

# Annual Report

## 18/19



DIRECTOR OF PUBLIC PROSECUTIONS  
OFFICE OF PUBLIC PROSECUTIONS



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## Annual Report 2018/19

This document includes:

The 2018/19 Annual Report of the Director of Public Prosecutions pursuant to s. 12 of the *Public Prosecutions Act 1994*.

The 2018/19 Annual Report of the Office of Public Prosecutions pursuant to the *Financial Management Act 1994*.

Full financial statements for the Office of Public Prosecutions are either provided in this report or can be accessed at [www.opp.vic.gov.au](http://www.opp.vic.gov.au)

Office of Public Prosecutions  
565 Lonsdale Street  
Melbourne Victoria 3000

## Accountable Officer's Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Office of Public Prosecutions Annual Report for the year ending 30 June 2019.



John Cain  
Solicitor for Public Prosecutions  
Office of Public Prosecutions  
30 August 2019

# Highlights

**The Director of Public Prosecutions (DPP), Crown Prosecutors' Chambers and the Office of Public Prosecutions (OPP) delivered strong outcomes in criminal prosecutions in 2018/19. Highlights of the year included:**

## OUR VALUES

### ACT FAIRLY

### ACT WITH INTEGRITY

### RESPECT OTHERS

### WORK TOGETHER

### STRIVE FOR EXCELLENCE

The OPP's Court Support Dog Program was adopted on a full-time basis to assist more victims and witnesses to give evidence.

The OPP and RMIT's Centre for Innovative Justice launched a report providing unique insight into the communication needs of victims of crime.

A record 2,111 new matters were referred to the Victims and Witness Assistance Service.

The Victims and Witness Assistance Service provided 5,436 professional consultations to victims and witnesses.

Guilty outcomes were achieved in 91.9 per cent of matters – the highest level on record.

In 2018/19, 77.6 per cent of prosecutions were finalised as a guilty plea.

The OPP serviced 12,823 Judicial Officer Sitting Days, up from 12,227 last year and a record level for the OPP.

The OPP confiscated \$19.5 million in illegal assets and proceeds of crime, which was paid to the State's consolidated fund.

The Audio-Visual unit performed a record 3,309,865 media actions, including conversions, edits and audio or visual enhancements to enable evidence to be provided in a court-compatible format.

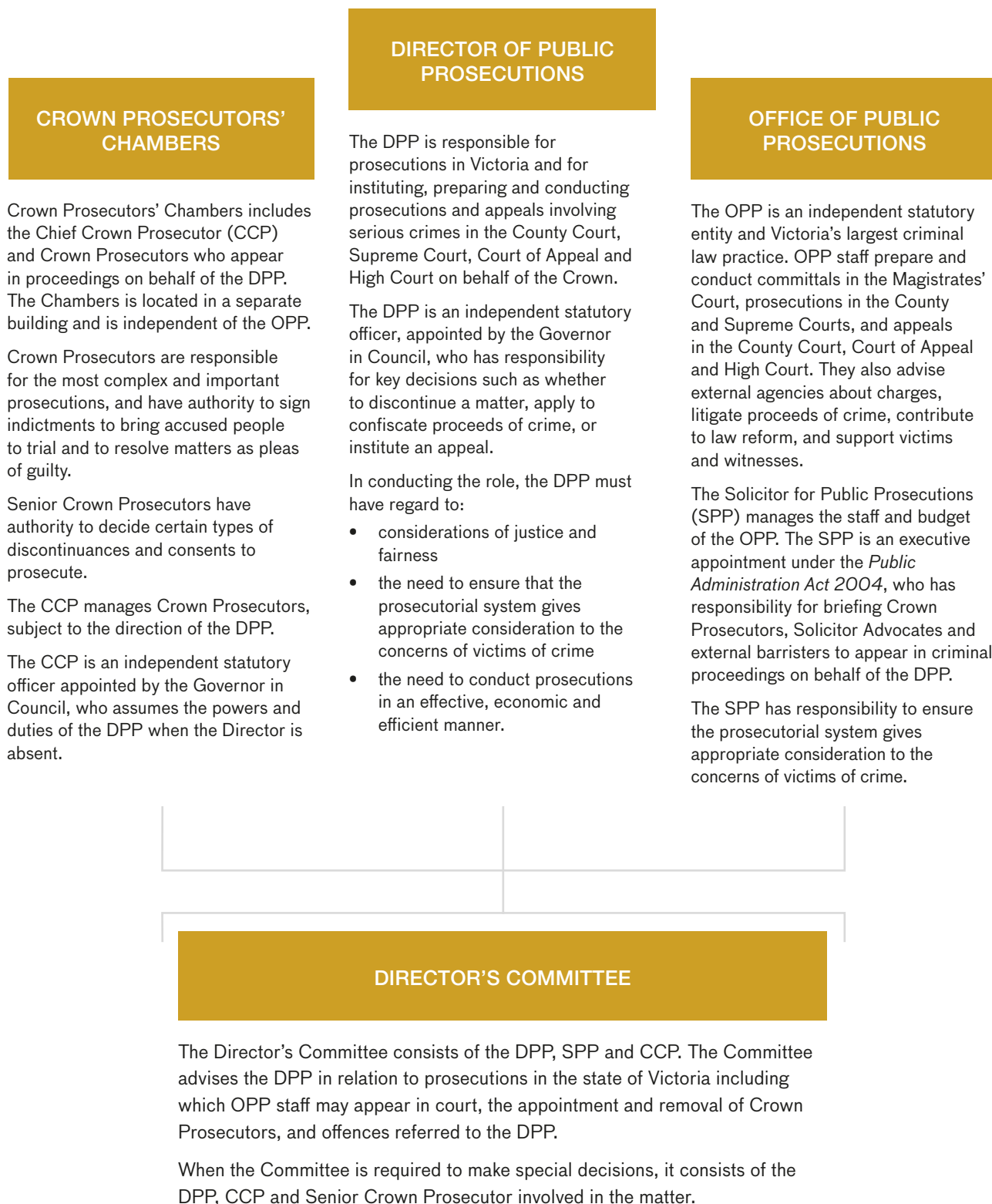
The sixth Modern Prosecutor Conference was held and rated a success by attendees.

OPP Victims Engagement Coordinator Julie Morrison was awarded a Churchill Fellowship to study court dog programs in North America.



The Director's Committee, from left, Solicitor for Public Prosecutions **John Cain**, Director of Public Prosecutions **Kerri Judd QC**, Chief Crown Prosecutor **Brendan Kissane QC**.

# Structure



# Our Work

## Our purpose

To provide an independent prosecution service to the people of Victoria.

## Our vision

To make a positive difference to the community through the justice system.

## Who we are

Serious crime in Victoria is prosecuted independently and impartially by:

- the Director of Public Prosecutions Kerri Judd QC
- Crown Prosecutors' Chambers, led by Chief Crown Prosecutor Brendan Kissane QC. Chambers has seven Senior Crown Prosecutors and 12 Crown Prosecutors. One Crown Prosecutor is based in Geelong
- the OPP, led by Solicitor for Public Prosecutions John Cain. The OPP has 357 full-time equivalent staff, including 286 in its Legal Practice. Based at 565 Lonsdale Street, the OPP also has a Geelong office with 15 staff who service south-west Victorian courts.

## What we do

Together with the DPP and Crown Prosecutors, the OPP is responsible for prosecuting the most serious criminal matters in Victoria on behalf of the community. Crimes prosecuted include homicide, culpable driving, armed robbery, drug trafficking, serious sex offences, corruption, fraud, organised crime and serious assaults.

Most prosecutions are referred to the OPP by Victoria Police, which investigates crime, files charges and provides the OPP with a brief of evidence.

Throughout a prosecution, the OPP works closely with the Victoria Police informant who has investigated the crime.

Other investigative agencies that refer matters to the OPP include the Australian Federal Police; Consumer Affairs Victoria; the Department of Health and Human Services; the Department of Environment, Land, Water and Planning; Environment Protection Authority Victoria; the Independent Broad-based Anti-corruption Commission Victoria; and WorkSafe Victoria.

The OPP briefs Crown Prosecutors, private barristers with expertise in criminal law and its own Solicitor Advocates to appear in court in bail applications; committal hearings in the Magistrates' Court; pleas and trials in the County and

Supreme Courts; and appeals in the County Court, Court of Appeal, the civil jurisdiction of the Supreme Court, and the High Court of Australia.

Proceeds of Crime is a specialist unit at the OPP that conducts major confiscation litigation on behalf of the DPP under the *Confiscation Act 1997*.

Policy and Specialised Legal Division represents the OPP in law reform. The Department of Justice and Community Safety consults the OPP on legislative reforms, and the OPP proposes legislative reforms to improve the prosecution process.

The DPP and SPP have an obligation under the *Public Prosecutions Act 1994* to conduct prosecutions in an effective, economic and efficient manner, and to give consideration to the concerns of victims of crime.

The OPP's Victims and Witness Assistance Service consists of social workers who provide information and assistance to witnesses, victims of crime and their families to ensure they are supported throughout the criminal justice process.

The OPP is operating according to its Strategic Plan 2017–2021. This plan outlines strategies to deliver five goals, which are to:

- deliver high-quality prosecution and proceeds of crime services, taking advantage of innovative information technology to achieve fair outcomes effectively and efficiently
- be responsive to victims and witnesses in the prosecution process
- enhance OPP legal and victim support service delivery to regional areas of Victoria
- influence and implement policy, procedure and law reform
- deliver our legal services within a framework that supports strong governance, professional capability and staff wellbeing.



# Report of the Director of Public Prosecutions



Director of Public Prosecutions  
**Kerri Judd QC**

**As this Annual Report shows, it has been an extremely busy 12 months for criminal prosecutions in Victoria.**

There have been a number of high-profile and complex cases, and a Royal Commission into the Management of Police Informants.

A major focus of my work, and that of the OPP, has been to improve the experience of victims in the criminal justice system.

## Significant cases

The finalisation of the matter *AB v CD; EF v CD* [2018] in the High Court led to a number of disclosure letters being sent to affected persons. The findings of the High Court that the actions of Nicola Gobbo were fundamental and appalling breaches of her obligations to her clients and her duties to the court and that Victoria Police were guilty of reprehensible conduct in knowingly encouraging Ms Gobbo to do as she did, led to the establishment of the Royal Commission into the Management of Police Informants. This in turn has resulted in a significant increase in work for myself and the OPP.

I have appeared in a number of cases of importance to the administration of criminal justice. One of the most significant cases I appeared in was *DPP Reference No 1 of 2017*. In that case, the High Court unanimously held that the direction commonly referred to as a '*Prasad Direction*' is contrary to law and should not be administered to a jury determining a criminal trial between the Crown and an accused person.

A case attracting enormous public interest was the prosecution of James Gargasoulas, in which I appeared in both the fitness hearing and the trial. After being found guilty, Mr Gargasoulas was sentenced to life imprisonment with a non-parole period of 46 years for his conduct in running down pedestrians in Bourke Street. The sentencing judge described this as one of the worst examples of mass murder in Australian history.

## Law reform

It has been a significant year for law reform. My reform model for committals, aimed at lessening the undesirable impacts of criminal proceedings on victims and witnesses, is now being considered by the Victorian Law Reform Commission.

I have also contributed to the discussion on reform in other areas of law, including contempt of court, suppression orders, County Court appeals, crimes mental impairment and unfitness to be tried legislation, offences against emergency workers, the *Victims' Charter Act 2006* and workplace manslaughter.

## Director's policy and delegations

The Director's policy, delegations and decision making matrix have been updated to reflect the contribution that victims make to important decisions about prosecutions and their desire to be kept informed about their cases.

These changes complement the important work done by the OPP in this regard and the recent legislative changes to the *Victims' Charter Act 2006*.

## Modern Prosecutor Conference

I hosted my second Modern Prosecutor Conference in May 2019. This annual conference is held for the benefit of external barristers briefed on my behalf to appear in cases conducted by the OPP. The Victorian Bar plays a vital role in criminal prosecutions. On any day, approximately 95 external counsel are briefed by the OPP to appear on my behalf.

The theme of the conference was advocacy and it was a great privilege to have the Honourable Justice Virginia Bell AC of the High Court deliver the keynote address on what makes a persuasive closing address.

Other speakers included the Honourable Justice Hollingworth, the Honourable Justice Taylor, his Honour Judge Lacava, his Honour Judge Gamble, Senior Crown Prosecutor Diana Piekusis QC and Crown Prosecutors Melissa Mahady and Pat Bourke.

## Acknowledgments

I would like to take this opportunity to thank the Chief Crown Prosecutor, Brendan Kissane QC, and the Solicitor for Public Prosecutions, John Cain. I would not be able to carry out my duties without their valuable assistance.

Brendan's leadership in Crown Prosecutors' Chambers has resulted in us being able to attract and retain barristers of the highest calibre to make decisions in my name, advise me and appear on my behalf in the most important cases.

Under John's leadership the OPP has become a workplace of choice for those interested in carrying out important and challenging responsibilities in respect of the administration of criminal justice. I thank all staff at the OPP for their dedication and hard work.

Lastly, I would like to thank my Associate, Zandra Carino, for carrying out her difficult responsibilities with talent, enthusiasm and confidentiality.

**Kerri Judd QC**  
Director of Public Prosecutions

# Report of the Chief Crown Prosecutor



Chief Crown Prosecutor  
**Brendan Kissane QC**

It has been another year of change in Crown Prosecutors' Chambers, with a number of new appointments made and a move to a new Chambers to accommodate growth within the team.

## Crown Prosecutors' Chambers

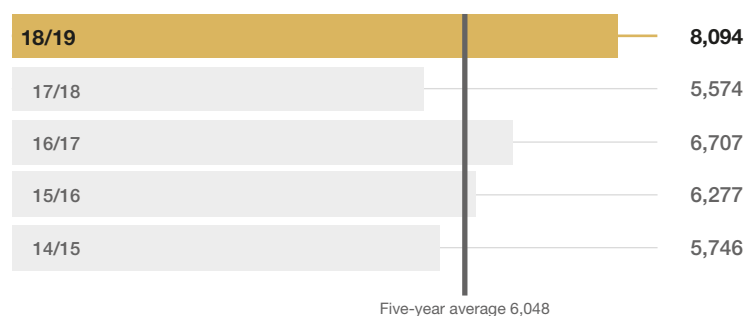
In 2018/19, Crown Prosecutors provided advice to the OPP on 8,094 occasions including 2,468 on plea offers, 321 on discontinuances and 5,305 general advisings. The total number of indictments signed for the period was 2,345. The total number of days in court was 1,863.

As at 30 June 2019, we comprised seven Senior Crown Prosecutors and 12 Crown Prosecutors.

Crown Prosecutors are playing a greater role in the oversight of cases conducted by the OPP, following the refinement of processes and procedures on decision making. Advice is now often sought from Crown Prosecutors at an earlier stage in the proceedings and there is increased capacity for providing ongoing guidance for the life of the matter. This allows for greater accountability and consistency in decision making. Sentence review procedures have also been streamlined, with Crown Prosecutors playing a formal role in deciding whether a matter should be appealed.

The Director introduced a discontinuance review framework to give victims multiple opportunities to express their views before decisions are made to discontinue a prosecution. There is now a more robust procedure in place, with at least two Crown Prosecutors, including a Senior Crown Prosecutor involved in the decision to discontinue a matter, with the potential for the additional involvement of the Director and Chief Crown Prosecutor in important matters.

### Crown Prosecutor Advice



Five-year average is calculated using the data from the previous five years not including 2018/19



Crown Prosecutors have continued to assist in training and presenting both internally and externally. This year a number of Crown Prosecutors spoke at the Director's Modern Prosecutor Conference for external counsel. Crown Prosecutors also took part in monthly training sessions discussing topics of interest.

The new Chambers has provided a great environment for hard work and collegiality. There is room to expand the number of prosecutors as needs grow in the future.

## Chambers movements

Senior Crown Prosecutor Andrew Tinney S.C. was appointed a judge of the Supreme Court of Victoria in July 2018. In his 12 years in Chambers he appeared in a number of high-profile and challenging cases.

In the same month, Crown Prosecutor Kieran Gilligan was appointed a Victorian Magistrate and Crown Prosecutor Daryl Brown returned to practise at the Victorian Bar. Both provided outstanding service to Chambers over 15 years.

Brett Sonnet finished his term as Crown Prosecutor in June 2019, after about 10 years of distinguished service.

A number of important appointments to Chambers were made in July 2018.

Ray Gibson returned from the Victorian Bar as a Senior Crown Prosecutor, having previously served as a Crown Prosecutor between 2002 and 2016. Ray was appointed Senior Counsel in 2018.

Crown Prosecutor Fran Dalziel was elevated to Senior Crown Prosecutor in recognition of her experience with prosecuting serious offences on behalf of the State. Fran, who was appointed to Chambers in 2012, has undertaken a leadership role in recent years. She also took silk in 2018.

Kevin Doyle, Melissa Mahady and Angela Ellis were appointed as Crown Prosecutors. They came from the Victorian Bar with substantial experience in prosecution and defence work, as well as strong indictable crime trial experience.

Neill Hutton was appointed Crown Prosecutor in October 2018, after regularly appearing in criminal trials for the prosecution and defence over a number of years at the Bar.

In May 2019, Grant Hayward joined as a Crown Prosecutor after working at the Bar since 2010. At the Bar he practised almost exclusively in criminal law and appeared for the Crown in the prison riot prosecutions.

Diana Piekusis QC was appointed Senior Counsel in 2018 and a Senior Crown Prosecutor in May 2019, having served in Chambers as a Crown Prosecutor for almost 10 years. During her time in Chambers she has appeared in an extensive number of appeals, trials and pleas in the High Court of Australia, Court of Appeal, Supreme Court and County Court.

**Brendan Kissane QC**  
Chief Crown Prosecutor

# Message from the Solicitor for Public Prosecutions



Solicitor for Public Prosecutions  
**John Cain**

**There have been many significant achievements at the OPP in 2018/19, with all staff responding well to the many challenges that have come our way.**

These challenges have been across a broad range of areas, including our work on a number of high-profile cases and our response to the Royal Commission into the Management of Police Informants.

In this period, we consolidated our new Office structure and continued to focus on meeting the needs of victims of crime.

While there has been a slight increase in the volume of work in the trial divisions and appeals, the real challenge for staff has been the complexity of matters coming to us and managing the additional court events that follow. Also, the nature of evidence is changing with increased volumes of audio-visual material.

The important focus on providing greater assistance to victims to help guide them through the often daunting and intimidating criminal justice system has also added to our workload.

