1,536
Small business suppliers	8	9	7	17
Number of accounts paid on time				
All suppliers	1,335	1,160	1,205	1,441
Small business suppliers	8	9	7	17
Actual percentage of accounts paid on time (based on number of accounts)				
All suppliers	95%	94%	93%	94%
Small business suppliers	100%	100%	100%	100%
Dollar amount of accounts due for payment				
All suppliers	\$5,543,893	\$5,701,094	\$7,781,362	\$7,498,109
Small business suppliers	\$76,255	\$43,283	\$45,284	\$124,720
Dollar amount of accounts paid on time				
All suppliers	\$5,171,614	\$5,432,948	\$7,568,411	\$7,142,070
Small business suppliers	\$76,255	\$43,283	\$45,284	\$124,720
Actual percentage of accounts paid on time (based on dollar amount of accounts)				
All suppliers	93%	95%	97%	95%
Small business suppliers	100%	100%	100%	100%
Number of payments for interest on overdue accounts				
All suppliers	-	-	-	-
Small business suppliers	-	-	-	-
Interest paid on late accounts				
All suppliers	-	-	-	-
Small business suppliers	-	-	-	-

Reasons for Accounts Not Paid on Time: *Proper supplier's invoices were not received on time for payment.*

PART 07



FINANCIAL STATEMENTS 2014-2015

Financial Statements 2014-2015

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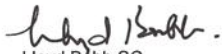
Office of the Director of Public Prosecutions

Financial statements
for the year ended 30 June 2015

**Office of the Director of Public Prosecutions
Statement by Director for the year ended 30 June 2015**

Pursuant to Section 45F of the *Public Finance and Audit Act 1983*, I state that:

- (a) the accompanying financial statements have been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the requirements of the *Public Finance and Audit Act 1983*, and *Public Finance and Audit Regulation 2015*, and Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer;
- (b) the statements exhibit a true and fair view of the financial position and transactions of the Office; and
- (c) I am not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Lloyd Babb SC
Director of Public Prosecutions

Sydney
18 September 2015



INDEPENDENT AUDITOR'S REPORT

Office of the Director of Public Prosecutions

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Office of the Director of Public Prosecutions (the Office), which comprise the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity, statement of cash flows, service group statements and summary of compliance with financial directives for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion the financial statements:

- give a true and fair view of the financial position of the Office as at 30 June 2015, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

My opinion should be read in conjunction with the rest of this report.

Director's Responsibility for the Financial Statements

The Director of the Office (the Director) is responsible for preparing financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Director determines is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Office
- that it carried out its activities effectively, efficiently and economically
- about the effectiveness of the internal control
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



David Daniels
Director, Financial Audit Services

21 September 2015
SYDNEY

Office of the Director of Public Prosecutions
Statement of comprehensive income for the year ended 30 June 2015

	Actual 2015 \$'000	Budget 2015 \$'000	Actual 2014 \$'000
Notes			
Expenses excluding losses			
Operating expenses			
Employee related	2(a) 93,344	95,642	89,946
Other operating expenses	2(b) 19,379	15,073	18,675
Depreciation and amortisation	2(c) 2,991	3,240	2,812
Grants and subsidies	2(d) 266	-	127
Other expenses	2(e) 2,876	3,905	2,980
	<u>118,856</u>	<u>117,860</u>	<u>114,540</u>
Total expenses excluding losses			
Revenue			
Recurrent appropriation	3(a) 103,206	106,688	102,615
Capital appropriation	3(a) 1,367	1,368	2,884
Sale of goods and services	3(b) 27	74	40
Investment revenue	3(c) 200	199	199
Grants and contributions	3(d) 1,936	-	2,979
Acceptance by the Crown Entity of employee benefits and other liabilities	3(e) 7,752	8,175	7,328
Other revenue	3(f) 516	32	1,105
	<u>115,004</u>	<u>116,536</u>	<u>117,150</u>
Total revenue			
Gain / (loss) on disposal	4 (7)	5	(29)
Other gains/(losses)	5 (1,466)	-	-
Net result			
	15, 17 (5,325)	(1,319)	2,581
Other comprehensive income			
Total other comprehensive income	-	-	-
TOTAL COMPREHENSIVE INCOME	<u>(5,325)</u>	<u>(1,319)</u>	<u>2,581</u>

The accompanying notes form part of these financial statements.

Office of the Director of Public Prosecutions
Statement of financial position as at 30 June 2015

	Notes	Actual 2015 \$'000	Budget 2015 \$'000	Actual 2014 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	7	2,693	5,838	6,922
Receivables	8	<u>2,752</u>	<u>3,332</u>	<u>2,927</u>
Total current assets		<u>5,445</u>	<u>9,170</u>	<u>9,849</u>
Non-current assets				
Receivables	8	166	-	-
Plant and equipment	9	9,723	8,753	12,796
Intangible assets	10	<u>2,664</u>	<u>1,537</u>	<u>1,033</u>
Total non-current assets		<u>12,553</u>	<u>10,290</u>	<u>13,829</u>
Total assets		<u>17,998</u>	<u>19,460</u>	<u>23,678</u>
LIABILITIES				
Current liabilities				
Payables	11	4,226	4,198	3,470
Provisions	12	11,422	10,537	11,135
Other	13	<u>118</u>	<u>-</u>	<u>1,600</u>
Total current liabilities		<u>15,766</u>	<u>14,735</u>	<u>16,205</u>
Non-current liabilities				
Provisions	12	<u>3,178</u>	<u>3,440</u>	<u>3,094</u>
Total non-current liabilities		<u>3,178</u>	<u>3,440</u>	<u>3,094</u>
Total liabilities		<u>18,944</u>	<u>18,175</u>	<u>19,299</u>
Net assets		<u>(946)</u>	<u>1,285</u>	<u>4,379</u>
EQUITY				
Accumulated funds		<u>(946)</u>	<u>1,285</u>	<u>4,379</u>
Total equity		<u>(946)</u>	<u>1,285</u>	<u>4,379</u>

The accompanying notes form part of these financial statements.