## Working with victims

Providing greater support to victims of crime throughout the prosecution process was a major focus for the Office in 2018/19.

OPP social workers provide a great service assisting victims. Up until last year their services were available to victims at key stages in the prosecution process, including committals, trials, sentence hearings and appeals. In 2018/19, we piloted and then adopted a new model of support with the establishment of multi-disciplinary teams in which social workers were embedded in our trial divisions to work more closely with solicitors.

A key feature of this model is early engagement with victims by the carriage solicitor and social worker. This has resulted in us gaining a better understanding of the needs and expectations of victims and ensures adequate support is available to them beyond what we can provide at the Office.

This work will be consolidated over the next 12 months and we are very optimistic it will lead to better outcomes for victims and reduce the risk of re-traumatisation throughout the prosecution process.

In this reporting period we also commissioned RMIT's Centre for Innovative Justice (CIJ) to conduct research and report on the experience of victims in the criminal justice system. The researchers interviewed a number of victims to better understand their experiences with being told about prosecution decisions. Solicitors and social workers at the OPP were also interviewed.

This report has provided us with a unique insight into the communication needs of victims, and information on how we might enhance our work practices and procedures to provide them with greater assistance. I'm pleased to report we are well underway with implementing all of the recommendations of the CIJ report and we hope to complete this work in 2019.

## Increased demands with audio-visual material

There was a significant increase in the volume of audio-visual material processed by the Office in 2018/19, placing significant pressure on solicitors in the Legal Practice and staff in our Audio-Visual team.

We received more recorded footage from CCTV, dash-cams and mobile devices, and we anticipate a further increase in audio-visual material as footage from police body-worn cameras starts to flow through to the OPP. This is likely to occur in the next reporting period and, although we are well-placed to manage any influx in the short-term, the inevitable challenge in coming years is how we manage this going forward.

This issue is likely to affect the broader criminal justice sector in terms of how this material is stored, managed and delivered to courts in summary and indictable prosecutions. We will work together with our stakeholders to address this issue in the next year.

## Royal Commission

The OPP has allocated considerable resources to providing files and other information to the Royal Commission into the Management of Police Informants. We have responded to notices to produce and other queries and questions. The OPP and the Director have been represented before the Commission with this work ongoing.

## Acknowledgments

Overall, this has been a very good year for the OPP. We have continued to achieve outstanding results in our cases and our engagement with victims is improving. The ongoing enhancement and refinement of internal processes and procedures is leading to greater efficiencies in our work. We have nearly completed the refurbishment of the whole office, providing a modern and efficient work environment for all staff.

We have also relocated the Crown Prosecutors to alternative premises to free up space and manage growth at the OPP. With all these changes, staff have responded positively and

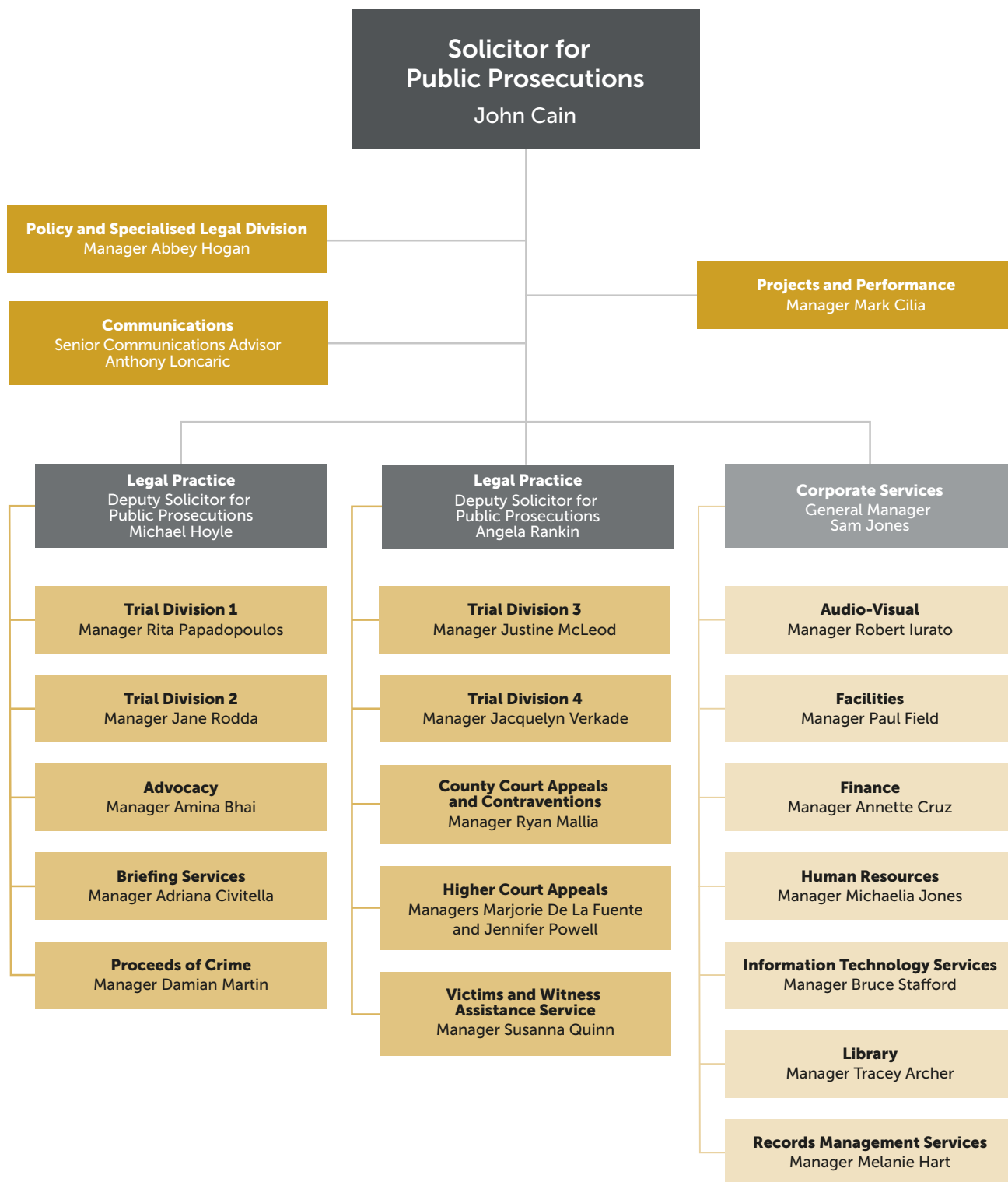
embraced the many new challenges. I take this opportunity to thank them all for their hard work and dedication.

I would also like to acknowledge members of the Executive team, Deputy Solicitors for Public Prosecutions Angela Rankin and Michael Hoyle, and Corporate Services Manager Sam Jones. I also take this opportunity to recognise the service of former Legal Practice Manager Vicky Prapas, who was appointed a Victorian Magistrate in 2018. Vicky served in a number of senior roles over her 23-year career at the OPP.

Finally, I thank the Director Kerri Judd QC and Chief Crown Prosecutor Brendan Kissane QC for their great support and assistance over the past 12 months. It is a great pleasure and privilege to work closely with Kerri and Brendan as part of the Director's Committee.

**John Cain**  
Solicitor for Public Prosecutions

# Organisational Structure



\* As at 30 June 2019

# Legal Practice Report

## Better supporting victims of crime

**The Legal Practice has implemented a number of processes and initiatives to better support victims in criminal prosecutions.**

### Multi-disciplinary approach to communicating with victims

In 2018/19, the OPP adopted a new multi-disciplinary model in which social workers are co-located with solicitors in the Legal Practice trial divisions to enhance communication with victims.

It is aimed at facilitating earlier engagement with victims in the prosecution process, with solicitors and social workers working collaboratively to better meet their support and information needs.

The model was initially piloted in a single trial division and the OPP's Geelong office. An independent review recommended the pilot approach be extended to all trial divisions at the OPP.

Each trial division now has three social workers, with an additional senior social worker or team leader providing oversight.

This collaborative approach has been embraced positively by solicitors and social workers alike. They regularly update each other on issues that arise and work together to identify the specific needs of a victim or witness.

The model also allows for victim support in a broader range of cases and sets the OPP on track to meeting its obligations under changes to the *Victims' Charter Act 2006* set to take place in late 2019.

To support this model, the OPP has developed a comprehensive training package for all solicitors in the Legal Practice to equip them with best practice techniques on consulting with victims. The training will commence in 2019/20.

### New trial division

This year, the OPP created a fourth trial division to facilitate the application of the multi-disciplinary model across more work areas in the Legal Practice.

The Specialist Sex Offences Unit (SSOU) is incorporated within the new trial division, along with two general prosecution teams.

The previous makeup of SSOU is retained with its staff now having access to a co-located team of social workers.



Deputy Solicitors for Public Prosecutions  
**Angela Rankin and Michael Hoyle**

## Record of Sentence Review

The OPP has introduced a streamlined process for sentence reviews for increased efficiency and accountability.

It is aimed at ensuring appeal decisions get to the DPP as soon as reasonably possible.

## Prosecution outcomes

In 2018/19, the OPP handled 3,129 new briefs for prosecution in the higher courts.

Of the 3,129 new matters prosecuted in 2018/19, 485 matters – about 15 per cent – involved family violence. The offences prosecuted were 2,121 general crime matters including serious assault, aggravated burglary and armed robbery; 516 sexual offences; 275 drug offences; 112 homicide/culpable driving matters; 66 commercial crime matters; 28 mental impairment matters; two organised crime matters; and five occupational health and safety matters.

Crown Prosecutors, external barristers with expertise in criminal law, and OPP Solicitor Advocates were briefed to appear in these matters in courts in Melbourne and across regional Victoria.

# Legal Practice Report

Appearing on behalf of the DPP, they worked closely with OPP solicitors to deliver fair and just outcomes. Their role is to represent the State and act as 'ministers of justice' to assist the courts to fairly and impartially expose all relevant facts.

Overall, 91.9 per cent of prosecutions completed resulted in a guilty outcome – the highest guilty outcome achieved by the OPP on record.

In achieving this outcome, prosecutors appeared in a total of 38,092 hearings in Victorian courts, 20.1 per cent of which were in regional Victoria.

Solicitors trained in prosecuting Koori Court matters appeared in 143 of these matters across Victoria, with 10 matters in Magistrates' Koori Courts and 133 in County Koori Courts. This compared to 69 County Koori Court matters the previous year.

The OPP took over 68 matters from the Children's Court in 2018/19, following requests by Victoria Police and approval by the DPP. These matters involved the prosecution of serious crimes committed by children aged between 10 and 17 at the time of offending, including five homicide matters. Other matters included violent offending, theft and carjacking. Many of these matters were legally complex, factually complex or the subject of high public interest.

The OPP serviced 12,823 Judicial Officer Sitting Days, up from 12,227 last year and a record level for the OPP.

## Appropriate resolution

OPP solicitors assess each matter as early as possible for a potential guilty plea to appropriate charges that reflect the accused's criminality, based on what can be proven beyond reasonable doubt, and that allows for a sentence that adequately reflects the criminality.

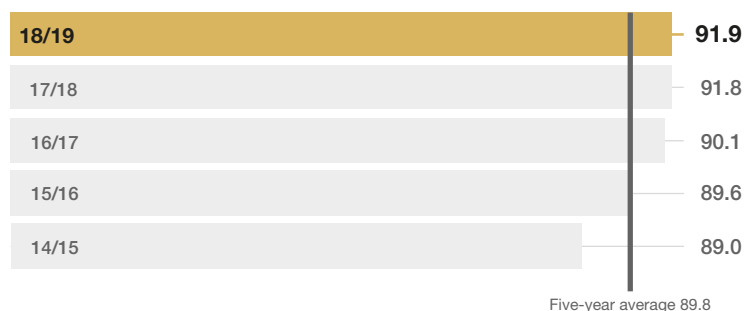
The Director's Policy provides guidance and instruction to OPP solicitors and prosecutors in relation to resolving matters as guilty pleas.

As well as achieving fair and just outcomes in an efficient way, guilty pleas may relieve victims and witnesses of the burden of giving evidence at a trial, and provide certainty of outcome.

In 2018/19, 77.6 per cent of prosecutions were finalised as a guilty plea – down from 80.4 per cent in the previous year.

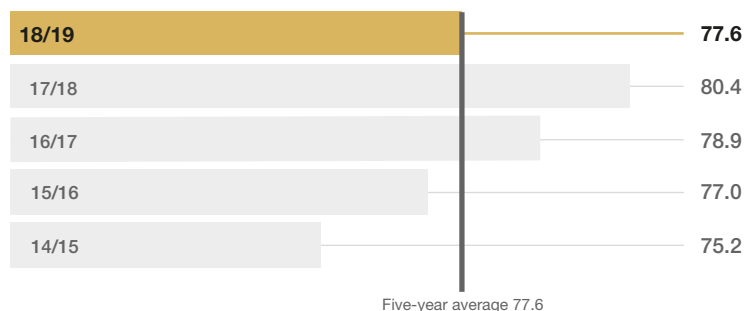
Efforts were also made to achieve guilty pleas as early as possible in the prosecution process to save resources being diverted to trials that did not ultimately proceed. Of the guilty pleas achieved in 2018/19, 74.3 per cent were achieved by committal.

## Overall Guilty Outcomes %



Five-year average is calculated using the data from the previous five years not including 2018/19

## Guilty pleas as a percentage of all matters finalised %



Five-year average is calculated using the data from the previous five years not including 2018/19

Other results that reflect improved efficiencies in criminal prosecutions include:

- the average time taken to complete matters was 18.9 months, down from a five-year average of 19 months
- only 1.2 per cent of trials were adjourned on application of the Crown.

In 2018/19, acquittals were handed down in 99 matters, up from 89 in 2017/18.

## Expertise

Crown Prosecutors are among the most experienced criminal prosecutors in Victoria. They are appointed to work exclusively for the DPP and are allocated the most serious and complex matters.

They are responsible for signing indictments to bring accused people to trial and for authorising the resolution of matters as guilty pleas.

Crown Prosecutors are also required to spend large amounts of time preparing written openings for both trials and pleas, and preparing written cases for all matters proceeding to the Court of Appeal, be they appeals on conviction or sentence.



In 2018/19, Crown Prosecutors appeared in the most high profile and complex matters and prosecuted 30.9 per cent of Supreme Court trials.

External counsel, assisted by OPP solicitors who prepare matters for prosecution, appeared in 89.3 per cent of all committals, County and Supreme Court trials and appeals. This included 92 per cent of County Court trials and 69.1 per cent of Supreme Court trials. Of matters briefed externally, 48.9 per cent of briefs went to female counsel.

In undertaking OPP briefs counsel must adhere to the DPP's policy and directions, including abiding by expectations of behaviour and ethics, acting impartially and fairly and treating victims with courtesy, respect and sensitivity.

The OPP also has Solicitor Advocates who are internal prosecutors who have undertaken dedicated advocacy training and appear in court to prosecute a variety of hearings on a daily basis. They are an integral part of the OPP Legal Practice.

In 2018/19, Solicitor Advocates conducted 2,377 hearings. They appeared at filing hearings, bail applications, committal mentions, contested committal hearings, and Magistrates' and County Court plea hearings. Principal Solicitor Advocates also appeared as junior counsel to Crown Prosecutors in trials.

Having an internal pool of Solicitor Advocates allows the OPP to:

- ensure effective and efficient use of OPP resources
- increase the pool of skilled prosecutors
- provide engaging and challenging work, and another career path for OPP solicitors
- attract the best advocates.

## Victims and witnesses

The OPP's Victims and Witness Assistance Service (VWAS) provides a specialist service to support victims and witnesses throughout their involvement in the criminal justice process.

In 2018/19, a record 2,111 new matters were referred to VWAS by OPP solicitors, and VWAS assisted 4,195 victims and witnesses, with some matters involving support for multiple victims and witnesses.

VWAS provided 5,436 professional consultations including debriefings, remote witness assistance and court tours.

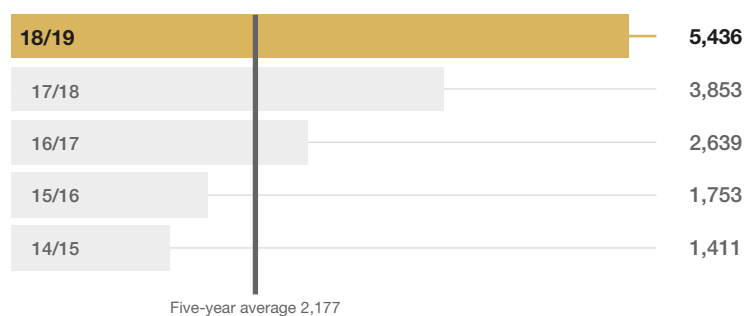
Of the matters handled by VWAS:

- 20.2 per cent involved sex offences
- 4.4 per cent involved homicide/culpable driving
- 70.4 per cent were general crime
- five per cent were for other matter types.

Of all the matters handled by VWAS, 23.5 per cent involved family violence.

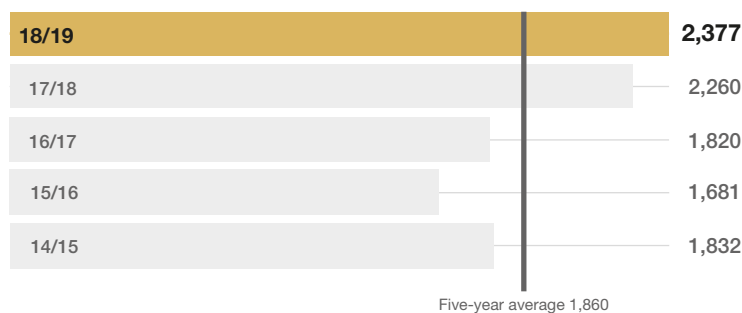
VWAS prioritised assistance for matters involving a death, sexual assault, family violence, and particularly vulnerable victims and witnesses. Some matters were referred to the Child Witness Service and the Victims Assistance Programs, particularly for regional matters.

VWAS consultations with victims and witnesses



Five-year average is calculated using the data from the previous five years not including 2018/19

Solicitor Advocates – number of hearings conducted



Five-year average is calculated using the data from the previous five years not including 2018/19

# Legal Practice Report

## Court Support Dog Program

Following a successful pilot, the OPP's Court Support Dog Program was adopted on a full-time basis to assist more victims and witnesses give evidence.

A professionally trained dog provides comfort and emotional support to victims and witnesses to reduce stress and trauma in the prosecution process.

Suzie, a two-year-old Labrador, is an internationally accredited court facility dog provided to the OPP by Assistance Dogs Australia.

She assists adults and children giving evidence remotely in all types of matters, including sex offence cases. Suzie is also available to accompany victims and witnesses in meetings with the solicitor and social worker on their case.

VWAS reports having a support dog has resulted in victims and witnesses needing less breaks to give evidence and staying engaged in court hearings.

## Churchill Fellowship

OPP Victims Engagement Coordinator Julie Morrison was awarded a Churchill Fellowship to study court dog programs in North America.

The fellowship program supports Australians to travel throughout the world to conduct research into areas of interest that make a valuable contribution to Australian society.

In February 2019, Julie visited several cities in the United States and Canada to study well-established dog programs providing support to people giving evidence in court.

Her research recommended support dogs be used more widely in the criminal justice system, and for court dog program providers to follow a best-practice model.

## Communicating with Victims Report

The OPP and RMIT's Centre for Innovative Justice (CIJ) released a groundbreaking report that provides a unique insight into the communication needs of victims of crime.

The OPP commissioned the CIJ study to better understand the experiences of victims being told about prosecution decisions, particularly around the resolution of cases.

In conducting the research, the CIJ interviewed 18 victims who had participated in prosecutions by the OPP. Solicitors and social workers at the OPP were also interviewed.

Findings from the report included that victims wanted the chance to express their views in the decision-making process, and for those views to be taken into account by the solicitor.



OPP Victims Engagement Coordinator **Julie Morrison**  
with court support dog **Suzie**

The OPP has already implemented a number of recommendations from the report, including the development of a training package for solicitors on best-practice communication.

## Proceeds of Crime

Proceeds of Crime is a specialist civil litigation unit that undertakes major litigation on behalf of the DPP under the *Confiscation Act 1997*.

Solicitors work closely with partner agencies of the Victorian Asset Confiscation Scheme – the Victoria Police Criminal Proceeds Squad and Asset Confiscation Operations of the Department of Justice and Community Safety – to confiscate assets used to commit crime or acquired through criminal activity. They also play an important role in preserving assets to compensate victims of crime.

Unexplained wealth continues to be a growing area for asset recovery in Victoria. About one quarter of the proceeds of crime recovered from criminals in 2018/19 came from unexplained wealth litigation conducted by Proceeds of Crime.

Property restrained under Victoria's unexplained wealth laws will be forfeited to the State unless a person can prove to a court's satisfaction that it was lawfully acquired by them, irrespective of whether that person has been charged with or convicted of an offence.

Proceeds of Crime obtained a record number of serious drug offence restraining orders in 2018/19. The serious drug offence confiscation laws operate to confiscate all property of a convicted serious drug offender, regardless of whether that property was acquired from criminal activity.

Proceeds of Crime contributed to the Victorian Asset Confiscation Scheme by:

- obtaining 127 restraining orders in the County and Supreme Courts over assets including real estate, luxury vehicles, cash, bank accounts and shareholdings
- about 40 per cent of those restraining orders were made for the purpose of satisfying compensation orders made by the sentencing courts for victims of crime
- confiscating \$19.5 million in illegally used assets and proceeds of crime which was paid to the State's consolidated fund
- facilitating the payment of \$730,000 to victims of crime from confiscation outcomes, to satisfy compensation orders made by sentencing courts.

Important cases for Proceeds of Crime included:

- confiscating under the unexplained wealth laws four houses, two apartments, three luxury vehicles and a motorised boat owned by an alleged serious drug offender
- confiscating tainted real estate from an offender convicted of obtaining a financial advantage by deception out of which the 11 victims of the offending will be fully compensated for their financial loss
- confiscating under the civil forfeiture laws seven houses that were used in connection with a large cannabis cultivation syndicate operating in the outer eastern suburbs of Melbourne.

## Appeals

The Appeals Division is responsible for the preparation and prosecution of most appeal matters where the DPP is a party.

These include:

- appeals from the Magistrates' Court or Children's Court to the County Court
- civil appeals and judicial reviews from the Magistrates' Court or the County Court to the Supreme Court
- appeals from the County Court or Supreme Court to the Court of Appeal
- applications for special leave to appeal and appeals from the Court of Appeal to the High Court.

## County Court appeals

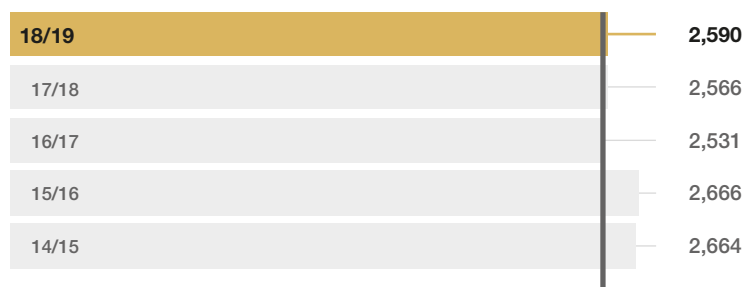
The DPP appears on behalf of Victoria Police to respond to most of the appeals by an accused person against either their conviction or sentence in the Magistrates' or Children's Courts. Appeals to the County Court are reheard from the beginning.

The DPP also has the power to appeal a sentence imposed in the Magistrates' Court or Children's Court to the County Court. The DPP must be satisfied that an appeal should be brought in the public interest. These appeal hearings also involve re-hearings.

The OPP prosecuted 2,590 County Court appeals that were finalised in 2018/19. This was consistent with a five-year average of 2,553 a year. Of these appeals that were finalised, 86.3 per cent (or 2,236) were sentence appeals and 13.7 per cent (354) were conviction appeals.

Of the appeals lodged by an accused person that were finalised, 52.8 per cent were allowed in full or in part.

### County Court appeals completed



Five-year average is calculated using the data from the previous five years not including 2018/19

# Legal Practice Report

## Civil appeals and judicial reviews

The DPP can lodge or respond to civil appeals and judicial reviews in the Supreme Court's common law jurisdiction. These appeals are usually in relation to a question of law.

In the 2018/19 period, the DPP was a party to 24 decided civil appeals and judicial reviews. The DPP was successful in 10 of those 24 matters.

## Court of Appeal

The DPP responds to appeals lodged by any accused who has been sentenced in the Supreme Court or County Court. An accused can appeal their conviction by a jury, or the sentence imposed by a judge, or both. In the first instance, an accused person will seek leave to appeal from the Court of Appeal. If leave is granted, the appeal is then listed for a full hearing.

Alternatively, an applicant who is refused leave to appeal may seek to renew their application before two or more judges. The Court of Appeal then hands down a judgment in each case.

Of the 165 cases where an accused person lodged an appeal that were finalised in 2018/19, the Court of Appeal allowed:

- 43 sentence appeals, and dismissed or refused leave in 76 cases; one appeal was abandoned by the accused
- 10 conviction appeals and dismissed or refused leave in 34 conviction appeals, while one is pending judgment.

Four retrials were ordered following an accused's successful appeal against conviction. Acquittals were ordered for at least one charge in six of the conviction appeals that were allowed.

## High Court appeals

The DPP is a party to all High Court proceedings flowing from any Court of Appeal judgment in a matter it prosecutes.

There were 11 matters determined by the High Court in 2018/19 where the DPP was a party.

The DPP was the appellant in three of these matters and was successful in two cases. The DPP was the respondent in eight cases and was successful in all eight of these cases.

## Appeals by the DPP

The DPP can lodge an appeal against a Supreme Court or County Court sentence to the Court of Appeal if the DPP considers:

- there is an error in the sentence and that a different sentence should be imposed; and
- is satisfied an appeal should be brought in the public interest.

In 2018/19, 24 DPP appeals against a Supreme Court or County Court sentence were finalised in the Court of Appeal. The Court allowed 12 appeals and re-sentenced offenders to higher sentences, dismissed 10 appeals, and the DPP abandoned two appeals before they were heard.

Details of the Crown appeals decided in 2018/19 are listed in Appendix 3.

## Contraventions

Contraventions matters are conducted when a person has not complied with the conditions of a community-based sentence.

In 2018/19, the OPP conducted 827 contraventions matters. This was similar when compared to the 855 contraventions matters in 2017/18.

## Record of Sentence Reviews

Record of Sentence Reviews are compiled by OPP solicitors detailing the key elements and outcomes for County and Supreme Court matters. These reports assisted the DPP to decide whether to lodge an appeal. In 2018/19, 173 sentence reviews were referred to the DPP for instructions on whether an appeal should be lodged and 42 matters were appealed to either the County Court or Court of Appeal.

## Policy and Specialised Legal Division

The Policy and Specialised Legal Division (PASL) undertakes research, develops policies and delivers advice on current legal issues for the DPP and OPP.

PASL is integral to the dissemination and management of legal knowledge required by the OPP to efficiently and effectively prosecute criminal offences on behalf of the Victorian community.

## Advice

A key role performed by PASL is to coordinate and provide advice on matters dealt with by OPP staff and external agencies.

The OPP completed 178 requests for advice from external agencies in 2018/19. The advice work was divided between PASL and the Legal Practice with PASL completing 112 of the requests and 66 being referred to the Legal Practice, predominantly the Specialist Sex Offences Unit.

## Legislative consultation

The OPP provided consultative comment on proposed amendments to the criminal law including:

- The *Oaths and Affirmations Act 2018*
- Wording of charges under the *Serious Offenders Act 2018*
- *Justice Legislative Amendment (Terrorism) Act 2018*
- Three large compendium Bills proposing amendments to criminal offences, penalties, forensic procedures under the *Crimes Act 1958* and criminal procedure
- Proposed amendments to the *Criminal Procedure Act 2009* regarding committal procedures were taken to the Attorney-General and subsequently referred to the Victorian Law Reform Commission
- Victims reforms
- Further consultation and comment on the *Crimes Mental Impairment Bill 2016*.

The OPP also provided consultative comment to the Victorian Law Reform Commission consultation paper on reforms to the law of contempt and to the Department of Justice and Community Safety on workplace manslaughter and spent convictions.

## OPPedia

PASL has continued progress on the development of the OPP knowledge management system, OPPedia. The focus has evolved to building expertise within the wider PASL work group in creating content. The migration of the OPP intranet to OPPedia involved a raft of new content being added along with the creation of greater synergies within the Office in terms of sharing knowledge.

## Other responsibilities

PASL continues to work with the Commonwealth Attorney-General's Department and Victoria Police to manage several ongoing extradition requests, including requests made to India and Israel in two significant cases.

## Significant cases

PASL has responsibility for contempt proceedings in the wake of media reporting on the high-profile prosecution of George Pell.

## Royal Commission

PASL, in conjunction with a team from the Legal Practice, has worked extensively in responding to the Royal Commission into the Management of Police Informants. This has involved the production and collation of a significant number of documents to the Royal Commission and managing

disclosure in cases potentially affected. Significant work has gone into case analysis and briefing the Director on affected cases and considering appeal implications.

## Managing complaints

The OPP has a complaints process that is accessible via the OPP website. Any person directly affected by an act, omission or a decision of the OPP may make a formal complaint. In 2018/19, the OPP processed 17 formal complaints.

## Learning and development

In 2018/19, the induction program for new staff was further refined with greater use of digital platforms to deliver training on OPP culture, strategic priorities and core capabilities. Induction workshops were delivered to more than 80 employees in this period.

A core component of the OPP Learning and Development Program is Continuing Legal Education (CLE), which provides ongoing development of technical capability in the Legal Practice. In 2018/19, 29 CLE sessions were delivered on a wide range of legislative topics. Total attendance at these sessions was 1,466.

Specialised training was provided in line with strategic priorities, most notably to better engage with victims, witnesses and others affected by crime, and to innovate and interact with new technologies.

Soft skill development was provided to staff in workshops on cultural competency, wellbeing, and mental health awareness. Leadership development was extended to include communication and wellbeing strategies through the Managing for High Performance program.

The OPP continued its Legal Traineeship Program, with the 2019 trainees taking part in rotations across different areas of the Legal Practice to gain broad skills in criminal prosecutions.

Seasonal Clerkships were offered to 16 students in their penultimate or final years of study. They gained practical legal experience, developed skills and explored career paths on offer at the OPP. The clerkship programs also provided OPP staff with the chance to develop skills in supervising and mentoring. The 2020 Legal Trainees were selected from this pool of Seasonal Clerks, following a similar selection process to the previous reporting period.

An all-staff conference was held to brief staff on changes to the *Victims' Charter Act 2006* and advances in courtroom technology. It also provided an opportunity to consider best practice when responding to emerging issues, future projects and challenges.



# Corporate Services Report

**Corporate Services supported the work of the OPP Legal Practice by providing an overarching infrastructure of systems and processes for the management of people and resources.**

Corporate Services provided information technology and records management support and was responsible for the operation of a corporate governance framework to meet statutory, operating, reporting and compliance obligations. This framework includes strategic planning, risk management and business continuity management.

Eight business units worked together to provide corporate services, including Audio-Visual (AV), Facilities, Finance, Human Resources (HR), Information Technology Services (ITS), Library, Projects and Performance (P&P), and Records Management Services (RMS).

In 2018/19, Corporate Services worked to implement the strategic goals of the OPP with a focus on staff wellbeing, developing skills and knowledge and innovating with technology.

## Supporting structural changes in the Legal Practice

The third stage of the OPP's Accommodation Project commenced in 2018/19, and will be complete in the first quarter of 2019/20. The works, aimed at increasing staff density, involved the relocation of Crown Prosecutors' Chambers and the refit of two floors in the OPP building.

This was necessary to support the formation of an additional trial division and accommodate structural changes in appeals. It also supported the implementation of victim and witness assistance multi-disciplinary teams. AV facilities were refurbished to enable growth in the team and support the management of an increased workload.

Dedicated rooms for e-trial preparation were built and new training and storage improvements made. The upgrade of video conferencing suites also formed part of the works.

Planning for stage four of the project commenced in this period. This will involve further building upgrades and refits to respond to a growing workforce and provide modern and flexible accommodation to meet increased demand in the criminal justice system.

## Improving effectiveness through technology

Works continued on the upgrade of the OPP's ITS applications and infrastructure. The system storage upgrade project to increase the OPP's digital storage capacity to one petabyte was completed on time and on budget.



General Manager Corporate Services  
Sam Jones

New file storage processes were implemented to ensure all case-related material is secure and backed up, with greater capacity to recall data for improved business continuity.

A standard operating environment was developed and delivered to improve the stability of OPP systems, simplify future system upgrades and aid the deployment of new software. The electronic document and record management system (EDRMS) was upgraded for better integration with other OPP systems, and for optimised searching.

Extensive information security enhancements were completed, and the OPP commissioned an audit of its cyber security and safety with recommendations to be implemented in 2019/20.

## Developing skills and knowledge

An all-staff conference was held to share information on a range of topics, including engaging with victims and witnesses and using technology for efficiencies in prosecutions.

Significant training and staff development programs were delivered covering OPP systems, core court processes and legal education. The Managing for High Performance program, which was piloted in 2017/18 and deemed a success, was rolled out to additional managers in this reporting year. This program provided coaching and workshop-based learning to senior OPP managers with a focus on developing teams.



The OPP's intranet was redeveloped and integrated with the Legal Practice knowledge management system. It brings together resources and information for staff including forms, policies and an online calendar for booking training events.

## Supporting the work of the Legal Practice

Corporate Services worked collaboratively with the Legal Practice on the following projects to support legal functions:

- the RMS team digitised paper-based briefs received from police for improved searchability, accessibility and faster case processing
- the Depositions function was centralised into Corporate Services to create a dedicated team to electronically produce this key prosecution document
- a number of Corporate Services units provided expertise in data and records management to assist the OPP's response to the Royal Commission into the Management of Police Informants
- visits were undertaken to the OPP offices in regional court locations to standardise and improve computer and office equipment
- the P&P unit delivered enhancements to the core case management system to more closely align it with court processes, including the development of a victim and witness engagement module
- the Finance unit assisted solicitors by arranging about 1,100 travel and accommodation bookings for witnesses in prosecutions, and streamlining case-related approval processes
- the Library continued to review its holdings to provide accessible e-book versions of commonly used texts, while retaining central hard-copy subscriptions to key resources
- a range of online, workflow-based forms were developed to support legal decision making and record approvals electronically.

AV performed 3,309,865 media actions in 2018/19, including conversions, edits and audio or visual enhancements to provide the Legal Practice with evidence in court-compatible format. This was a significant increase from 2,012,750 media actions in the previous year. It is anticipated that this number will rise in 2019/20 following the implementation of police body-worn cameras and the prevalence of CCTV and digital media in the community.

The AV unit expanded the range of technology used by prosecutors in court rooms, including the provision of tablet jury books and interactive screen technology.

These initiatives are aimed at increasing jury engagement and reducing trial preparation and duration.

## Promoting staff health and wellbeing

A comprehensive health and wellbeing program was run as part of the OPP's commitment to providing a safe workplace for all staff. The program supported staff resilience through education sessions on how to manage stressful situations. Annual check-ups were offered to provide practical advice on how staff can best manage their health. The OPP also continued to provide access to an Employee Assistance Program, offering confidential and professional support to staff experiencing difficulties in their work or personal lives. Senior Managers attended Mental Health Awareness training, to be rolled out more widely to staff in 2019/20.

## Better people management

The HR team delivered a range of service improvements. Staff induction procedures were updated, recruitment processes were streamlined and moved to an online environment, and the approach for staff performance planning was simplified. A project was launched to align OPP policies with those of the Victorian Public Sector Commission. Other people management policies were reviewed and refreshed.

The OPP undertook a staff engagement survey and the response rate was 83 per cent, up from 52 per cent last year. These results will be analysed, with any required actions to be delivered in the next reporting period.

Further improvements planned for delivery in 2019/20 include an upgrade to the staff performance management system, the launch of a Diversity Committee and the development of a Managers Toolkit to best equip managers to support their teams.

## Understanding our data

In this period, Corporate Services worked to better interpret data held in various OPP systems. A joint project with the Victorian Centre for Data Insights involved analysing key metrics and made recommendations on how to improve data capture and reporting. More generally, data and financial reporting processes were strengthened, and new reports were produced to assist in the monitoring and assessment of operational and financial performance.