**Office of the Director of Public Prosecutions
Statement of changes in equity for the year ended 30 June 2015**

	Accumulated Funds	Total
	\$'000	\$'000
Balance at 1 July 2014	4,379	4,379
Net result for the year	<u>(5,325)</u>	<u>(5,325)</u>
Other comprehensive income:		
Total other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(5,325)</u>	<u>(5,325)</u>
Balance at 30 June 2015	<u>(946)</u>	<u>(946)</u>
Balance at 1 July 2013	1,798	1,798
Net result for the year	<u>2,581</u>	<u>2,581</u>
Other comprehensive income:		
Total other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>2,581</u>	<u>2,581</u>
Balance at 30 June 2014	<u>4,379</u>	<u>4,379</u>

Office of the Director of Public Prosecutions
Statement of cash flows for the year ended 30 June 2015

	Actual 2015 \$'000	Budget 2015 \$'000	Actual 2014 \$'000
Notes			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee related	(84,324)	(86,697)	(82,076)
Grants and subsidies	(265)	-	-
Other	<u>(24,800)</u>	<u>(20,636)</u>	<u>(25,177)</u>
Total payments	<u>(109,389)</u>	<u>(107,333)</u>	<u>(107,253)</u>
Receipts			
Recurrent appropriation	103,323	106,688	104,215
Capital appropriation	1,368	1,368	2,884
Transfers to the Crown Entity	(1,600)	-	(27)
Sale of goods and services	27	74	40
Interest received	220	199	165
Grants and contributions	280	-	1,273
Other	<u>2,909</u>	<u>2,387</u>	<u>3,169</u>
Total receipts	<u>106,527</u>	<u>110,716</u>	<u>111,719</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	17 <u>(2,862)</u>	<u>3,383</u>	<u>4,466</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment	4	5	24
Purchases of plant and equipment	(1,007)	(868)	(2,255)
Other	<u>(364)</u>	<u>(500)</u>	<u>(632)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(1,367)</u>	<u>(1,363)</u>	<u>(2,863)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(4,229)	2,020	1,603
Opening cash and cash equivalents	<u>6,922</u>	<u>3,818</u>	<u>5,319</u>
CLOSING CASH AND CASH EQUIVALENTS	7 <u>2,693</u>	<u>5,838</u>	<u>6,922</u>

The accompanying notes form part of these financial statements.

Supplementary financial statements

Office of the Director of Public Prosecutions
Service group statements for the year ended 30 June 2015

	Service Group 1 Prosecutions *		Service Group 2 Victim and Witness Assistance *		Not Attributable		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
OFFICE'S EXPENSES AND INCOME								
Expenses excluding losses								
Operating expenses								
• Employee related	90,312	86,934	3,032	3,012	-	-	93,344	89,946
• Other operating expenses	18,826	18,097	553	578	-	-	19,379	18,675
Depreciation and amortisation	2,857	2,681	134	131	-	-	2,991	2,812
Grants and subsidies	261	125	5	2	-	-	266	127
Other expenses	-	-	2,876	2,980	-	-	2,876	2,980
Total expenses excluding losses	112,256	107,837	6,600	6,703	-	-	118,856	114,540
Revenue**								
Recurrent appropriation	-	-	-	-	103,206	102,615	103,206	102,615
Capital appropriation	-	-	-	-	1,367	2,884	1,367	2,884
Sale of goods and services	27	40	-	-	-	-	27	40
Investment revenue	193	192	7	7	-	-	200	199
Grants and contributions	1,858	2,896	78	83	-	-	1,936	2,979
Acceptance by the Crown Entity of employee benefits and other liabilities	7,500	7,082	252	246	-	-	7,752	7,328
Other revenue	514	1,105	2	-	-	-	516	1,105
Total revenue	10,092	11,315	339	336	104,573	105,499	115,004	117,150
Gain / (loss) on disposal	(7)	(28)	-	(1)	-	-	(7)	(29)
Other gains / (losses)	(1,466)	-	-	-	-	-	(1,466)	-
Net result	(103,637)	(96,550)	(6,261)	(6,368)	104,573	105,499	(5,325)	2,581
Other comprehensive income								
Increase / (decrease) in assets revaluation reserve	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	(103,637)	(96,550)	(6,261)	(6,368)	104,573	105,499	(5,325)	2,581

* The names and purposes of each service group are summarised in note 6.

** Appropriations are made on an entity basis and not to individual service groups. Consequently, appropriations must be included in the 'Not Attributable' column.