**Sam Jones**  
General Manager Corporate Services

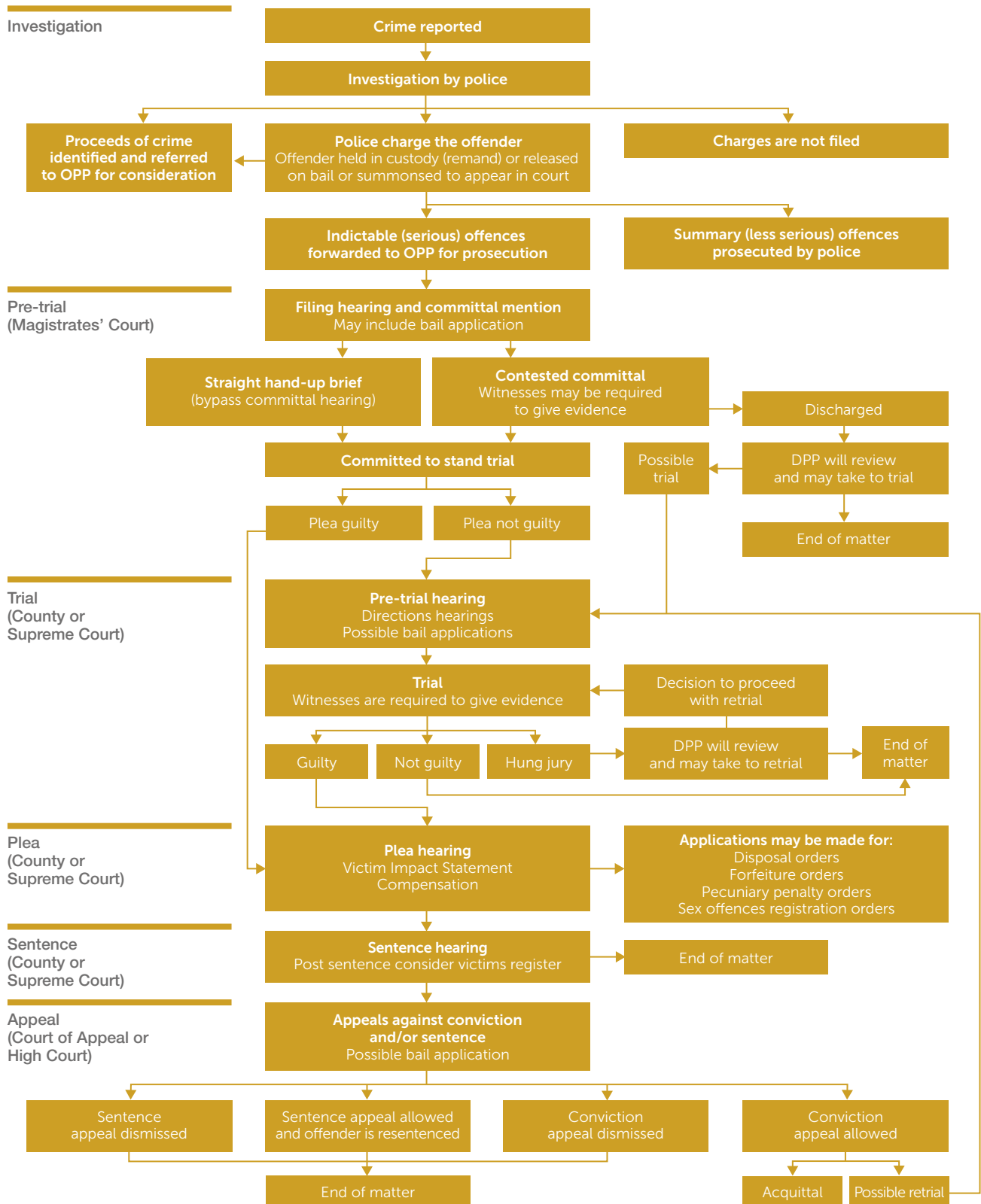
# Committees

In 2018/19, the DPP, OPP and Crown Prosecutors' Chambers were represented on a range of standing committees and advisory groups with other representatives of the criminal justice system.

Committee	Purpose	Chair
Asset Confiscation Scheme Strategy Committee	Oversee the management of the Asset Confiscation Scheme	DJCS
Asset Confiscation Scheme Operations Committee	Discuss stakeholder operational issues	DJCS
Bail Reform Implementation Working Group	Progress further consultation on bail reforms, and consider these reforms in conjunction with other criminal justice system reforms	DJCS
Case Planning and Coordination Committee	Address security issues at the Supreme Court	Supreme Court of Victoria
Child Witness Service (CWS) Advisory Committee	Discuss and review CWS practice and policy	DJCS/Community Operations and Victims Support Agency
Confiscations and Forfeiture Strategy Project Group	Discuss confiscation potential in IBAC matters	IBAC
County Court Criminal Procedure Rules Committee	Revise the County Court Criminal Procedure Rules	His Honour Judge Doug Trapnell
County Court Criminal Users Group	Address issues about the County Court's criminal jurisdiction	County Court of Victoria
County Court Emergency Management and Security Committee	Address security and emergency issues at the County Court	County Court of Victoria
Detention and Supervision Order Board	Enhance the protection of the community and to ensure State Government agencies provide coordinated services to offenders to promote rehabilitation and reduce the risk of reoffending	DJCS
Emergency Worker Harm Reference Group	Consider legislative and non-legislative reform options for State Government	DPC
Family Violence Body-worn Camera Trial Steering Committee Meeting	Provide advice, support and assistance in the implementation and evaluation of the Family Violence Body-Worn Camera Trial	Corri McKenzie, DJCS
Intermediary Pilot Advisory Committee	Provide advice on the intermediary pilot model and its effective implementation	Vicky Bahen, Victims Support Agency
Jury Directions Advisory Group	Implement the VLRC's recommendations on jury directions in criminal trials	DJCS
Magistrates' Court Criminal Users Group	Address issues relating to the Magistrates' Court criminal jurisdiction	Melbourne Magistrates' Court
OPP/Victoria Police Consultative Forum	Discuss issues of mutual concern	Victoria Police and OPP alternately
Sentencing Advisory Council	Conduct research and advise government and courts on sentencing issues	SAC
Serious Offenders Reform Interdepartmental Committee Meeting	Advise State Government on the establishment of the Post Sentence Authority to provide independent and rigorous oversight of the post-sentence scheme for the detention or supervision of serious sex offenders	DJCS
Supreme Court Criminal Users Group	Address issues relating to the Supreme Court criminal jurisdiction	Supreme Court of Victoria
Therapeutic Treatment Board	Evaluate and advise on applications for therapeutic treatment orders for children aged 10-15 years	DHHS
Victims of Crime Consultative Committee	Develop policy and services for victims of crime	Former Supreme Court Justice Bernard Teague AO
Victorian Law Reform Commission	Formal consultation with victim, witness and court support organisations	Former Justice the Hon. Anthony North

# Summary of the Court and Prosecution Process

Victims and witnesses are supported throughout the prosecution process.



# Financial Summary

## Overview

A summary of the OPP's financial performance in 2018/19 is set out below. Full financial details are outlined in the Financial Statements.

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. This measure excludes the effects of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside the control of the OPP.

In 2018/19, the OPP reported a net result from transactions of \$227,000, an increase of \$345,000 from the previous year. Total income and expenses from transactions have increased over the last five years to meet an increase in demand for prosecution, victim and witness support services and to support the digital transformation of prosecution services including electronic trials within the court system.

Total net assets have continued to grow over the last five years with increased investment in refurbishment works, information technology, audio-visual systems, equipment to support the OPP's move to a paperless workplace and electronic processes within courts.

Net cash flows from operating activities have fluctuated over the last five years and are mainly impacted by the level of receivables, accruals and provisions for employee entitlements.

## Financial performance

In 2018/19, revenue totalled \$79.763 million against expenditure of \$79.536 million. Expenditure was higher by 12 per cent from the previous year due to a rise in external barrister expenses. This was linked to:

- an increase in hearings and complexity of cases

- employee costs with additional staff resources to provide prosecution and victim and witness support services to meet demand in the criminal justice system
- fitout works on new leased premises
- ongoing investment in information and audio-visual technology to support the Office's move to digitise its records and processes, and to conduct electronic trials and processes in courts.

## Financial position – balance sheet

Total assets in 2018/19 were \$33.820 million, an increase of \$3.894 million from the previous year. Refurbishment works of \$2.175 million, investment in information technology including storage equipment of \$0.432 million, and an increase in prepayments arising from transfers made to the Department of Treasury and Finance for refurbishment works, accounted for a material component of the variance.

Total liabilities in 2018/19 increased by \$3.068 million with an increase in payables of \$2.401 million associated with the timing of invoice payments and employee-related provisions, which increased by \$0.724 million due to higher staff numbers and provision for long service leave for an additional year of service.

## Cash flows

Net cash flows from operating activities were \$0.954 million lower than last year. Movement in this category is mainly linked to the timing of payment of invoices. Net cash outflows from investing activities were \$0.048 million higher than the previous year due to payments made for refurbishment works and information technology equipment. Net cash inflows from financing activities were \$1.002 million higher with capital funding provided by the Department of Justice and Community Safety to meet the cost of refurbishment works undertaken during the year.

Five year financial summary		(\$ thousand)			
	2019	2018	2017	2016	2015
Income from government	79,763	70,816	65,984	60,521	59,902
Total income from transactions	79,763	70,816	65,984	60,521	59,902
Total expenses from transactions	79,536	70,934	65,678	60,522	59,900
Net result from transactions	227	(118)	306	(1)	2
Net result for the period	(356)	20	48	(1,100)	(198)
Net cash flows from operating activities	2,082	3,031	922	1,676	963
Total assets	33,820	29,926	27,502	27,036	23,250
Total liabilities	22,271	19,203	16,997	16,723	16,493

# Office of Public Prosecutions

Financial Report for the year ended 30 June 2019

Responsible Minister  
The Honourable Jill Hennessy MP

Solicitor for Public Prosecutions  
John Cain

## How this report is structured

The Office of Public Prosecutions (OPP) has presented its audited general purpose financial statements for the financial year ended 30 June 2019 in the following structure to provide users with the information about the OPP's stewardship of resources entrusted to it.

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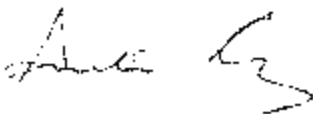
## DECLARATION IN THE FINANCIAL STATEMENTS

The attached financial statements for the Office of Public Prosecutions have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2019 and financial position of the Office at 30 June 2019.

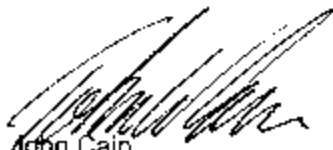
At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 30 August 2019



Annette Cruz  
Chief Finance Officer  
Office of Public Prosecutions

Melbourne  
30-Aug-19



John Cain  
Solicitor for Public Prosecutions  
Office of Public Prosecutions

Melbourne  
30-Aug-19

# Independent Auditor's Report

## *To the Solicitor for the Public Prosecutions of the Office of Public Prosecutions*

<b>Opinion</b>	<p>I have audited the financial report of the Office of Public Prosecutions (the authority) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2019</li><li>• comprehensive operating statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• cash flow statement for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• declaration in the financial statements.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2019 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Solicitor for the Public Prosecutions's responsibilities for the financial report</b>	<p>The Solicitor for the Public Prosecutions of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Solicitor for the Public Prosecutions determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Solicitor for the Public Prosecutions is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

**Auditor's  
responsibilities  
for the audit  
of the financial  
report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Solicitor for the Public Prosecutions
- conclude on the appropriateness of the Solicitor for the Public Prosecutions's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Solicitor for the Public Prosecutions regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE  
3 September 2019



Ron Mak

*as delegate for the Auditor-General of Victoria*

## Comprehensive operating statement for the financial year ended 30 June 2019

(\$ thousand)			
	Notes	2019	2018
<b>Continuing operations</b>			
<b>Income from transactions</b>			
Government grants	2.1	79,763	70,816
<b>Total income from transactions</b>		<b>79,763</b>	<b>70,816</b>
<b>Expenses from transactions</b>			
Employee expenses	3.1.1	(47,499)	(44,150)
Depreciation and amortisation	4.1.1	(1,569)	(1,335)
Interest expense	6.1.2	(22)	(22)
Other operating expenses	3.2	(30,446)	(25,427)
<b>Total expenses from transactions</b>		<b>(79,536)</b>	<b>(70,934)</b>
<b>Net result from transactions (net operating balance)</b>		<b>227</b>	<b>(118)</b>
<b>Other economic flows included in net result</b>			
Other gains/(losses) from other economic flows (a)	8.1	(583)	138
<b>Total other economic flows included in net result</b>		<b>(583)</b>	<b>138</b>
<b>Net result from continuing operations</b>		<b>(356)</b>	<b>20</b>
<b>Net result</b>		<b>(356)</b>	<b>20</b>
<b>Other economic flows – other comprehensive income:</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in physical asset revaluation surplus	8.3	–	–
<b>Total other economic flows – other comprehensive income</b>		<b>–</b>	<b>–</b>
<b>Comprehensive result</b>		<b>(356)</b>	<b>20</b>

The accompanying notes form part of these financial statements.

Note:

(a) Includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets except when these are taken through the asset revaluation surplus.

## Balance sheet as at 30 June 2019

			(\$ thousand)
	Notes	2019	2018
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	6.3	218	218
Receivables	5.1	19,656	17,882
<b>Total financial assets</b>		<b>19,874</b>	<b>18,100</b>
<b>Non-financial assets</b>			
Non-financial asset held for sale	8.2	–	41
Other non-financial assets	5.3	1,424	430
Property, plant and equipment	4.1	12,345	11,127
Intangible assets	4.2	177	228
<b>Total non-financial assets</b>		<b>13,946</b>	<b>11,826</b>
<b>Total assets</b>		<b>33,820</b>	<b>29,926</b>
<b>Liabilities</b>			
Payables	5.2	9,961	7,560
Borrowings	6.1	620	677
Employee related provisions	3.1.2	11,690	10,966
<b>Total liabilities</b>		<b>22,271</b>	<b>19,203</b>
<b>Net assets</b>		<b>11,549</b>	<b>10,723</b>
<b>Equity</b>			
Accumulated deficit		(7,199)	(6,843)
Physical asset revaluation surplus	8.3	1,542	1,542
Contributed capital		17,206	16,024
<b>Net worth</b>		<b>11,549</b>	<b>10,723</b>

The accompanying notes form part of these financial statements.



## Cash flow statement for the financial year ended 30 June 2019

		(\$ thousand)	
	Notes	2019	2018
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from government		77,989	68,581
<b>Total receipts</b>		<b>77,989</b>	<b>68,581</b>
<b>Payments</b>			
Payments to suppliers and employees		(75,889)	(65,527)
Interest and other costs of finance paid		(22)	(22)
<b>Total payments</b>		<b>(75,911)</b>	<b>(65,549)</b>
<b>Net cash flows from/(used in) operating activities</b>	6.3.1	<b>2,078</b>	<b>3,032</b>
<b>Cash flows from investing activities</b>			
Purchases of non-financial assets		(3,110)	(3,062)
<b>Net cash flows from/(used in) investing activities</b>		<b>(3,110)</b>	<b>(3,062)</b>
<b>Cash flows from financing activities</b>			
Owner contributions by State Government		1,182	198
Repayment of finance leases		(150)	(168)
<b>Net cash flows from/(used in) financing activities</b>		<b>1,032</b>	<b>30</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>0</b>	<b>0</b>
Cash and cash equivalents at beginning of financial year		218	218
<b>Cash and cash equivalents at end of financial year</b>	6.3	<b>218</b>	<b>218</b>

The accompanying notes form part of these financial statements.

## Statement of changes in equity for the financial year ended 30 June 2019

(\$ thousand)					
	Notes	Physical asset revaluation surplus	Accumulated Deficit	Contributed Capital	Total
Balance at 1 July 2017		1,542	(6,863)	15,826	10,505
Net result for the year		–	20	–	20
Revaluation increment		–	–	–	–
Capital appropriations		–	–	198	198
Balance at 30 June 2018		1,542	(6,843)	16,024	10,723
Net result for the year		–	(356)	–	(356)
Revaluation increment		–	–	–	–
Capital appropriations		–	–	1,182	1,182
Equity Transfers		–	–	–	–
Balance at 30 June 2019		1,542	(7,199)	17,206	11,549

The accompanying notes form part of these financial statements.

# Notes to the financial statements for the financial year ended 30 June 2019

## 1. About this report

The Office of Public Prosecutions (OPP) is an independent statutory authority of the State of Victoria, established under the *Public Prosecutions Act 1994*.

A description of the nature of the OPP's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Its principal address is:

Office of Public Prosecutions  
565 Lonsdale Street  
Melbourne VIC 3000

### Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the OPP.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

### Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

## 2. Funding delivery of our services

### Introduction

The OPP provides an independent, effective and efficient prosecutions service on behalf of the Director of Public Prosecutions. In addition to the prosecution of serious crimes, the OPP also provides professional support to prosecution witnesses and victims of crime involved in its cases.

### 2.1 Income from transactions

The OPP is predominately funded by a grant from the Department of Justice and Community Safety (DJCS).

#### 2.1.1 Grants

	(\$ thousand)	
	2019	2018
<b>Government grants</b>		
Grants from the Department of Justice and Community Safety	79,763	70,816
<b>Total government grants</b>	<b>79,763</b>	<b>70,816</b>

Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to the Department of Justice and Community Safety without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipt and sacrifice of approximately equal value may occur, but only by coincidence.

All grant income received by the OPP from the Department of Justice and Community Safety is non-reciprocal in nature.

For non-reciprocal grants, the OPP recognises revenue when the grant is received.

### 3. The cost of delivering services

#### Introduction

This section provides an account of the expenses incurred by the OPP in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the costs associated with provision of services are recorded.

#### 3.1 Expenses incurred in delivery of services

(\$ thousand)			
	Notes	2019	2018
Employee benefit expenses	3.1.1	47,499	44,150
Other operating expenses	3.2	30,446	25,427
<b>Total expenses incurred in delivery of services</b>		<b>77,945</b>	<b>69,577</b>

#### 3.1.1 Employee benefits in the comprehensive operating statement

(\$ thousand)		
	2019	2018
Defined contribution superannuation expense	3,096	2,787
Defined benefit superannuation expense	339	446
Termination benefits	0	100
Salaries and wages, annual leave and long service leave	44,064	40,817
<b>Total employee expenses</b>	<b>47,499</b>	<b>44,150</b>

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The OPP does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the OPP is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### 3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	(\$ thousand)	
	2019	2018
<b>Current provisions:</b>		
<b>Annual leave</b>		
Unconditional and expected to settle within 12 months	2,093	2,032
Unconditional and expected to settle after 12 months	299	290
<b>Long service leave</b>		
Unconditional and expected to settle within 12 months	596	544
Unconditional and expected to settle after 12 months	5,235	5,195
<b>Provisions for on-costs</b>		
Unconditional and expected to settle within 12 months	684	645
Unconditional and expected to settle after 12 months	993	944
<b>Total current provisions for employee benefits</b>	<b>9,900</b>	<b>9,650</b>
<b>Non-current provisions:</b>		
Employee benefits	1,537	1,138
On-costs	253	178
<b>Total non-current provisions for employee benefits</b>	<b>1,790</b>	<b>1,316</b>
<b>Total provisions for employee benefits</b>	<b>11,690</b>	<b>10,966</b>

	(\$ thousand)	
	2019	2018
<b>Reconciliation of movement in on-cost provision</b>		
<b>Opening balance</b>	<b>1,767</b>	<b>1,698</b>
Additional provisions recognised	1,150	1,110
Reductions arising from payments/other sacrifices of future economic benefits	(988)	(1,041)
<b>Closing balance</b>	<b>1,929</b>	<b>1,767</b>
Current	1,677	1,589
Non-current	253	178

**Wages and salaries, annual leave and sick leave:** Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the OPP does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As the OPP expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the OPP does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is nonvesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

**Unconditional LSL** is disclosed as a current liability; even where the OPP does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. The components of this current LSL liability are measured at:

- undiscounted value – if the OPP expects to wholly settle within 12 months; or
- present value – if the OPP does not expect to wholly settle within 12 months.

**Conditional LSL** is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

### 3.1.3 Superannuation contributions

Employees of the OPP are entitled to receive superannuation benefits and the OPP contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

(\$ thousand)				
	Paid contribution for the year		Contribution outstanding at the end of the year	
	2019	2018	2019	2018
<b>Defined benefit plans (a)</b>				
State Superannuation Fund	347	431	7	15
<b>Defined contribution plans</b>				
VicSuper	2,124	1,919	47	79
Other	1,013	756	24	33
<b>Total</b>	<b>3,484</b>	<b>3,106</b>	<b>78</b>	<b>127</b>

Note:

(a) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.



### 3.2 Other operating expenses

	(\$ thousand)	
	2019	2018
Supplies and services		
Professional services and witness payments	20,546	16,592
Property maintenance	1,280	776
Information technology	1,716	2,012
Printing, stationery & library	471	590
Postage, communication & OPP expenses	1,078	952
Interpreters	389	382
Other – travel, personal exp claims, motor vehicles	1,174	917
Audit services	74	49
<b>Total supplies and services</b>	<b>26,728</b>	<b>22,270</b>
Operating lease rental expenses		
Lease payments	3,718	3,157
<b>Total operating lease rental expenses</b>	<b>3,718</b>	<b>3,157</b>
<b>Total other operating expenses</b>	<b>30,446</b>	<b>25,427</b>

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

**Supplies and services** are recognised as an expense in the reporting period in which they are incurred.

**Operating lease payments** (including contingent rentals) are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

#### Fair value of assets and services received free of charge or for nominal consideration

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when control is obtained over them, irrespective of whether these contributions are subject to restrictions or conditions over their use. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not received as a donation.

The Department of Justice and Community Safety provides certain governance, executive and support services and resources to the OPP. The value of these services which includes the use of the Department's financial and payroll systems is not recognised in the financial statements of the OPP, as the Department is centrally funded to provide these services and the fair value of such services cannot be reliably determined.

## 4. Key assets available to support output delivery

### Introduction

The OPP controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the OPP to be utilised for delivery of those outputs.

### 4.1 Total property, plant and equipment

	(\$ thousand)					
	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2019	2018	2019	2018	2019	2018
Land at fair value	1,617	1,617	–	–	1,617	1,617
Buildings at fair value	121	121	(51)	(34)	70	87
Leasehold improvements at fair value	6,092	6,092	(8)	(1,615)	3,908	4,477
Plant and equipment at fair value	6,604	6,215	(2,647)	(1,901)	3,957	4,314
Motor vehicles at fair value	898	843	(281)	(211)	617	632
Assets under construction at cost		–	–	–	2,175	–
<b>Net carrying amount</b>	<b>15,332</b>	<b>14,888</b>	<b>(2,987)</b>	<b>(3,761)</b>	<b>12,344</b>	<b>11,127</b>

**Initial recognition:** Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The cost of a leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

The initial cost for non-financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Also noted that certain assets are acquired under finance leases, which may form part of a service concession arrangements (public private partnership).

**Subsequent measurement:** Property, plant and equipment (PPE) are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category.

**Specialised land and specialised buildings:** The market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value, is used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. See note 7.3.2.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants.

For the majority of the OPP's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciation.

**Vehicles** are valued using the current replacement cost method. The OPP acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the OPP who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for **plant and equipment** that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the current replacement cost method.

Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

#### 4.1.1 Depreciation and amortisation

	(\$ thousand)	
Charge for the period	2019	2018
Buildings	17	17
Plant and equipment	782	588
Motor vehicles	150	165
Leasehold improvements	568	509
Intangible produced assets	52	56
	<b>1,569</b>	<b>1,335</b>

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under operating leases, assets held for sale and land.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

	(years)
Asset	Useful life
Leasehold improvements	3 to 10
Plant and equipment	4 to 10
Motor vehicles	5
Buildings	5 to 40
Intangible assets	7 to 15

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

**Indefinite life assets:** Land, earthworks, land under declared roads, and core cultural assets, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

**Impairment:** Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

#### 4.1.2 Reconciliation of movements in carrying amount of property, plant and equipment

##### Classification by 'Public safety and environment' purpose group – Movements in carrying amounts (i)

(\$ thousand)														
	Land at fair value		Buildings at fair value		Leasehold improvements at fair value		Assets under construction at cost		Plant, equipment at fair value		Motor vehicles at fair value		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Opening balance	1,617	1,617	87	104	4,476	3,418	–	740	4,314	2,707	632	617	11,126	9,203
Additions		–	–	–	–	1,104	2,175	–	433	1,938	340	370	2,948	3,412
Disposals		–	–	–	–	–	–	–	(7)	(19)	(205)	(190)	(212)	(209)
Revaluation		–	–	–	–	–	–	–	–	–	–	–	–	–
Depreciation		–	(17)	(17)	(568)	(509)	–	–	(783)	(588)	(150)	(165)	(1,518)	(1,279)
Reclassification		–		–		463		(740)	–	276	–	–	–	(1)
Closing balance	1,617	1,617	70	87	3,908	4,476	2,175	–	3,957	4,314	617	632	12,344	11,126

Note:

(i) Fair value assessments have been performed for all classes of assets within this purpose group and the decision was made that movements were not material (less than or equal to 10 per cent) for a full revaluation. The next scheduled full revaluation for this purpose group will be conducted in 2021.

## 4.2 Intangible assets

	(\$ thousand)			
	Computer software		Total	
	2019	2018	2019	2018
<b>Gross carrying amount</b>				
Opening balance	503	523	503	523
Additions	–	–	–	–
Disposals	–	(20)	–	(20)
<b>Closing balance</b>	<b>503</b>	<b>503</b>	<b>503</b>	<b>503</b>
<b>Accumulated depreciation, amortisation and impairment</b>				
Opening balance	(274)	(235)	(274)	(235)
Amortisation	(52)	(40)	(52)	(40)
<b>Closing balance</b>	<b>(326)</b>	<b>(275)</b>	<b>(326)</b>	<b>(275)</b>
<b>Net book value at end of financial year</b>	<b>177</b>	<b>228</b>	<b>177</b>	<b>228</b>

Note:

(i) The consumption of intangible produced assets is included in 'depreciation and amortisation' line item.

### Initial recognition

**Purchased intangible assets** are initially recognised at cost. When the recognition criteria in AASB 138 Intangible Assets is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

**An internally generated intangible asset** arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefits;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

### Subsequent measurement

Intangible produced assets with finite useful lives, are depreciated as an 'expense from transactions' on a straight line basis over their useful lives. Produced intangible assets have useful lives of between 7 and 15 years.

### Impairment of intangible assets

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in note 4.1.1.

### Significant intangible assets

The OPP's most significant intangible asset is software relating to its records management system, (\$0.177M). Other software include upgrades to Operating, Scanning and Performance Management Systems. These costs are subject to annual amortisation.

## 5. Other assets and liabilities

### Introduction

This section sets out those assets and liabilities that arose from the OPP's controlled operations.

### 5.1 Receivables

	(\$ thousand)	
	2019	2018
<b>Contractual</b>		
Other receivables	1,515	389
<b>Statutory</b>		
Amounts owing from the Department of Justice and Community Safety (i)	18,141	17,493
<b>Total receivables</b>	<b>19,656</b>	<b>17,882</b>
<i>Represented by</i>		
Current receivables	17,866	16,744
Non-current receivables	1,790	1,138

Note:

(i) The amounts recognised from the Department of Justice and Community Safety represent funding for all commitments incurred through the appropriations and are drawn from the Consolidated Fund as the commitments fall due. [Appropriations are amounts owed by the Department as legislated in the Appropriations Act. Due to the existence of a legislative instrument, the appropriation receivable to an entity is statutory in nature, and hence not in the scope of the financial instrument standards.]

**Contractual receivables** are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. The OPP holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

**Statutory receivables** do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. The OPP applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

Details about the OPP's impairment policies, the OPP's exposure to credit risk, and the calculation of the loss allowance are set out in note 7.



## 5.2 Payables

	(\$ thousand)	
	2019	2018
<b>Contractual</b>		
Supplies and services	9,936	7,534
	<b>9,936</b>	<b>7,534</b>
<b>Statutory</b>		
FBT payable	25	26
<b>Total payables</b>	<b>9,961</b>	<b>7,560</b>
<i>Represented by:</i>		
Current payables	9,961	7,373
Non-current payables	–	187

Payables consist of:

- **contractual payables**, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the OPP prior to the end of the financial year that are unpaid; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of 30 days. No interest is charged on the 'other payables' for the first 30 days from the date of the invoice. Generally, no interest is charged on the outstanding balance.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

### Maturity analysis of contractual payables (i)

	(\$ thousand)					
	Carrying amount	Nominal amount	Maturity dates			
			Less than 1 month	1–3 months	3 months – 1 year	1–5 years
<b>2019</b>						
Supplies and services	9,936	9,936	9,749	187	–	–
<b>Total</b>	<b>9,936</b>	<b>9,936</b>	<b>9,749</b>	<b>187</b>	<b>–</b>	<b>–</b>
<b>2018</b>						
Supplies and services	7,534	7,534	7,162	185	–	187
<b>Total</b>	<b>7,534</b>	<b>7,534</b>	<b>7,162</b>	<b>185</b>	<b>–</b>	<b>187</b>

Note:

(i) Maturity analysis is presented using the contractual undiscounted cash flows.

### 5.3 Other non-financial assets

	(\$ thousand)	
	2019	2018
<b>Current other assets</b>		
Prepayments	1,424	430
<b>Total current other assets</b>	<b>1,424</b>	<b>430</b>
<b>Non-current other assets</b>		
Other	–	–
<b>Total non-current other assets</b>	<b>–</b>	<b>–</b>
<b>Total other assets</b>	<b>1,424</b>	<b>430</b>

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Prepayments for 2019 include amounts paid in advance to the Department of Treasury and Finance to undertake refurbishment works on the OPP's behalf.

## 6. How we financed our operations

### Introduction

This section provides information on the sources of finance utilised by the OPP during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the OPP.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Note 7.1 provides additional, specific financial instrument disclosures.

### 6.1 Borrowings

	(\$ thousand)	
	2019	2018
<b>Current borrowings</b>		
Finance lease liabilities (i)	258	275
<b>Total current borrowings</b>	<b>258</b>	<b>275</b>
<b>Non-current borrowings</b>		
Finance lease liabilities	362	402
<b>Total non-current borrowings</b>	<b>362</b>	<b>402</b>
<b>Total borrowings</b>	<b>620</b>	<b>677</b>

Note:

(i) Secured by the assets leased. Finance leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

'Borrowings' refer to interest bearing liabilities mainly in connection with finance leases.

#### 6.1.1 Maturity analysis of borrowings

	(\$ thousand)					
	Carrying amount	Nominal amount	Maturity dates			
			Less than 1 month	1–3 months	3 months – 1 year	1–5 years
<b>2019</b>						
Finance lease liabilities	620	643	79	57	136	371
<b>Total</b>	<b>620</b>	<b>643</b>	<b>79</b>	<b>57</b>	<b>136</b>	<b>371</b>
<b>2018</b>						
Finance lease liabilities	677	706	73	36	183	414
<b>Total</b>	<b>677</b>	<b>706</b>	<b>73</b>	<b>36</b>	<b>183</b>	<b>414</b>

### 6.1.2 Interest expense

	(\$ thousand)	
	2019	2018
Interest on finance leases	22	22
<b>Total interest expense</b>	<b>22</b>	<b>22</b>

'Interest expense' includes costs incurred in connection with the interest component of finance leases.

Interest expense is recognised in the period in which it is incurred.

The OPP recognises borrowing costs immediately as an expense, even where they are directly attributable to the acquisition, construction or production of a qualifying asset.

## 6.2 Leases

### 6.2.1 Finance lease liabilities (OPP as lessee)

	(\$ thousand)			
	Minimum future lease payments (i)		Present value of minimum future lease payments	
	2019	2018	2019	2018
<b>Finance lease liabilities payable (ii)</b>				
Not longer than one year	272	292	258	275
Longer than one year and not longer than five years	371	414	362	402
<b>Minimum future lease payments</b>	<b>643</b>	<b>706</b>	<b>620</b>	<b>677</b>
Less future finance charges	(23)	(29)	–	–
<b>Present value of minimum lease payments</b>	<b>620</b>	<b>677</b>	<b>620</b>	<b>677</b>
Included in the financial statements as:				
Current borrowings lease liabilities (Note 6.1)	–	–	258	275
Non-current borrowings lease liabilities (Note 6.1)	–	–	362	402
<b>Total</b>	<b>–</b>	<b>–</b>	<b>620</b>	<b>677</b>

Notes:

(i) Minimum future leases payments include the aggregate of all base payments and any guaranteed residual.

(ii) Other finance lease liabilities include obligations that are recognised on the balance sheet; the future payments related to operating and lease commitments are disclosed in Note 6.5.

Finance leases relate to motor vehicles with lease terms of three years. The OPP has the option to purchase the motor vehicles for a nominal amount at the conclusion of the lease agreements.

### 6.3 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are subject to an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents, are included as a financial asset on the balance sheet, as indicated in the reconciliation below.

	(\$ thousand)	
	2019	2018
Cash and deposits disclosed in the balance sheet	75	75
Funds held in trust (i)	143	143
<b>Balance as per cash flow statement</b>	<b>218</b>	<b>218</b>

Note:

(i) These funds represent the balance in OPP's trust funds at the end of each reporting period (see Note 6.4).

Due to the State's investment policy and funding arrangements, the OPP does not hold a large cash reserve in its bank accounts. The OPP expenditure, including in the form of cheques drawn for the payments to its suppliers and creditors are made via Department of Justice and Community Safety (DJCS) public account. The public account remits to DJCS the cash required upon presentation of cheques by the OPP's suppliers or creditors.

#### 6.3.1 Reconciliation of net result for the period to cash flow from operating activities

	(\$ thousand)	
	2019	2018
<b>Net results for the period</b>	<b>(356)</b>	<b>20</b>
<b>Non-cash movements:</b>		
Depreciation and amortisation of non-current assets	1,569	1,335
<b>Movements in assets and liabilities:</b>		
(Increase)/decrease in receivables	(1,774)	(2,235)
(Increase)/decrease in prepayments	(194)	1,707
(Decrease)/increase in payables	2,109	2,489
(Decrease)/increase in provisions	724	(284)
<b>Net cash flows from/(used in) operating activities</b>	<b>2,078</b>	<b>3,032</b>

## 6.4 Trust account balances

(\$ thousand)								
	2019				2018			
Cash and cash equivalents	Opening balance as at 1 July 2018	Total receipts	Total payments	Closing balance as at 30 June 2019	Opening balance as at 1 July 2017	Total receipts	Total payments	Closing balance as at 30 June 2018
<b>Controlled trust</b>								
Treasury trust fund (i)	143	–	–	143	143	–	–	143
<b>Total controlled trust</b>	<b>143</b>	<b>–</b>	<b>–</b>	<b>143</b>	<b>143</b>	<b>–</b>	<b>–</b>	<b>143</b>

Note:

- (i) *Treasury Trust Fund*  
*Financial Management Act 1994 (No. 18/1994), Part 4*  
*Working account for the OPP*

## 6.5 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

### 6.5.1 Total commitments payable

(\$ thousand)				
<i>Nominal amounts</i>				
2019	<i>Less than 1 year</i>	<i>1–5 years</i>	<i>5+ years</i>	<i>Total</i>
Capital expenditure commitments payable	–	–	–	–
Operating and lease commitments payable (i)	5,246	5,014	5,710	15,970
Other commitments payable	142	–	–	142
<b>Total commitments (inclusive of GST)</b>	<b>5,388</b>	<b>5,014</b>	<b>5,710</b>	<b>16,112</b>
Less GST recoverable from the Australian Taxation Office	(490)	(456)	(519)	(1,465)
<b>Total commitments (exclusive of GST)</b>	<b>4,898</b>	<b>4,558</b>	<b>5,191</b>	<b>14,647</b>
2018				
Capital expenditure commitments payable	153	–	–	153
Operating and lease commitments payable (i)	4,168	230	–	4,398
Other commitments payable	86	80	–	166
<b>Total commitments (inclusive of GST)</b>	<b>4,407</b>	<b>310</b>	<b>–</b>	<b>4,717</b>
Less GST recoverable from the Australian Taxation Office	(401)	(28)	–	(429)
<b>Total commitments (exclusive of GST)</b>	<b>4,006</b>	<b>282</b>	<b>–</b>	<b>4,288</b>

Note:

- (i) *Operating lease relating to 60 Brougham Street, Geelong expires in Feb 2022. The operating lease relating to 469 Latrobe Street expires in March 2029. The OPP does not have an option to purchase the leased assets at the expiry of the lease period. The OPP primary tenancy at 565 Lonsdale Street, Melbourne (owned by DTF) is occupied under an ongoing arrangement with DTF.*

### 6.5.2 Commitments

	(\$ thousand)	
	2019	2018
	Nominal value (incl. GST)	Nominal value (incl. GST)
<b>Capital expenditure commitments</b>		
Leasehold improvements	–	–
IT equipment	–	153
<b>Total capital expenditure commitments</b>	<b>–</b>	<b>153</b>
<b>Operating and lease commitments</b>		
MFD printing services	680	385
Rental leases	15,290	4,013
Fitout works	–	–
<b>Total operating and lease commitments</b>	<b>15,970</b>	<b>4,398</b>
<b>Other commitments</b>		
Computer software maintenance	142	166
<b>Total other commitments</b>	<b>142</b>	<b>166</b>
<b>Total commitments</b>	<b>16,112</b>	<b>4,717</b>



## 7. Risks, contingencies and valuation judgements

### Introduction

The OPP is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the OPP related mainly to fair value determination.