Supplementary financial statements

Office of the Director of Public Prosecutions
Service group statements for the year ended 30 June 2015

OFFICE'S ASSETS & LIABILITIES	Service Group 1 Prosecutions *		Service Group 2 Victim and Witness Assistance *		Not Attributable		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Current assets								
Cash and cash equivalents	2,564	6,649	129	273	-	-	2,693	6,922
Receivables	2,640	2,818	112	109	-	-	2,752	2,927
Total current assets	5,204	9,467	241	382	-	-	5,445	9,849
Non-current assets								
Receivables	160	-	6	-	-	-	166	-
Plant and equipment	9,264	12,170	459	626	-	-	9,723	12,796
Intangible assets	2,538	982	126	51	-	-	2,664	1,033
Total non-current assets	11,962	13,152	591	677	-	-	12,553	13,829
TOTAL ASSETS	17,166	22,619	832	1,059	-	-	17,998	23,678
Current liabilities								
Payables	3,922	3,122	304	348	-	-	4,226	3,470
Provisions	10,998	10,704	424	431	-	-	11,422	11,135
Other	118	1,600	-	-	-	-	118	1,600
Total current liabilities	15,038	15,426	728	779	-	-	15,766	16,205
Non-current liabilities								
Provisions	3,140	3,059	38	35	-	-	3,178	3,094
Total non-current liabilities	3,140	3,059	38	35	-	-	3,178	3,094
TOTAL LIABILITIES	18,178	18,485	766	814	-	-	18,944	19,299
NET ASSETS	(1,012)	4,134	66	245	-	-	(946)	4,379

* The names and purposes of each service group are summarised in note 6.

Supplementary financial statements

Office of the Director of Public Prosecutions
Summary of compliance with financial directives for the year ended 30 June 2015

	2015			2014				
	Recurrent Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Recurrent Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE								
• Appropriation Act	106,688	103,323	1,368	104,215	104,215	2,884	2,884	2,884
• Transfers from another agency (per section 32 of the Appropriation Act)	-	-	-	-	-	-	-	-
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	106,688	103,323	1,368	104,215	104,215	2,884	2,884	2,884
Amount drawn down against Appropriation		103,206						
Liability to Consolidated Fund *		(117)					(1,600)	

The summary of compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed).

* The "Liability to Consolidated Fund" represents the difference between the 'Amount drawn down against Appropriation' and the 'Expenditure / Net Claim on Consolidated Fund'.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

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Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

1 Summary of Significant Accounting Policies

(a) *Reporting entity*

The Office of the Director of Public Prosecutions (the Office) is a NSW government entity. The Office is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The Office is consolidated as part of the NSW Total State Sector Accounts.

These financial statements for the year ended 30 June 2015 have been authorised for issue by the Director on 18 September 2015.

(b) *Basis of preparation*

The Office's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015* and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

Plant and equipment are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) *Statement of compliance*

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) *Insurance*

The Office's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

(e) *Accounting for the Goods and Services Tax (GST)*

Income, expenses and assets are recognised net of the amount of GST, except that the:

- amount of GST incurred by the Office as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of an asset's cost of acquisition or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(f) *Income recognition*

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

(i) *Parliamentary appropriations and contributions*

Except as specified below, parliamentary appropriations and contributions from other bodies (including grants and donations) are recognised as income when the Office obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

Appropriations are not recognised as income in the following circumstance:

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

1 Summary of Significant Accounting Policies (cont'd)

(f) *Income recognition (cont'd)*

Unspent appropriations are recognised as liabilities rather than income, as the authority to spend money lapses and unspent amount must be repaid to the Consolidated Fund. The liability is disclosed in note 13 as part of 'Current liabilities - Other'. The amount will be repaid and the liability will be extinguished next financial year.

(ii) Rendering of services

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

(iii) Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

(g) *Assets*

(i) Acquisitions of assets

Assets acquired are initially recognised at cost. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

(ii) Capitalisation thresholds

Plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

(iii) Revaluation of plant and equipment

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 14-1). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement*, AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

Plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and takes into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer note to 9 for further information regarding fair value.

The Office revalues each class of plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation of the Office's library books was completed on 31 March 2015 and was based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation of fair value. The Office has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

1 Summary of Significant Accounting Policies (cont'd)

(g) *Assets (cont'd)*

(iii) Revaluation of plant and equipment (cont'd)

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated.

For other assets valued using other valuation techniques, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of assets, they are debited directly to the asset revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation surplus in respect of that asset is transferred to accumulated funds.

(iv) Impairment of plant and equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances such as where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost where depreciated replacement cost is also fair value.

(v) Depreciation of plant and equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Office.

All material identifiable components of assets are depreciated separately over their useful lives.

Computer laptop	3 years
Computer servers	3 years
Computer equipments	4 years
Office equipments	5 years
Multifunction devices	5 years
PABX equipments	5 years
Office furniture and fittings	10 years
Library books	15 years

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

1 Summary of Significant Accounting Policies (cont'd)

(g) *Assets (cont'd)*

(vi) Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(vii) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(viii) Leased assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of the leased assets, and operating leases under which the lessor does not transfer substantially all the risks and rewards.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

(ix) Intangible assets

The Office recognises intangible assets only if it is probable that future economic benefits will flow to the Office and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Software is classified as intangible assets.

Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Office's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

The Office's intangible assets are amortised using the straight line method over a period of 4 years.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

(x) Receivables

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(xi) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

When an available for sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the net result for the year, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the net result for the year.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

1 Summary of Significant Accounting Policies (cont'd)

(g) *Assets (cont'd)*

(xi) Impairment of financial assets (cont'd)

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence. However, reversals of impairment losses on an investment in an equity instrument classified as 'available for sale' must be made through the revaluation surplus. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(xii) Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Office transfers the financial asset:

- where substantially all the risks and rewards have been transferred or
- where the Office has not transferred substantially all the risks and rewards, if the entity has not retained control.