### 7.1. Financial instruments specific disclosures

#### Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the OPP's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

#### Categories of financial assets under AASB 9

**Financial assets at amortised cost** – Financial assets are measured at amortised costs if both the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the OPP to collect contractual cash flows, and
- the assets contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less impairment. The OPP recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

#### Categories of financial assets previously under AASB 139

**Loans and Receivables and cash** are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). The OPP recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

#### Categories of financial liabilities under AASB 9 and previously under AASB 139

**Financial liabilities at amortised cost** are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method. The OPP recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including finance lease liabilities).

**Derecognition of financial assets:** A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the OPP retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the OPP has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset; or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

**Derecognition of financial liabilities:** A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

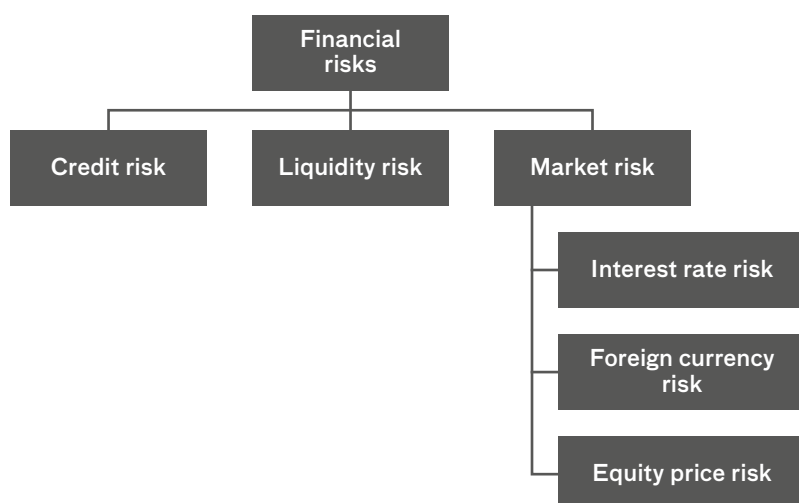
#### Financial instruments: Categorisation

	(\$ thousand)			
2019	Cash and Deposits	Financial assets at amortised cost (AC)	Financial liabilities at amortised cost (AC)	Total
<b>Contractual financial assets</b>				
Cash and deposits	218	–	–	218
<b>Receivables (a)</b>				
Other receivables	–	1,515	–	1,515
<b>Total contractual financial assets</b>	<b>218</b>	<b>1,515</b>	<b>–</b>	<b>1,733</b>
<b>Contractual financial liabilities</b>				
<b>Payables (a)</b>				
Supplies and services	–	–	9,936	9,936
Finance lease liabilities	–	–	620	620
<b>Total contractual financial liabilities</b>	<b>–</b>	<b>–</b>	<b>10,556</b>	<b>10,556</b>
<b>2018</b>				
<b>Contractual financial assets</b>				
Cash and deposits	218	–	–	218
<b>Receivables (a)</b>				
Other receivables	–	389	–	389
<b>Total contractual financial assets</b>	<b>218</b>	<b>389</b>	<b>–</b>	<b>607</b>
<b>Contractual financial liabilities</b>				
<b>Payables (a)</b>				
Supplies and services	–	–	7,534	7,534
Finance lease liabilities	–	–	677	677
<b>Total contractual financial liabilities</b>	<b>–</b>	<b>–</b>	<b>8,211</b>	<b>8,211</b>

Note:

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from the Victorian Government and taxes payable).

## Financial risk management objectives and policies



As a whole, the OPP's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis for measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 7.3.1 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage the OPP's financial risks within the government policy parameters.

The OPP's main financial risks include credit risk, liquidity risk and interest rate risk. The OPP manages these financial risks in accordance with its financial risk management policy.

The OPP uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer of the OPP.

### Financial instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The OPP's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the OPP. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the OPP's contractual financial assets is minimal because the main debtor is the Victorian Government.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the OPP will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the OPP's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to the OPP's credit risk profile in 2018/19.

Credit quality of financial assets (a) (b)			
			(\$ thousand)
2019	Financial institutions A-1+ credit rating	Other	Total
<b>Financial assets</b>			
Cash and deposits (not assessed for impairment due to materiality)	213	–	<b>213</b>
<b>Financial assets with loss allowance measured at lifetime expected credit loss:</b>			
Contractual receivables applying the simplified approach for impairment	–	1,515	<b>1,515</b>
<b>Total financial assets</b>	<b>213</b>	<b>1,515</b>	<b>1,728</b>
Credit quality of contractual financial assets that are neither past due nor impaired (a) (b)			
2018	Financial institutions A-1+ credit rating	Other	Total
<b>Financial assets</b>			
Cash and deposits	213	–	<b>213</b>
Contractual receivables	–	389	<b>389</b>
<b>Total contractual financial assets</b>	<b>213</b>	<b>389</b>	<b>602</b>

Notes:

(a) The total amount disclosed here exclude cash floats which are not subjected to credit risk.

(b) Other – no rating applied as they represent various debtors

#### Impairment of financial assets under AASB 9 – applicable from 1 July 2018

From 1 July 2018, the OPP has been recording the allowance for expected credit loss for the relevant financial instruments, replacing AASB 139's incurred loss approach with AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the OPP's contractual receivables.

While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

#### Contractual receivables at amortised cost

The OPP applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The OPP has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the OPP's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

On this basis, the OPP determines the opening loss allowance on initial application date of AASB 9 and the closing loss allowance at end of the financial year as follows:

						(\$ thousand)
	Current	Past due but not impaired				Total
		Less than 1 month	1–3 months	3 months – 1 year	1–5 years	
1-Jul-18						
Expected loss rate	0%	100%	100%	0%	0%	
Gross carrying amount of contractual receivables	109	137	43	147	133	569
Loss Allowance	–	137	43	–	–	180
30-Jun-19						
Expected loss rate	0%	0%	0%	68%	100%	
Gross carrying amount of contractual receivables	1,265	95	133	67	180	1,740
Total	–	–	–	45	180	225

Reconciliation of the movement in the loss allowance for contractual receivables is shown as follows:

			(\$ thousand)
	2019	2018	
<b>Balance at beginning of the year</b>	(180)	–	
<b>Opening Loss Allowance</b>	<b>(180)</b>	–	
Increase in provision recognised in the net result	(45)	(180)	
<b>Balance at the end of the year</b>	<b>(225)</b>	<b>(180)</b>	

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debts considered as written off by mutual consent.

#### Statutory receivables and debt investments at amortised cost

The OPP's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses. No loss allowance recognised at 30 June 2018 under AASB 139. No additional loss allowance required upon transition into AASB 9 on 1 July 2018.

**Financial instruments: Liquidity risk**

Liquidity risk arises from being unable to meet financial obligations as they fall due. The OPP operates under the government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The OPP is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet. The OPP's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The carrying amount detailed in the following table discloses the contractual maturity analysis for the OPP's contractual financial liabilities.

**Financial instruments: Market risk**

The OPP's exposures to market risk are primarily through interest rate risk.

**Interest rate risk**

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The OPP does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The OPP has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

The OPP manages this risk by mainly undertaking interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded for cash at bank, as financial assets that can be left at floating rate without necessarily exposing the OPP to significant bad risk.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates are set out in the table that follows.

# Interest rate risk exposure of financial instruments

(\$ thousand)					
	Weighted average effective interest rate (%)	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing
2019					
<b>Financial assets</b>					
Cash and deposits		218	–	–	218
Receivables:					
Other receivables		1,515	–	–	129
<b>Total financial assets</b>	<b>–</b>	<b>1,733</b>	<b>–</b>	<b>–</b>	<b>347</b>
<b>Financial liabilities</b>					
Payables:					
Supplies and services	–	9,936	–	–	7,136
Borrowings:					
Finance lease liabilities	3.25%	620	646	–	–
<b>Total financial liabilities</b>		<b>10,556</b>	<b>646</b>	<b>–</b>	<b>7,136</b>
2018					
<b>Financial assets</b>					
Cash and deposits	–	218	–	–	218
Receivables:					
Other receivables	–	389	–	–	389
<b>Total financial assets</b>	<b>–</b>	<b>607</b>	<b>–</b>	<b>–</b>	<b>607</b>
<b>Financial liabilities</b>					
Payables:					
Supplies and services	–	7,534	–	–	7,534
Borrowings:					
Finance lease liabilities	3.34%	677	677	–	–
<b>Total financial liabilities</b>		<b>8,211</b>	<b>677</b>	<b>–</b>	<b>7,534</b>



## 7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

### Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

### Quantifiable contingent assets (arising from outside of government)

There are no quantifiable contingent assets for 2019 and 2018.

### Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
  - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

### Quantifiable contingent liabilities

There are no quantifiable contingent liabilities for 2019 and 2018.

## 7.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the OPP.

This section sets out information on how the OPP determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through operating result;
- land, buildings, infrastructure, plant and equipment.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

The OPP determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

### Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The OPP determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer General Victoria (VGV) is the OPP's independent valuation agency. The OPP monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

#### **How this section is structured**

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
  - a reconciliation of the movements in fair values from the beginning of the year to the end; and
  - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

#### **7.3.1 Fair value determination of financial assets and liabilities**

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The OPP currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2018/19 reporting period.

These financial instruments include:

##### *Financial assets*

- Cash and deposits
- Other receivables

##### *Financial liabilities*

Payables:

- For supplies and services
- Amounts payable to government and agencies

### 7.3.2 Fair value determination: Non-financial physical assets

#### Fair value measurement hierarchy for assets as at 30 June 2019

The fair value of all property plant and equipment (PPE) is categorised as level 3 for 2019. The same categorisation applied for 2018.

#### Specialised land and specialised building

The market approach is used for specialised land, although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As the adjustments are considered as significant unobservable inputs, specialised land is classified as Level 3 assets.

For OPP's specialised building, the current replacement cost method is used, adjusting for the associated depreciation. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of the OPP's specialised land and specialised building was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for restrictions and limitations of use. The effective date of the valuation was 30 June 2016.

#### Leasehold improvements

Leasehold improvements are valued using the current replacement cost method. This cost represents the replacement cost of leasehold improvements after applying depreciation rates based on the shorter of the lease term and useful life of the leasehold improvements.

#### Plant and equipment

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2019.

For all assets measured at fair value, the current use is considered the highest and best use.

#### Vehicles

Vehicles are valued using the current replacement cost method. The OPP acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the OPP who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

#### Description of significant unobservable inputs to Level 3 valuations for 2019 and 2018

2019 and 2018	Valuation Technique	Significant unobservable inputs
<b>Specialised land</b>	Market approach	Community Service Obligation (CSO) adjustment
<b>Specialised building</b>	Current replacement cost	Direct cost per square metre Useful life of specialised building
<b>Leasehold improvements</b>	Current replacement cost	Direct cost per square metre Useful life of leasehold improvements
<b>Plant and equipment</b>	Current replacement cost	Cost per unit Useful life of plant and equipment
<b>Vehicles</b>	Current replacement cost	Cost per unit Useful life of vehicles

## 8. Other disclosures

### Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

### 8.1 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates; and
- impairment of intangible assets.

	(\$ thousand)	
	2019	2018
<b>Other gains/(losses) from other economic flows</b>		
Net gain/(loss) arising from revaluation of annual leave and long service liability (i)	(583)	138
<b>Total other gains/(losses) from other economic flows</b>	<b>(583)</b>	<b>138</b>

Note:

(i) Revaluation gain/(loss) due to changes in bond rates.

### 8.2 Non-financial assets held for sale

Non-financial physical assets (including disposal group assets) are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This condition is regarded as met only when:

- the asset is available for immediate use in the current condition; and
- the sale is highly probable and the asset's sale is expected to be completed within 12 months from the date of classification.

These non-financial physical assets are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation or amortisation.

	(\$ thousand)	
	2019	2018
<b>Non-current assets:</b>		
Motor vehicles held for sale	–	41
<b>Total non-financial assets held for sale</b>	<b>–</b>	<b>41</b>

### 8.3 Reserves

	(\$ thousand)	
	2019	2018
<b>Physical asset revaluation surplus: (i)</b>		
Balance at beginning of financial year	1,542	1,542
Revaluation increments/(decrements)	–	–
<b>Balance at end of financial year</b>	<b>1,542</b>	<b>1,542</b>

*Note:*

(i) *The physical asset revaluation surplus arises on the revaluation of land and building.*

### 8.4 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the Financial Management Act 1994, the following disclosures are made regarding responsible persons for the reporting period.

#### Names

The persons who held the positions of Ministers and the Accountable Officer in the OPP are as follows:

Attorney-General	The Hon. Martin Pakula, MP	1 July 2018 to 28 November 2018
	The Hon. Jill Hennessy, MP	29 November 2018 to 30 June 2019
Acting Attorney-General	The Hon. Benjamin Carroll, MP	6 April 2019 to 14 April 2019
Solicitor for Public Prosecutions	John Cain	1 July 2018 to 30 June 2019

#### Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of the OPP during the reporting period was in the range:

\$440,000 – 450,000 (\$390,000 – \$400,000 in 2017/18)

## 8.5 Remuneration of executives

The number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Other long-term benefits** include long service leave, other long service benefits or deferred compensation.

**Termination benefits** include termination of employment payments, such as severance packages.

	(\$ thousand)	
	<i>Total remuneration</i>	
<i>Remuneration of executive officers (including Key Management Personnel disclosed in Note 8.6)</i>	<i>2019</i>	<i>2018</i>
Short-term employee benefits	576	610
Post-employment benefits	49	53
Other long-term benefits	13	16
Termination benefits	–	–
<b>Total remuneration (a)</b>	<b>638</b>	<b>680</b>
<b>Total number of executives</b>	<b>4</b>	<b>3</b>
<b>Total annualised employee equivalents (b)</b>	<b>2.75</b>	<b>3</b>

Notes:

(a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.6).

(b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

## 8.6 Related parties

The OPP is a wholly owned and controlled entity of the State of Victoria.

Related parties of the OPP include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

### Significant transactions with government-related entities

The OPP received funding of \$79.763 million (2018: \$70.816 million) by a grant from the Department of Justice and Community Safety.

**Key management personnel** of the OPP includes the Attorney General, the Hon Jill Hennessy and members of the OPP Executive, which includes:

- Solicitor for Public Prosecutions, John Cain
- Deputy Solicitor for Public Prosecutions, Angela Rankin
- Deputy Solicitor for Public Prosecutions, Michael Hoyle
- General Manager Corporate Services, Sam Jones

### Transactions and balances with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements

Outside of normal citizen type transactions with the OPP, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

Compensation of KMPs	2019	2018
Short-term employee benefits	998	910
Post-employment benefits	69	68
Other long-term benefits	13	25
<b>Total (a)</b>	<b>1,080</b>	<b>1,003</b>

Note:

(a) KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.5)

### 8.7 Remuneration of auditors

	(\$ thousand)	
	2019	2018
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	25	24
	<b>25</b>	<b>24</b>

### 8.8 Subsequent events

No events have occurred subsequent to the date of the financial report that would require adjustment to or disclosure in the financial report (2018: nil).

## 8.9 Australian Accounting Standards issued that are not yet effective

The following AASs become effective for reporting periods commencing after the operative dates stated:

Certain new Australian Accounting Standards (AAS) have been published which are not mandatory for the 30 June 2019 reporting period. DTF assesses the impact of all these new standards and advises the OPP of their applicability and early adoption where applicable. As at 30 June 2019, the AAS listed below has been issued by the AASB but not effective. It becomes effective for the first financial statement for reporting periods commencing after the stated operative dates as follows:

<i>Standard/ Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning on</i>	<i>Impact on the OPP financial statements</i>
AASB 15 Revenue from Contracts with Customers	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. Note that amending standard AASB 2015 8 Amendments to Australian Accounting Standards – Effective Date of AASB 15 has deferred the effective date of AASB 15 to annual reporting periods beginning on or after 1 January 2018, instead of 1 January 2017 for not-for-profit entities.	1-Jan-2019	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. Revenue from grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as the performance obligations attached to the grant are satisfied.
AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not for-Profit Entities	AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not-for-profit-entities into AASB 9 and AASB 15. This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events.	1-Jan-2019	This standard clarifies the application of AASB 15 and AASB 9 in a not-for-profit context. The areas within these standards that are amended for not-for-profit application include:  AASB 9 <ul style="list-style-type: none"> <li>■ Statutory receivables are recognised and measured similarly to financial assets.</li> </ul> AASB 15 <ul style="list-style-type: none"> <li>■ The ‘customer’ does not need to be the recipient of goods and/or services;</li> <li>■ The “contract” could include an arrangement entered into under the direction of another party;</li> <li>■ Contracts are enforceable if they are enforceable by legal or ‘equivalent means’;</li> <li>■ Contracts do not have to have commercial substance, only economic substance; and</li> <li>■ Performance obligations need to be ‘sufficiently specific’ to be able to apply AASB 15 to these transactions</li> </ul>
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1-Jan-2019	The assessment has indicated that there will be no significant impact for the public sector.