Where the Office has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Office's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(h) *Liabilities*

(i) Payables

These amounts represent liabilities for goods and services provided to the Office and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Financial guarantees

The Office has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts as at 30 June 2015 and at 30 June 2014. However, refer note 16 regarding disclosures on contingent liabilities.

(iii) Employee benefits and other provisions

(a) Salaries and wages, annual leave, sick leave and on-costs

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits. Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Office has assessed the actuarial advice based on the Office's circumstances and has determined that the effect of discounting is immaterial to annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Crown Prosecutors are entitled to compensatory leave when they perform duties during their vacation. Unused compensatory leave gives rise to a liability and is disclosed as part of annual leave.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

1 Summary of Significant Accounting Policies (cont'd)

(h) *Liabilities (cont'd)*

(iii) Employee benefits and other provisions (cont'd)

(b) Long service leave and superannuation

The Office's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Office accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Entity of employee benefits and other liabilities'.

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 15/09) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (e.g Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(c) Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

(iv) Other Provisions

Other provisions exist when: the Office has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Any provisions for restructuring are recognised only when the Office has a detailed formal plan and the Office has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

If the effect of the time value of money is material, provisions are discounted at 3.01%, which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(i) *Fair value hierarchy*

A number of the Office's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the Office categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted prices in active markets for identical assets / liabilities that the Office can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 - inputs that are not based on observable market data (unobservable inputs).

The Office recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Refer Note 9 and Note 18 for further disclosures regarding fair value measurements of financial and non-financial assets.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

1 Summary of Significant Accounting Policies (cont'd)

(j) *Equity and reserves*

(i) *Revaluation surplus*

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with the Office's policy on the revaluation of property, plant and equipment as discussed in note 1(g)(iii).

(ii) *Accumulated Funds*

The category 'Accumulated Funds' includes all current and prior period retained funds.

(k) *Budgeted amounts*

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. There are no budget adjustments to the original budget as a result of Administrative Arrangement Orders. Major variances between the original budgeted amounts and the actual amounts disclosed on the primary financial statements are explained in Note 15.

(l) *Comparative information*

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

(m) *Incentive*

Incentives payable under operating leases are recognised initially as liabilities. The incentive is subsequently amortised over the contract term, as a reduction of expenses. The straight-line method is adopted for reduction of expense.

(n) *Witness expenses*

Witness expenses are paid to witnesses who attend conferences with the Office and court to give evidence for the prosecution. Witness expenses are designed to minimise financial hardship and are paid towards lost income and direct out of pocket expenses such as travel expenses incurred in attending court.

(o) *Changes in accounting policy, including new or revised Australian Accounting Standards*

(i) *The accounting policies applied in 2014-15 are consistent with previous financial year*

(ii) *Issued but not yet effective*

The following new Accounting Standards have not been applied and are not yet effective

AASB 2010 Amendments arising from AASB 9 to Australian Accounting Standards (December). These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139 Financial Instruments: Recognition and Measurement. This standard is applicable from 1 January 2015.

AASB 2013-9 Conceptual Framework, Materiality & Financial Investments. Part C amends AASB 9 to permit requirements relating to the 'own credit risk' of financial liabilities measured at fair value to be applied without applying the other requirements of AASB 9 at the same time. Part C of this standard is applicable from 1 January 2015. Furthermore, Part C of this standard amends the mandatory effective date of AASB 9 so that AASB 9 is required to be applied from 1 January 2017 instead of 1 January 2015.

AASB 2014-4 clarification of acceptable methods of depreciation and amortisation. This standard amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets. This standard is applicable from 1 January 2016.

AASB 9, AASB 2010-7, AASB 2013-9 (Part C), AASB 2014-1 (Part E), AASB 2014-7, AASB 2014-8 regarding financial instruments and principles for the financial reporting of financial assets that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of the entity's future cash flows. This standard is applicable from 1 January 2015.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

1 Summary of Significant Accounting Policies (cont'd)

Changes in accounting policy, including new or revised Australian Accounting Standards (cont'd)

AASB 2015-1 regarding annual improvements to Australian Accounting Standards 2012-2014 cycle. This standard is applicable from 1 January 2016.

AASB 2015-2 regarding amendments to AASB 101 disclosure initiatives. This standard is applicable from 1 January 2016.

AASB 2015-3 regarding the withdrawal of AASB 1031 Materiality and to delete references to AASB 1031 in the Australian Accounting Standards. This standard is applicable from 1 July 2015.

While the impact of these standards in the period of initial application has not been specifically quantified, they are not expected to materially impact the financial statements.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

2 Expenses Excluding Losses

	2015	2014
	\$'000	\$'000
(a) Employee related expenses		
Salaries and wages (including annual leave)*	74,008	72,408
Superannuation - defined benefit plans	2,340	2,593
Superannuation - defined contribution plans	5,716	5,039
Long service leave	5,285	4,593
Workers' compensation insurance	269	321
Payroll tax and fringe benefit tax	4,981	4,726
On-cost on long service leave	555	262
Temporary staff	190	4
	<u>93,344</u>	<u>89,946</u>

* Employee related costs of \$0.095M that have been capitalised as intangible assets and therefore excluded from above. (2014:\$nil).