<i>Standard/ Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning on</i>	<i>Impact on the OPP financial statements</i>
AASB 2018-8 Amendments to Australian Accounting Standards – Right of Use Assets of Not-for-Profit entities	This standard amends various other accounting standards to provide an option for not-for-profit entities to not apply the fair value initial measurement requirements to a class or classes of right of use assets arising under leases with significantly below-market terms and conditions principally to enable the entity to further its objectives. This standard also adds additional disclosure requirements to AASB 16 for not-for-profit entities that elect to apply this option.	1-Jan-2019	<p>Under AASB 1058, not-for-profit entities are required to measure right-of-use assets at fair value at initial recognition for leases that have significantly below-market terms and conditions.</p> <p>For right-of-use assets arising under leases with significantly below market terms and conditions principally to enable the entity to further its objectives (peppercorn leases), AASB 2018-8 provides a temporary option for not-for-profit entities to measure at initial recognition, a class or classes of right-of-use assets at cost rather than at fair value and requires disclosure of the adoption.</p> <p>The State has elected to apply the temporary option in AASB 2018-8 for not-for-profit entities to not apply the fair value provisions under AASB 1058 for these right-of-use assets.</p> <p>In making this election, the state considered that the methodology of valuing peppercorn leases was still being developed.</p>
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1-Jan-2019	<p>The assessment has indicated that as most operating leases will come on balance sheet, recognition of the right-of-use assets and lease liabilities will cause net debt to increase.</p> <p>Rather than expensing the lease payments, depreciation of right-of-use assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus.</p> <p>No change for lessors.</p>

<i>Standard/ Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning on</i>	<i>Impact on the OPP financial statements</i>
AASB 1058 Income of Not-for-Profit Entities	<p>AASB 1058 standard will replace the majority of income recognition in relation to government grants and other types of contributions requirements relating to public sector not-for-profit entities, previously in AASB 1004 Contributions.</p> <p>The restructure of administrative arrangement will remain under AASB 1004 and will be restricted to government entities and contributions by owners in a public sector context. AASB 1058 establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objective.</p>	1-Jan-2019	<p>The current revenue recognition for grants is to recognise revenue up front upon receipt of the funds.</p> <p>This may change under AASB 1058, as capital grants for the construction of assets will need to be deferred. Income will be recognised over time, upon completion and satisfaction of performance obligations for assets being constructed, or income will be recognised at a point in time for acquisition of assets.</p> <p>The revenue recognition for operating grants will need to be analysed to establish whether the requirements under other applicable standards need to be considered for recognition of liabilities (which will have the effect of deferring the income associated with these grants). Only after that analysis would it be possible to conclude whether there are any changes to operating grants.</p> <p>The impact on current revenue recognition of the changes is the phasing and timing of revenue recorded in the profit and loss statement.</p>
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	<p>This standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.</p>	1-Jan-2020	The standard is not expected to have a significant impact on the public sector.

The following accounting pronouncements are also issued but not effective for the 2018/19 reporting period. At this stage, the preliminary assessment suggests they may have insignificant impacts on public sector reporting.

- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015 – 2017 Cycle

## Leases

AASB 16 Leases replaces AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation 115 Operating Leases-Incentives and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases on the balance sheet by recording a Right-Of-Use (RoU) asset and a lease liability except for leases that are shorter than 12 months and leases where the underlying asset is of low value (deemed to be below \$10,000).

AASB 16 also requires the lessees to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset, and remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The amount of the remeasurement of the lease liability will generally be recognised as an adjustment to the RoU asset.

The effective date is for annual reporting periods beginning on or after 1 January 2019. The Department intends to adopt AASB 16 in 2019/20 financial year when it becomes effective.

The OPP will apply the standard using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information.

In addition, AASB 2018-8 – Amendments to Australian Accounting Standards – Right-of-Use Assets (RoU) of not-for-profit entities allows a temporary option for not-for-profit entities to not measure RoU assets at initial recognition at fair value in respect of leases that have significantly below-market terms, since further guidance is expected to be developed to assist not-for-profit entities in measuring RoU assets at fair value. The standard requires an entity that elects to apply the option (i.e. measures a class or classes of such RoU assets at cost rather than fair value) to include additional disclosures. The Department intends to choose the temporary relief to value the RoU asset at the present value of the payments required (at cost).

The OPP has performed a detailed impact assessment of AASB 16 and the potential impact in the initial year of application has been estimated as follows:

- increase in RoU (\$54.132 million)
- increase in related depreciation (\$5.352 million)
- increase in lease liability (\$54.132 million)
- increase in related interest (\$2.081 million) calculated using effective interest method, and
- decrease in rental expense (\$5.183 million).

## 8.10 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

### **Amortisation**

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an other economic flow.

### **Borrowings**

Borrowings refers to interest-bearing liabilities mainly raised from public borrowings raised through Treasury Corporation of Victoria, finance leases and other interest-bearing arrangements. Borrowings also include non-interest bearing advances from government that are acquired for policy purposes.

### **Commitments**

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

### **Comprehensive result**

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

### **Current grants**

Amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

### **Depreciation**

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

### **Effective interest method**

The effective interest method is used to calculate the amortised cost of a financial asset or liability and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument, or, where appropriate, a shorter period.

### **Employee benefit expenses**

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

### **Financial asset**

A financial asset is any asset that is:

- (a) cash;
- (b) a contractual or statutory right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

### **Financial instrument**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

### **Financial liability**

A financial liability is any liability that is:

A contractual obligation:

- (i) to deliver cash or another financial asset to another entity; or
- (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity.

## Financial statements

Financial statements in the Model Report comprises:

- (a) balance sheet as at the end of the period;
- (b) comprehensive operating statement for the period;
- (c) a statement of changes in equity for the period;
- (d) cash flow statement for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding period as specified in paragraphs 38 of AASB 101 *Presentation of Financial Statements*; and
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

## Grants and other transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

## Intangible produced assets

Refer to produced assets in this glossary.

## Interest expense

Costs incurred in connection with the borrowing of funds includes interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

## Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

## Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

## Net worth

Assets less liabilities, which is an economic measure of wealth.

## Non-financial assets

Non-financial assets are all assets that are not 'financial assets'. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, investment properties, cultural and heritage assets, intangible and biological assets.

### Other economic flows included in net result

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

- gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets; and
- fair value changes of financial instruments.

### Other economic flows – other comprehensive income

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows – other comprehensive income include changes in physical asset revaluation surplus.

### Payables

Includes short and long term trade debt and accounts payable, grants, taxes and interest payable.

### Produced assets

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films, and research and development costs (which does not include the start up costs associated with capital projects).

### Receivables

Includes amounts owing from government through appropriation receivable, short and long term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

### Statutory appointment

The appointment of officers made by the Governor-in-Council. These include the Director of Public Prosecutions, Chief Crown Prosecutor and Crown Prosecutors.

### Supplies and services

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the OPP.

### Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows in an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

### 8.11 Style conventions

Figures in the table and in the text have been rounded. Discrepancies in the tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

–	zero, or rounded to zero
(xxx.x)	negative numbers
200x	year period
200x–0x	year period

The financial statements and notes are presented based on the illustration for a government department in the 2018/19 *Model Report for Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the OPP's annual reports.

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# Appendix 1

## Output and performance measures

	2018/19		2017/18		2016/17		2015/16	
<b>Budget Paper 3 Measures</b>	<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>
Judicial Officer sitting days requiring prosecutors	11,000 – 13,000	12,823	10,500 – 12,500	12,227	9,500 – 10,500	11,916	9,500 – 10,500	11,464
Number of briefs prepared and hearings attended	72,500 – 78,500	80,435	69,500 – 75,500	79,501	68,500 – 73,500	76,075	68,500 – 73,500	72,610
Number of victim and witness consultations	12,500 – 14,500	16,082	11,000 – 13,000	14,002	9,500 – 10,500	10,717	9,000 – 10,000	10,620
Guilty outcomes (guilty pleas and trial convictions) as a percentage of case completions	89.0	91.9	87.0	91.8	86.0	90.1	86.0	89.6
Proportion of trials listed which did not proceed to adjournment on application of the Crown %	99.0	98.8	99.0	99.0	99.0	98.7	99.0	98.6

### Note on measures:

- These measures are reported by the Office of Public Prosecutions to the Department of Justice and Community Safety as part of the Budget Paper 3 Output and Performance Measures reporting process.



## Appendix 2

### Legal functions of the DPP report

#### Conviction and Sentence Appeals

Appeals against conviction or sentence by the person convicted or on whom the sentence was imposed have a preliminary stage: an application for leave to appeal pursuant to s. 315 of the *Criminal Procedure Act 2009*.

These applications are heard by a single judge of the Court of Appeal; the DPP represents the Crown in such applications. Conviction and sentence leave applications may proceed with or without an oral hearing, by choice of the applicant. Where an application is refused by a single judge, the applicant may nevertheless elect to have the matter further heard by the court, whether or not an oral hearing was held.

Sentence Leave Applications 2018/19:

- 114 Sentence leave applications
- 59 were granted
- 55 were refused.

Conviction Leave Applications 2018/19:

- 45 Conviction leave applications
- 19 were granted
- 25 were refused
- One is pending judgment.

#### Supreme Court Judicial Reviews and Appeals

Certain types of appeals or reviews of criminal proceedings are conducted in the civil jurisdiction of the Supreme Court in the Judicial Reviews and Appeals List. This includes:

- appeals to the Supreme Court on a question of law under s. 272 of the *Criminal Procedure Act 2009*, where the DPP is required to act on behalf of the police in any appeal to the Supreme Court on a question of law
- the Judicial Review procedure provided by Order 56 of the *Supreme Court (General Civil Procedure) Rules 2015* provides a means of seeking correction of error in the nature of *certiorari*, *mandamus* or *prohibition*. The DPP uses the Order 56 procedure to review decisions in the Magistrates' Court and the County Court, where the decision infringes jurisdiction and is not amenable to other forms of appeal. This esoteric procedure is used to review the orders or actions of a judicial officer usually on the basis of error as to jurisdiction, failure to exercise jurisdiction or denial of procedural fairness. The Order 56 procedure is also used by unsuccessful appellants to review a County Court Appeal pursuant to s. 254 of the *Criminal Procedure Act 2009*, as this is the only avenue available for further appeal in respect of such proceedings
- s. 104 *Sentencing Act 1991* applications, where in a situation where a sentence passed is invalid due to jurisdictional error, an application is made to the Supreme Court for relief or remedy in the nature of *certiorari* to remove the proceeding into the Supreme Court where the sentence may be substituted with a sentence which the sentencing court had the power to impose.

In 2018/19 in relation to these appeals and reviews the DPP:

- received eight requests from the police for an appeal on a question of law pursuant to s. 272(2) of the *Criminal Procedure Act 2009*
- acted for Respondent Police Informants in 18 appeals on a question of law and nine Order 56 Judicial Reviews of Magistrates' Court decisions brought by or on behalf of accused persons
- received one County Court appeal decision for consideration for review pursuant to Order 56 of the *Supreme Court (General Civil Procedure) Rules 2015*
- acted for Victoria Police in 14 Order 56 Judicial Reviews of County Court Appeals which were commenced by convicted persons.

The outcomes of these appeal and review processes are subject to appeal. In 2018/19:

- one application for leave to appeal to the Court of Appeal against the outcomes of a s. 272 *Criminal Procedure Act 2009* appeal was filed which is still pending. Two applications previously filed by the DPP for leave to appeal against the respective outcomes of a s. 272 *Criminal Procedure Act 2009* appeal and an Order 56 Judicial Review were granted and the appeals were allowed
- one High Court application for special leave to appeal in respect of a Court of Appeal proceeding arising out of an appeal on a question of law was refused
- one s. 272 *Criminal Procedure Act 2009* proceeding which raised a constitutional issue was removed to the High Court pursuant to s. 40 *Judiciary Act 1903*. The constitutional issue was heard and determined. The s. 272 *Criminal Procedure Act 2009* proceeding concerned has been relisted for hearing in the next financial year.

### Discontinuance of prosecutions

Discontinuance of prosecutions were entered in 123 cases. Some of those cases involved more than one accused and more than one count/charge on the presentment/indictment.

### Indemnities from prosecution, undertakings or letters of comfort

No indemnities were provided by the DPP.

19 letters of comfort were provided by the DPP.

Seven undertakings were provided by the DPP to six witnesses in relation to five accused persons and companies.

### Consents to prosecute

The DPP, or her delegates, granted:

- 12 consents to file an indictment, involving one or more accused, under s. 321 of the *Crimes Act 1958* (conspiracy)
- 15 consents to prosecute under s. 50 or 69 of the *Crimes Act 1958* (gross indecency)
- 12 consents to prosecute under s. 47A of the *Crimes Act 1958* (maintaining a sexual relationship/persistently sexually abusing a child under 16)
- 69 consents to prosecute under subclause 4A(12) of schedule 1 to the *Criminal Procedure Act 2009* (course of conduct charges)
- 18 consent to prosecute under s. 7(1)(b) of the *Criminal Procedure Act 2009*
- four consents to prosecute under to s. 90 of the *Estate Agents Act 1980*
- four consents to prosecute under s. 132 of the *Occupational Health and Safety Act 2004*
- no consents to prosecute under to s. 24(4) of the *Racial and Religious Tolerance Act 2001*
- no consents to prosecute under s. 186 of the *Aboriginal Heritage Act 2006*
- no consents to prosecute under the *Judicial Proceedings Act 1958*
- no consents to prosecute under the *Legal Profession Act 1958*
- no consents to prosecute under to s. 195A(4) of the *Crimes Act 1958*
- no consents to prosecute under to s. 129 of the *Adoption Act 1984*.

### Continued detention and supervision scheme

During the 2018/19 financial year, the DPP:

- commenced and conducted two applications to renew detention orders
- commenced one detention order review which remains before the Supreme Court
- conducted one detention order review, and
- received one new detention order referral from the Secretary to the Department of Justice and Community Safety.

On 14 March 2018, the DPP filed a review application in respect of JPH's three-year detention order which was made on 14 April 2017. The application was heard by the Honourable Justice Taylor on 22–24 August 2018. Following the Court of Appeal decision in *DPP v Lyons*<sup>1</sup>, there were further hearings of the matter on 4 October 2018, 27 November 2018 and 13 March 2019. The Court delivered its judgment on 27 March 2019, determining that JPH continued to pose an unacceptable risk of committing a serious sexual offence or a serious violence offence or both if not subject to a detention order.

<sup>1</sup> DPP v Lyons (a pseudonym) [2018] VSCA 247

On 26 February 2019, the DPP filed a further application for review of JPH's detention order. While the previous review of the detention order had not been determined at that stage, the DPP is obliged to file an application to review JPH's detention order on an annual basis. The application is listed for hearing in the Supreme Court on 9–11 September 2019. Unless it is revoked at this hearing, the detention order will continue until 14 April 2020.

On 7 August 2018, the DPP filed an application in the Supreme Court to renew the detention order in respect of DGB, which had been made by the Honourable Acting Chief Justice Weinberg on 5 September 2017 for a period of one year. The application was heard by the Honourable Justice Weinberg on 4 September 2018. DGB indicated through his counsel that he would consent to an 18-month detention order and an interim detention order was made on that date. At a subsequent hearing on 2 October 2018, DGB confirmed through his counsel that he would consent to his detention order being renewed. Having been satisfied that DGB presented an unacceptable risk of serious sexual reoffending if the detention order were not renewed and DGB was in the community, the Court renewed the detention order on 2 October 2018, commencing operation on 7 October 2018 for a period of 17 months.

On 19 October 2018, the DPP filed an application in the Supreme Court to renew the detention order in respect of JDD, which was made by the Honourable Justice Riordan on 15 December 2017 for a period of 12 months. The application was heard by the Honourable Justice Tinney on 12 and 13 December 2018. Having been satisfied that JDD posed an unacceptable risk of committing a serious sexual offence or a serious violence offence or both if the detention order was not renewed and JDD was in the community, the Court renewed the detention order on 13 December 2018, commencing operation on 15 December 2018 for a period of two years. This period was not opposed by counsel for JDD.

As at the time of writing JPH, JDD and DGB are the only unconvicted prisoners subject to a detention order in the state of Victoria.

The DPP continues to assume the responsibility for contravention of supervision order proceedings initiated by Victoria Police under s. 172(1) of the *Serious Sex Offenders (Detention and Supervision) Act 2009* (for proceedings initiated prior to 3 September 2018) and under s. 173(1) of the *Serious Offenders Act 2018* (for proceedings initiated on or after 3 September 2018). During the 2018/19 financial year, 54 contravention of supervision order proceedings were finalised by the DPP in the County Court and one contravention of supervision order proceeding was finalised by the DPP in the Supreme Court.

### **Direct presentments/indictments**

The DPP directly indicted an accused person on 15 occasions on one or more counts.

### **Conflicts of Interest**

No matters were referred to the Attorney-General pursuant to s. 29(1) of the *Public Prosecutions Act 1994* as the result of a possible conflict of interest.

## Appendix 3

### Crown appeals under s. 287 of the *Criminal Procedure Act 2009*

In 2018/19, 24 Director's appeals against sentence to the Court of Appeal under s. 287 of the *Criminal Procedure Act 2009* were completed. Of those 24 appeals that were completed, 12 were allowed, 10 were dismissed, and two were abandoned by the DPP.

No	Name	Status of Appeal	Date of Completion
1	WALSH, Max*	Allowed	17 July 2018
2	OSBORN, Brandon	Dismissed	23 August 2018
3	WILSON, Alexander*	Allowed	17 October 2018
4	Restricted	Dismissed	Restricted
5	MCKAY, Matthew	Allowed	12 November 2018
6	GRAOROSKI, Oliver	Allowed	7 December 2018
7	Restricted	Allowed	Restricted
8	WOODLEY, Jonah*	No Result**	20 December 2018
9	WATTON, Dale	Allowed	7 February 2019
10	MARTIN, Victor*	Abandoned	25 February 2019
11	SEXTON, Dale	Abandoned	6 March 2019
12	SHEARER, Owen*	Allowed	12 March 2019
13	HODGSON, Shane	Allowed	13 March 2019
14	YUCEL, Kamil	Dismissed	14 March 2019
15	MILSON, Paul	Dismissed	15 March 2019
16	ELFATA, Ahmad Tulloch	Dismissed	21 March 2019
17	MACARTHUR, Jamie	Allowed	8 April 2019
18	ZA LIAN, Thwang	Dismissed	8 April 2019
19	HLAWNCEU, Kapling Thang	Dismissed	8 April 2019
20	HUBY, Thomas Callum	Dismissed	13 May 2019
21	RUSSO, Angelo Pat	Dismissed	13 June 2019
22	HEYFRON, Michael	Allowed	14 June 2019
23	CAULFIELD, Kerry	Allowed	14 June 2019
24	BETRAYHANI, Leonard	Allowed	26 June 2019

\*Denotes name is anonymised

\*\*Conviction appeal allowed, retrial.