	2015	2014
	\$'000	\$'000
(b) Other operating expenses include the following:		
Auditor's remuneration - audit of the financial statements	49	46
Cleaning	356	324
Consultants	232	91
Insurance	430	375
Motor vehicle expenses	230	276
Operating lease rental expense - minimum lease payments	7,847	8,051
Telephone	634	614
Stores and equipment	494	546
Training	259	153
Travel	1,270	1,166
Other expenses	834	1,479
Outgoings	394	611
Books and online services	537	103
Fees - private barristers	3,767	2,467
Fees - practising certificates	320	313
Fees - security	170	171
Gas and electricity	377	435
Postage	153	148
Maintenance*	1,026	1,306
	<u>19,379</u>	<u>18,675</u>
* Reconciliation - Total maintenance		
Maintenance expense - contracted labour and other (non-employee related), as above	1,026	1,306
Employee related maintenance expense included in Note 2(a)	18	18
Total maintenance expenses included in Note 2(a) + 2(b)	<u>1,044</u>	<u>1,324</u>

	2015	2014
	\$'000	\$'000
(c) Depreciation and amortisation expense		
Depreciation		
Plant and Equipment	1,752	1,996
Computer equipment	701	372
Library collection	149	136
Total Depreciation	<u>2,602</u>	<u>2,504</u>
Amortisation		
Intangible	389	308
	<u>2,991</u>	<u>2,812</u>

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

2 Expenses Excluding Losses (cont'd)

	2015	2014
	\$'000	\$'000
(d) Grants and subsidies		
Contribution to TMF for hindsight adjustment	150	127
Grants to agencies for recurrent purposes	<u>116</u>	<u>-</u>
	<u>266</u>	<u>127</u>
	2015	2014
	\$'000	\$'000
(e) Other expenses		
Allowances to witness	2,795	2,917
Living expenses of defendant non Australian citizens	<u>81</u>	<u>63</u>
	<u>2,876</u>	<u>2,980</u>

3 Revenue

	2015	2014
	\$'000	\$'000
(a) Appropriations and transfers to the Crown Entity		
<i>Recurrent appropriations</i>		
Total recurrent draw-downs from NSW Treasury (per Summary of compliance)	103,323	104,215
Less: Liability to Consolidated Fund (per Summary of compliance)	<u>117</u>	<u>1,600</u>
	<u>103,206</u>	<u>102,615</u>
Comprising:		
Recurrent appropriations (per Statement of comprehensive income)	<u>103,206</u>	<u>102,615</u>
	<u>103,206</u>	<u>102,615</u>
<i>Capital appropriations</i>		
Total capital draw-downs from NSW Treasury (per Summary of compliance)	1,368	2,884
Less: Liability to Consolidated Fund (per Summary of compliance)	<u>1</u>	<u>-</u>
	<u>1,367</u>	<u>2,884</u>
Comprising:		
Capital appropriations (per Statement of comprehensive income)	<u>1,367</u>	<u>2,884</u>
	<u>1,367</u>	<u>2,884</u>
	2015	2014
	\$'000	\$'000
(b) Sale of goods and services		
Commissions - miscellaneous deductions	1	1
Cost awarded	26	38
Appearance fees	<u>-</u>	<u>1</u>
	<u>27</u>	<u>40</u>
	2015	2014
	\$'000	\$'000
(c) Investment revenue		
Interest revenue from financial assets not at fair value through profit or loss	<u>200</u>	<u>199</u>
	<u>200</u>	<u>199</u>

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

3 Revenue (cont'd)

	2015	2014
	\$'000	\$'000
(d) Grants and contributions		
Contribution from Budget Dependant agencies	1,936	2,979
	1,936	2,979

Grant received from Department of Justice in 2014-15 for Sydney Drug Court program \$0.280M (2014: \$0.273M).

Non cash grant of \$1.656M received from Department of Justice for the E-Indictment Software (asset transfer).

	2015	2014
	\$'000	\$'000
(e) Acceptance by the Crown Entity of employee benefits and other liabilities		
The following liabilities and / or expenses have been assumed by the Crown Entity or other government agencies:		
Superannuation - defined benefit	2,340	2,593
Long service leave	5,285	4,593
Payroll tax	127	142
	7,752	7,328

Long service leave valuations are subject to actuarial reviews. The Commonwealth 10 year bond rate as at 30th June each year has an impact on the valuation.

	2015	2014
	\$'000	\$'000
(f) Other revenue		
Lease incentives	-	180
Other revenue	516	925
	516	1,105

4 Gain / (Loss) on Disposal

	2015	2014
	\$'000	\$'000
Gain / (loss) on disposal of computer equipment		
Proceeds from disposal	2	42
Written down value of assets disposed	(9)	(71)
Net gain / (loss) on disposal of office equipment	(7)	(29)

5 Other gains/(losses)

	2015	2014
	\$'000	\$'000
Library collection revaluation decrement	(1,466)	-
Other gains / (losses)	(1,466)	-

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

6 Service Groups of the Office

(a) Service Group 1 Prosecutions

Purpose: To provide the people of New South Wales with an efficient, fair and just prosecution service.

Description: The service group covers the institution and conduct of prosecutions and related proceedings for indictable offences under NSW laws. This includes providing advice to police and investigative agencies on evidentiary matters, participating in the law reform process and capturing the proceeds of crime.

(b) Service Group 2 Victim and Witness Assistance

Purpose: To provide victims and witnesses with relevant information and support in the prosecution process.

Description: This service group covers the provision of information, referral and support services to victims of violent crimes and to vulnerable witnesses who give evidence in matters prosecuted by the Director of Public Prosecutions.

Service Group 'Statement of assets and liabilities' and 'Statement of expenses and income' are provided in the supplementary financial statements.

7 Current Assets - Cash and Cash Equivalents

	2015 \$'000	2014 \$'000
Cash at bank and on hand	2,650	6,879
Permanent witness advance	<u>43</u>	<u>43</u>
	<u>2,693</u>	<u>6,922</u>

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and witness advances float given to courthouses.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

	2015 \$'000	2014 \$'000
Cash and cash equivalents (per statement of financial position)	<u>2,693</u>	<u>6,922</u>
Closing cash and cash equivalents (per statement of cash flows)	<u>2,693</u>	<u>6,922</u>

Refer note 18 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.

8 Current / Non-Current Assets - Receivables

	2015 \$'000	2014 \$'000
Current Receivables		
Rendering of services	22	163
Goods and Services Tax recoverable from ATO	394	358
Prepayments	2,197	2,269
Interest	90	110
Advances	<u>49</u>	<u>27</u>
	<u>2,752</u>	<u>2,927</u>

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in note 18.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

8 Current / Non-Current Assets - Receivables (cont'd)

	Notes	2015 \$'000	2014 \$'000
Non-current Receivables			
Prepayments		<u>166</u>	<u>-</u>
		166	-

9 Non-Current Assets - Plant and Equipment

	Library collection \$'000	Plant and equipment \$'000	Total \$'000
At 1 July 2014 - fair value			
Gross carrying amount	2,221	27,424	29,645
Accumulated depreciation	<u>(323)</u>	<u>(16,526)</u>	<u>(16,849)</u>
Net carrying amount	<u>1,898</u>	<u>10,898</u>	<u>12,796</u>
At 30 June 2015 - fair value			
Gross carrying amount	784	27,885	28,669
Accumulated depreciation	<u>(473)</u>	<u>(18,473)</u>	<u>(18,946)</u>
Net carrying amount	<u>311</u>	<u>9,412</u>	<u>9,723</u>

Reconciliation

A reconciliation of the carrying amount of plant and equipment at the beginning and end of the current reporting period is set out below.

	Library collection \$'000	Plant and equipment \$'000	Total \$'000
Year ended 30 June 2015			
Net carrying amount at start of year	1,898	10,898	12,796
Additions	29	978	1,007
Disposals	-	(11)	(11)
Net revaluation increment less revaluation decrements	(1,466)	-	(1,466)
Depreciation expense	<u>(150)</u>	<u>(2,453)</u>	<u>(2,603)</u>
Net carrying amount at end of year	<u>311</u>	<u>9,412</u>	<u>9,723</u>
	Library collection \$'000	Plant and equipment \$'000	Total \$'000
At 1 July 2013 - fair value			
Gross carrying amount	1,845	27,069	28,914
Accumulated depreciation	<u>(187)</u>	<u>(17,461)</u>	<u>(17,648)</u>
Net carrying amount	<u>1,658</u>	<u>9,608</u>	<u>11,266</u>
At 30 June 2014 - fair value			
Gross carrying amount	2,221	27,424	29,645
Accumulated depreciation	<u>(323)</u>	<u>(16,526)</u>	<u>(16,849)</u>
Net carrying amount	<u>1,898</u>	<u>10,898</u>	<u>12,796</u>

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

9 Non-Current Assets - Plant and Equipment (cont'd)

Reconciliation

A reconciliation of the carrying amount of each class of plant and equipment at the beginning and end of the previous reporting period is set out below.

	Library collection \$'000	Plant and equipment \$'000	Total \$'000
Year ended 30 June 2014			
Net carrying amount at start of year	1,658	9,608	11,266
Additions	376	3,682	4,058
Disposals	-	(23)	(23)
Depreciation expense	(136)	(2,369)	(2,505)
Net carrying amount at end of year	<u>1,898</u>	<u>10,898</u>	<u>12,796</u>

(a) Fair value hierarchy

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total fair value \$'000
2015				
Library collection	-	142	169	311
	<u>-</u>	<u>142</u>	<u>169</u>	<u>311</u>

There were no transfers between Level 1 or 2 during the period.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total fair value \$'000
2014				
Library collection	-	784	-	784
	<u>-</u>	<u>784</u>	<u>-</u>	<u>784</u>

(b) Valuation techniques, inputs and processes

The Office control and maintain a law library collection. Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence (monographs) have been measured utilising the cost approach. Under the cost approach the estimated cost to replace the asset is calculated and then adjusted to take into account its consumed economic benefit / asset obsolescence (accumulated depreciation). Consumed economic benefit / asset obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration. Inputs include current average replacement costs, which have been sourced from observable market related evidence and are considered level 2 inputs as well as physical deterioration and obsolescence deductions. These are considered unobservable inputs and categorised as level 3 in the fair value hierarchy.

As part of the law library collection, the entity controls a legislation sub-collection where the market transitions do not generally occur with reliable frequency. Reference was made to available sales evidence together with other relevant information related to market conditions. Market transactions have been scarce and the Valuer has used significant professional judgement in determining the fair value measurements.

The current use of the assets is considered the highest and best use.

Significant Level 3 inputs utilised by the agency are derived and evaluated as follows:

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

9 Non-Current Assets - Plant and Equipment (cont'd)

The significant unobservable inputs used in the fair value measurement of library collection relate to the consumed economic benefit/asset obsolescence. A significant increase (decrease) in this input would result in a significantly lower (higher) fair value measurement.

(c) **Reconciliation of recurring level 3 fair value measurements**

	Library collection \$'000	Total Recurring level 3 Fair value \$'000
Fair value as at 1 July 2014	-	-
Transfers from Level 2	<u>169</u>	<u>169</u>
Fair value as at 30 June 2015	<u>169</u>	<u>169</u>

Unobservable market evidence suggest \$0.0169M transfer from Level 2 to Level 3.

10 Non-Current Assets - Intangible Assets

	Software and Others \$'000
At 1 July 2014	
Cost (gross carrying amount)	1,607
Accumulated amortisation	<u>(574)</u>
Net carrying amount	<u>1,033</u>
At 30 June 2015	
Cost (gross carrying amount)	3,621
Accumulated amortisation	<u>(957)</u>
Net carrying amount	<u>2,664</u>
Year ended 30 June 2015	
Net carrying amount at start of year	1,033
Additions	2,020
Impairment losses	-
Amortisation (recognised in "depreciation and amortisation")	<u>(389)</u>
Net carrying amount at end of year	<u>2,664</u>
At 1 July 2013	
Cost (gross carrying amount)	1,319
Accumulated amortisation	<u>(562)</u>
Net carrying amount	<u>757</u>
At 30 June 2014	
Cost (gross carrying amount)	1,607
Accumulated amortisation	<u>(574)</u>
Net carrying amount	<u>1,033</u>
Year ended 30 June 2014	
Net carrying amount at start of year	757
Additions	632
Impairment losses	(48)
Amortisation (recognised in "depreciation and amortisation")	<u>(308)</u>
Net carrying amount at end of year	<u>1,033</u>

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

11 Current Liabilities - Payables

	2015 \$'000	2014 \$'000
Accrued salaries, wages and on-costs	2,698	2,472
Creditors	795	261
Accruals	<u>733</u>	<u>737</u>
	<u>4,226</u>	<u>3,470</u>

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in note 18.

12 Current / Non-Current Liabilities - Provisions

	2015 \$'000	2014 \$'000
Current		
Employee benefits and related on-costs		
Annual leave	6,426	6,360
On-cost on annual leave and long service leave	2,903	2,606
Payroll tax on-cost for annual leave and long service leave	<u>1,785</u>	<u>1,770</u>
	<u>11,114</u>	<u>10,736</u>

Annual leave includes \$0.700M expected to be taken after 12 months (2014: \$1.056M).

Other provisions		
Rent adjustment reserve	35	128
Incentive	<u>273</u>	<u>271</u>
	<u>308</u>	<u>399</u>
Total provisions - current	<u>11,422</u>	<u>11,135</u>

	2015 \$'000	2014 \$'000
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Non-current		
Employee benefits and related on-costs		
On-cost on long service leave	249	111
Payroll tax on-cost for long service leave	<u>155</u>	<u>72</u>
	<u>404</u>	<u>183</u>

Other provisions		
Restoration costs	1,939	2,080
Rent adjustment reserve	95	77
Incentive	<u>740</u>	<u>754</u>
	<u>2,774</u>	<u>2,911</u>
Total provisions - non-current	<u>3,178</u>	<u>3,094</u>

Aggregate employee benefits and related on-costs

Provisions - current	11,114	10,736
Provisions - non-current	404	183
Accrued salaries, wages and on-costs (note 11)	<u>2,698</u>	<u>2,472</u>
	<u>14,216</u>	<u>13,391</u>

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits are set out below:

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

12 Current / Non-Current Liabilities - Provisions (cont'd)

	Lease incentive	Restoration costs	Rent adjustment reserve	Total
	\$'000	\$'000	\$'000	\$'000
2015				
Carrying amount at the beginning of financial year	1,024	2,080	205	3,309
Additional provisions recognised	130	-	53	183
Amounts used	(141)	-	(128)	(269)
Unwinding / change in the discount rate	-	(141)	-	(141)
Carrying amount at end of financial year	<u>1,013</u>	<u>1,939</u>	<u>130</u>	<u>3,082</u>

13 Current / Non-Current Liabilities - Other

	2015 \$'000	2014 \$'000
Current		
Liability to consolidated fund	<u>118</u>	<u>1,600</u>
	<u>118</u>	<u>1,600</u>

14 Commitments for Expenditure

2015 \$'000	2014 \$'000
----------------	----------------

(a) Capital commitments

Aggregate capital expenditure for the acquisition of computer equipment and library reference materials contracted for at balance date and not provided for:

Not later than one year	<u>9</u>	<u>75</u>
Total (including GST)	<u>9</u>	<u>75</u>

The total "capital commitments" above includes input tax credit of \$0.001M (30 June 2014 : \$0.007M) recoverable from Australian Taxation Office.

2015 \$'000	2014 \$'000
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(b) Operating lease commitments

Future non-cancellable operating lease rentals not provided for and payable:

Not later than one year	5,225	8,817
Later than one year and not later than five years	10,467	13,301
Later than five years	<u>6,714</u>	<u>8,735</u>
Total (including GST)	<u>22,406</u>	<u>30,853</u>

The total "operating lease commitments" above includes input tax credit of \$2.037M (30 June 2014:\$2.805M) recoverable from Australian Taxation Office.

Non-cancellable leases relate to commitments for accommodation for ten leased premises throughout the state and lease of motor vehicles. Commitments for accommodation are based on current costs and are subject to future rent reviews.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

15 Budget Review

Net result

The actual net result was worse than budget by \$4.006M. This result was in line with the projection to Treasury and was impacted by un-planned expenditure in relation to a Treasury managed fund insurance hindsight adjustment, further efficiency savings imposed after the final budget and a revaluation of the library collection following a change from loose leaf legislation to on-line. The net result was also impacted by an increase in legal staff and private barrister expenditure necessary to meet prosecution demands. Major Variances against budget are primarily due to:

Lower than Budget \$5.226M

- \$2.500M ICAC protected funding not spent in 14/15 rolled into the 15/16 financial year.
- \$1.070M Under expenditure in witness allowances.
- \$1.656M Receipt of capital for e-Indictment software (noncash grant from other agencies).

Higher than Budget \$9.325M

- \$3.929M in operating expenditure mainly due to increase in legal staff and private barrister expenditure, new on-line legal subscriptions and other general expenses.
- \$3.482M Recurrent contribution due to unspent ICAC and witness allowances.
- \$0.150M Non-budgeted Treasury managed fund insurance hindsight adjustment.
- \$0.116M Non budgeted efficiency savings paid direct to Justice Cluster as a grant.
- \$1.466M Non-budgeted Library collection revaluation owing to obsolete loose leaf collection.
- \$0.135M Non-budgeted defined benefit superannuation additional contributions.

Assets and liabilities

Current assets are lower than budget by \$3.725M mainly due to cash balance reduction of \$1.600M payment of liability to con fund in 14/15, \$1.545M increase in payments, \$0.166M reclassification of current to non-current assets, \$0.414M reduction in expected prepayments.

Non-current assets are higher than budget by \$2.263M mainly due to \$1.656M non-cash transfer for e-indictment project, \$1.706M non cash grant for Newcastle fit out in 13/14 offset by \$1.466M revaluation of Library collection and timing of depreciation provision.

Current liabilities are higher than budget by \$1.031M mainly due to \$0.118M year-end liability to con fund, \$0.262M reclassification of non-current liability to current liability, \$0.651M increased leave liability and on cost on long service leave.

Non-current liabilities are lower than budget by \$0.262M due to reclassification of non-current liability to current liability.

Cash flows

Net cash flows from operating activities was \$6.245M lower than budget mainly due to \$2.056M increased payments, \$2.500M unspent 14/15 ICAC funding, \$0.865M unspent witness expenses, \$1.600M unspent ICAC repayment to con-fund for 13/14, \$0.776M increased revenue for drug court and the e-indictment project.

16 Contingent Liabilities and Contingent Assets

The Office was not aware of any contingent asset or liability as at 30 June 2015 (\$nil in 2014) that may materially affect the future results of the Office.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

17 Reconciliation of Cash Flows from Operating Activities to Net Result

	2015 \$'000	2014 \$'000
Net cash flow from operating activities	(2,862)	4,466
Depreciation and amortisation	(2,991)	(2,812)
Decrease / (increase) in provisions	(371)	(821)
Increase / (decrease) in prepayments and other assets	(9)	2,048
Decrease / (Increase) in creditors	(756)	(482)
Decrease / (increase) in other liabilities	1,482	(1,573)
Increase/(decrease) in Assets	<u>182</u>	<u>1,755</u>
Net result	<u>(5,325)</u>	<u>2,581</u>

18 Financial Instruments

The Office's principal financial instruments are outlined below. These financial instruments arise directly from the Office's operations or are required to finance the Office's operations. The Office does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Office's main risks arising from financial instruments are outlined below, together with the Office's objectives, policies and processes for measuring and managing risk.

The Director has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Office, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee on a continuous basis.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2015 \$'000	Carrying Amount 2014 \$'000
Class:				
Cash and cash equivalents	7	N/A	2,693	6,922
Receivables ¹	8	Receivables measured at amortised cost	151	300
Financial Liabilities	Note	Category	Carrying Amount 2015 \$'000	Carrying Amount 2014 \$'000
Class:				
Payables ²	11	Financial liabilities measured at cost	3,679	4,739
Provisions	12	Financial liabilities measured at amortised cost	1,939	2,080

¹ Excludes statutory receivables and prepayments

² Excludes statutory payables and unearned revenue

(b) Credit risk

Credit risk arises when there is the possibility of the Office's debtors defaulting on their contractual obligations, resulting in a financial loss to the Office. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Office, including cash and receivables. No collateral is held by the Office. The Office has not granted any financial guarantees.

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

18 Financial Instruments (cont'd)

Credit risk associated with the Office's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Account receivable invoices are made on 30 day terms.

The Office is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2015: \$nil; 2014: \$nil) and not less than 3 months past due are not considered impaired. Together, these represent 100% of the total trade debtors. Most of the Office's debtors have a 100% credit rating. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

(c) Liquidity risk

Liquidity risk is the risk that the Office will be unable to meet its payment obligations when they fall due. The Office continuously manages risk through monitoring future cash flows planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

During the current and prior years, there were no defaults of loans payable. No assets have been pledged as collateral. The Office's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Office may automatically pay the supplier simple interest. No interest was paid during the year (2015: \$nil, 2014: \$nil).

Office of the Director of Public Prosecutions
Notes to the financial statements for the year ended 30 June 2015

18 Financial Instruments (cont'd)

(d) Market risk

The Office's borrowing is nil. The Office has no exposure to foreign currency risk and does not enter into commodity contracts.

Interest rate risk

The Office has no interest bearing liabilities.

Other price risk

The Office has no direct equity investments.

(e) Fair value measurement

Financial instruments are generally recognised at cost and the carrying amount is a reasonable approximation of fair value because of the short term nature of many of the financial instruments.

19 Events after the Reporting Period

The Office is not aware of any circumstances that occurred after balance date, which would materially affect the financial statements.

End of audited financial statements

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