## Appendix 4

### OPP activity data

#### Briefs prepared and hearings attended

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Briefs prepared and hearings attended	70,837	70,783	70,238	70,254	70,100	72,610	76,075	79,501	<b>80,435</b>

#### Judge sitting days serviced by OPP staff

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Supreme Court	1,133	983	817	937	879	1,021	929	976	<b>1,139</b>
County Court	6,142	6,085	6,126	5,700	5,927	5,683	5,908	5,867	<b>6,186</b>
Circuit County and Supreme Courts	1,850	1,669	1,672	1,866	1,580	1,521	1,434	1,405	<b>1,521</b>
Total	9,125	8,737	8,615	8,503	8,386	8,225	8,271	8,248	<b>8,846</b>

#### Magistrates' Court sitting days serviced by OPP staff

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Magistrates' Court	1,056	949	1,199	918	1,156	3,239	3,645	3,979	<b>3,977</b>

#### Case outcomes as a percentage of total case completions

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Guilty pleas pre-trial	64	61.7	63	66.8	63	65.7	68.7	68.7	<b>67.5</b>
Guilty pleas listed as trial	11.8	12.1	12	9.8	12	11.2	10.2	11.7	<b>10.1</b>
Total guilty pleas	75.3	73.8	74.8	76.6	75.2	77.0	78.9	80.4	<b>77.6</b>
Trial convictions	13	14.6	12.8	11.9	13.8	12.6	11.2	11.4	<b>14.3</b>
Trial acquittals	10.1	8.6	9.3	8.9	9.4	8.9	9.0	7.5	<b>7.7</b>
Total trials	23.1	23.2	22.2	20.8	23.2	21.5	20.2	18.9	<b>22.1</b>
Other case completions	1.6	3	3	2.6	1.6	1.5	0.9	0.7	<b>0.3</b>
Total guilty (pleas and convictions)	88.3	88.4	87.6	88.5	89	89.6	90.1	91.8	<b>91.9</b>

#### Trial Conviction Rate

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Convictions as a percentage of all trial verdicts	56.3	62.9	57.9	57.2	59.6	58.6	55.6	60.5	<b>65.0</b>

## Trials completed

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Melbourne County Court	286	299	323	282	278	264	249	229	<b>299</b>
Melbourne Supreme Court	29	32	24	28	26	40	22	20	<b>32</b>
Circuit County and Supreme Courts	96	81	102	123	109	100	78	102	<b>122</b>
Total*	411	423	449	433	413	404	349	351	<b>453</b>

\*The total excludes trials that resolved as guilty pleas. If these are included the total for 2018/19 is 618, the total for 2017/18 is 531 and the total for 2016/17 is 492. The total also excludes discontinuances.

## Plea hearings conducted

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Summary Pleas	–	–	497	584	448	465	475	523	<b>520</b>
Melbourne County Court	1,298	1,492	1,444	1,512	1,503	1,511	1,526	1,537	<b>1,624</b>
Melbourne Supreme Court	80	59	77	71	65	72	81	52	<b>81</b>
Circuit County and Supreme Courts	373	415	423	406	426	457	447	505	<b>567</b>
Total*	1,751	1,966	2,441	2,573	2,442	2,505	2,529	2,617	<b>2,792</b>

\* Note that the total prior to 2012/13 does not include Summary Pleas.

## Victim and witness referrals

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of referrals	929	1,016	999	921	985	1,090	1,268	1,512	<b>2,111</b>

## County Court appeals completed

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of appeals	2,188	2,287	2,197	2,337	2,664	2,666	2,531	2,566	<b>2,590</b>

## Appeals to Court of Appeal, Supreme Court and High Court completed

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Court of Appeal/ Supreme Court	457	424	178	161	177	166	192	231	<b>207</b>
High Court	10	12	6	3	13	13	12	13	<b>11</b>
Total	467	436	184	164	190	179	204	244	<b>218</b>

## Appendix 5

### Crown Prosecutor activity data

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of Crown Prosecutors (FTE)*	28.1	25.4	21.8	20.4	20.3	19.5	19.3	18.7	<b>19.2</b>
Days in court total	2,873	2,290	1,933	1,912	2,047	1,832	1,589	1,746	<b>1,863</b>
Days in court per Crown Prosecutor	102	90	89	94	101	94	83	93	<b>97</b>
Court appearance %	47.6%	45.5%	43.5%	46.0%	46.8%	45.7%	41.0%	46.3%	<b>45.8%</b>
Presentments/indictments total	2,916	2,855	2,844	2,687	2,750	2,801	2,788	1,965	<b>2,345</b>
Presentments / indictments per Crown Prosecutor	104	112	130	132	136	143	145	105	<b>122</b>
Total plea offer advisings	2,257	2,095	2,215	2,052	2,226	2,239	2,477	1,655	<b>2,468</b>
Plea offer advisings per Crown Prosecutor	80	83	101	101	110	115	129	88	<b>129</b>
Total discontinuance of charges advisings	495	640	698	684	640	611	571	312	<b>321</b>
Discontinuance of charges advisings per Crown Prosecutor	18	25	32	34	32	31	30	17	<b>17</b>
General advice total	4,694	4,213	3,749	3,200	2,880	3,427	3,659	3,607	<b>5,305</b>
General advice per Crown Prosecutor	167	166	172	157	142	175	190	193	<b>277</b>
All advice total	7,446	6,948	6,662	5,936	5,746	6,277	6,707	5,574	<b>8,094</b>
All advice per Crown Prosecutor	265	274	305	292	284	321	348	298	<b>423</b>

\* Note that for this data set, Crown Prosecutor FTE (full-time equivalent) is calculated across the financial year.

## Appendix 6

### Freedom of Information report

#### Compliance with the *Freedom of Information Act 1982*

The OPP is subject to the *Freedom of Information Act 1982* (the Act).

Particulars of the functions and organisation of the OPP are set out elsewhere in this Annual Report. The OPP's website ([www.opp.vic.gov.au](http://www.opp.vic.gov.au)) provides additional information including the OPP's statement pursuant to Part II of the Act.

Further information can be obtained about the Act, and the various regulations made under that Act by visiting [www.ovic.vic.gov.au](http://www.ovic.vic.gov.au)

#### Exemption of the Director of Public Prosecutions

The *Freedom of Information Regulations 2019* exempt the DPP from the application of the Act.

#### Freedom of Information requests during 2018/19

The OPP received 47 requests under the Act from 1 July 2018 to 30 June 2019. 44 requests were finalised in this period (inclusive of requests carried over from 2017/18) with the remaining five requests to be finalised within the next reporting period. An outline of the results of these requests is as follows (note that some requests may fall into more than one category):

Requests transferred to other departments	0
Requests transferred to other agencies	3
Requests relating to documents that do not exist or cannot be located	3
Access granted in full	1
Access granted in part	9
Access denied in full	3
Requests outstanding from 2017/18	4
Requests received but not finalised in 2018/19	6
Requests withdrawn/not proceeded with/Act does not apply to	23
Requests not processed	0
OVIC reviews	2

#### Categories of documents held by the OPP

The types of documents the OPP handles include case files, policies and procedures, administrative records and audio-visual material. Documents are organised under the following categories according to the OPP's business classification scheme:

- Audio-Visual Management
- Communications Management
- Contract Establishment
- Facilities Management
- Fleet Management
- Government Relations
- Human Resources Management
- Information Management
- Systems Management
- Learning and Development Management
- Legal Matter Management



- Legal Services Management
- Occupational Health and Safety Management
- Stationery and Supplies Management
- Strategic Management

## Access to documents

The *Freedom of Information Act 1982* aims to make the maximum amount of information available to Victorians, promptly and inexpensively. To facilitate this aim, requests for access to documents held by the OPP should specify the matter to which their request relates and identify the documents or types of documents requested, to enable the OPP to identify the document/s that fall within the terms of the request.

Requests for access to documents held by the OPP must be submitted in writing to the OPP's Freedom of Information Officer. The request should include a contact telephone number and/or email address to enable the Freedom of Information Officer to contact the applicant to clarify or discuss matters relating to the request.

Upon receipt of a valid request, the OPP will process the request and may refuse to disclose all or part of a document if it contains information that is exempt under the Act. The Act outlines general categories of information that are exempt, including internal working documents, law enforcement documents, privileged documents, documents containing information relating to the personal affairs of a person and documents containing information communicated in confidence.

Where the OPP decides to deny access to all or part of a document, it will inform the applicant of the decision and give reasons in support of the decision in writing. If the applicant wishes to challenge a decision of the OPP, they may apply to the Victorian Information Commissioner for a review of the decision. If the applicant is dissatisfied with the outcome of that review, they may lodge an application for review to the Victorian Civil and Administrative Tribunal (VCAT).

An applicant may also make a complaint to the Victorian Information Commissioner about the way the request has been handled or if they are informed that the documents requested do not exist or cannot be located.

In 2018/19, one complaint was made to the Victorian Information Commissioner.

## Charges under the Act

The Act specifies that access to information be provided at the lowest reasonable cost. Current charges are:

- application fee – a request must be accompanied by payment of \$28.90 (effective 1 July 2018 to 30 June 2019) and thereafter \$29.60
- search fee – \$21.70 per hour or part thereof (effective 1 July 2018 to 30 June 2019) and thereafter \$22.20
- supervision fee – \$21.70 per hour to be calculated per quarter hour or part of a quarter hour, where a document is inspected by an applicant at the OPP (effective 1 July 2018 to 30 June 2019) and thereafter \$22.20
- photocopy fee – \$0.20 per A4 page
- deposits – a deposit of \$25 may be requested before the OPP will grant access if the calculated charge does not exceed \$100. If the calculated charge exceeds \$100, a deposit of 50 per cent of the calculated charge may be requested.

The application fee may be waived on financial hardship grounds.

Access charges may also be waived in certain circumstances, for example, where the applicant is impecunious, intends to use the document sought for general public interest or benefit or seeks to access documents relating to their personal affairs.

## FOI Timelines

The OPP is required to process a request within 30 days. This timeframe may be unilaterally extended to 45 days where the OPP is required to consult with third parties. The processing timeframe may also be extended by periods of up to 30 days, any number of times, with the agreement of the applicant.

### **Amendment of personal records**

After a document containing information relating to the personal affairs of a person has been released to that person, or in the case of a deceased person, that person's next of kin, the applicant can request the correction of any information held on the file where it is considered that this information is inaccurate, incomplete, out of date or gives a misleading impression. In the 2018/19 period no requests to amend a personal record were received by the OPP.

Requests for amendments must be made in writing and must specify:

- an address for service of notices
- particulars of why the applicant believes the information to be incomplete, incorrect, out-of-date or misleading
- the amendments that the applicant wishes to be made.

If the OPP agrees to the request, the record may be either altered or amended by an appropriate notation. If the OPP refuses to make the amendment, it must notify the applicant in writing of the decision and of:

- the findings on any material questions of fact, the material on which those findings were based and the reasons for the decision
- the name and designation of the person making the decision
- the applicant's right to a review of the decision by the Victorian Information Commissioner.

If, on further review to VCAT, the OPP's decision is affirmed, the applicant may, by written notice, insist that a notation be made to the record specifying why the applicant claims the information it contains is incomplete or otherwise inaccurate. The notation then becomes part of the document and may be disclosed according to the Act.

### **Nominated officer/contact officer**

Requests for access to documents in the possession of the Office of Public Prosecutions under the *Freedom of Information Act 1982* may be directed to:

Freedom of Information Officer  
Office of Public Prosecutions  
565 Lonsdale Street  
MELBOURNE VIC 3000

Or via email to: [foi@opp.vic.gov.au](mailto:foi@opp.vic.gov.au)

Or via an online request and payment/request for fee waiver at: [www.ovic.vic.gov.au](http://www.ovic.vic.gov.au)

## Appendix 7

### Protected Disclosures report

The OPP is committed to the aims and objectives of the *Protected Disclosures Act 2012* (the Act). It does not tolerate improper conduct by its employees and officers or the taking of reprisals against those who come forward to disclose such conduct.

The OPP recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources or conduct involving a substantial risk to public health and safety or the environment.

The OPP will take all necessary steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure.

### Reporting procedures

Disclosures of improper conduct or detrimental action by the OPP or its employees and officers, the Solicitor for Public Prosecutions or a Crown Prosecutor may be made directly to the Independent Broad-based Anti-corruption Commission (IBAC). Disclosures of improper conduct or detrimental action by the DPP or the Chief Crown Prosecutor must be made directly to the IBAC.

IBAC  
Level 1, North Tower, 459 Collins Street  
MELBOURNE VIC 3000  
Tel: (03) 1300 735 135  
Website: [www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)

### Further information

Further information about protected disclosure reporting procedures are available on the OPP's website: [www.opp.vic.gov.au](http://www.opp.vic.gov.au)

## Appendix 8

### The OPP workforce

OPP staff are employed by the Solicitor for Public Prosecutions, who has the functions of a public service body head under the *Public Administration Act 2004* (the Act).

The OPP workforce numbers have increased in the 2018/19 financial year. At 30 June 2019 we had a total of 381 employees, 73 per cent are female, 27 per cent male.

	<i>Jun-19</i>						
	<i>All Employees</i>		<i>Ongoing Employees</i>			<i>Fixed term/Casual</i>	
	<i>Number HC</i>	<i>FTE</i>	<i>Full Time HC</i>	<i>Part Time HC</i>	<i>FTE</i>	<i>Number HC</i>	<i>FTE</i>
<b>Gender</b>							
Male/Man	103	101.2	76	2	77.5	25	23.7
Female/Woman	278	255.8	160	54	197.6	64	58.2
Self Described							
Total	381	357	236	56	275.1	89	81.9
<b>Age</b>							
15-24	30	24.4	3	0	3	27	21.4
25-34	168	163.3	108	12	116.6	48	46.7
35-44	94	83.6	54	32	75.8	8	7.8
45-54	49	47.5	38	6	42.5	5	5
55-64	35	33.2	28	6	32.2	1	1
65+	5	5	5	0	5	0	0
Total	381	357	236	56	275.1	89	81.9
<b>Classification</b>							
VPS 1	2	0.9	0	0	0	2	0.9
VPS 2	70	64.3	24	2	25.6	44	38.7
VPS 3	78	76.8	57	5	60.8	16	16
VPS 4	67	64	44	7	48.6	16	15.4
VPS 5	77	70	50	20	63.1	7	6.9
VPS 6	83	77	61	22	77	0	0
STS	0	0	0	0	0	0	0
PS	0	0	0	0	0	0	0
SMA	0	0	0	0	0	0	0
SRA	0	0	0	0	0	0	0
Executives	4	4	0	0	0	4	4
Other	21	21	0	0	0	21	21
Total	402	378	236	56	275.1	110	102.9

## Employment and conduct principles

The Act describes public sector values (s. 7) and employment principles (s. 8).

The Office is committed to applying the principle of merit when appointing staff. Selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination. This commitment is reflected in our values, particularly those of respecting others, acting fairly and acting with integrity. All of our people management systems and procedures have been designed to ensure that these standards are consistently met.

The Code of Conduct for Victorian Public Sector Employees is provided to all new employees and is available on the OPP intranet. Our formal induction program highlights the importance of the Code and the values expected of our staff.

<i>Jun-18</i>							
	<i>All Employees</i>		<i>Ongoing Employees</i>			<i>Fixed term/Casual</i>	
	<i>Number HC</i>	<i>FTE</i>	<i>Full Time HC</i>	<i>Part Time HC</i>	<i>FTE</i>	<i>Number HC</i>	<i>FTE</i>
<b>Gender</b>							
Male/Man	108	105.6	85	3	87.4	20	18.2
Female/Woman	252	232.3	145	48	177.3	59	55
Self Described							
Total	360	337.9	230	51	264.7	79	73.2
<b>Age</b>							
15-24	23	19.9	4	1	4.6	18	15.3
25-34	157	151.8	98	7	102.9	52	48.9
35-44	79	70.2	49	27	67.2	3	3
45-54	53	50	40	9	46	4	4
55-64	43	41	34	7	39	2	2
65+	5	5	5	0	5	0	0
Total	360	337.9	230	51	264.7	79	73.2
<b>Classification</b>							
VPS 1	2	1.8	0	0	0	2	1.8
VPS 2	70	63.6	26	3	28.1	41	35.5
VPS 3	64	63.1	43	4	46.1	17	17
VPS 4	69	67.5	51	5	54.6	13	12.9
VPS 5	66	58.7	45	19	56.7	2	2
VPS 6	84	78.2	64	20	78.2	0	0
STS	1	1	1	0	1	0	0
PS							
SMA							
SRA							
Executives	4	4	4	0	4	0	0
Other	18	18				18	18
Total	378	355.9	234	51	268.7	93	87.2

## Appendix 9

### Occupational Health, Safety and Wellbeing

During the course of 2018/19, the focus for staff health and wellbeing continued to be on:

- Integrating health and safety compliance into everyday business practice
- Promoting safe, respectful and health workplaces, and
- Supporting staff with injuries and illnesses.

The OPP Occupational Health and Safety (OH&S) Committee continued to provide guidance and information to employees and management on a range of OH&S issues. The committee identified hazards, reviewed reported incidents and held quarterly workplace safety inspections. The committee is made up of an Executive Chair, elected employee representatives and management representatives. Under the guidance of the Chair, Sam Jones, the OH&S Committee sought to promote and encourage safe and healthy work environments across the OPP.

The OPP HR team participated in the Department of Justice and Community Safety/Allianz Return to Work network and committed to reviewing and enhancing our performance in Workcover management and return to work programs. Since 2016/17 the OPP has reduced the average cost per standard claim from \$203,927 (in 2016/17) to \$4,615 (in 2018/19) and achieved a 100 per cent return to work in under 30 days rate this financial year.

In 2018/19, a range of wellbeing activities were coordinated on behalf of staff which were based primarily on feedback obtained from the OPP Staff Wellbeing Survey held in October 2018. Opportunities coordinated throughout the year sought to improve and enhance the physical and mental wellbeing of all staff and included the bi-monthly bring your dog to work day, staff trivia night, flu vaccination program and lunchtime Pilates classes. A range of team sports were also supported including soccer, netball and the Sunset Series running race. Other events included Vicarious Trauma training, a 10-Week Mindfulness Program and participation in gift drives and charity fundraisers.

The OPP is committed to promoting a mentally healthy and safe workplace in line with the Victorian Public Sector Mental Health and Wellbeing Charter. To support this commitment, the OPP Executive team attended Mental Health Awareness Training.

The OPP also continued to offer the Employee Assistance Program (EAP) this is a free, short-term confidential counselling service for employees and their immediate family members. In addition to the EAP, OPP staff were also able to access confidential wellbeing checks, facilitated by a senior clinical psychologist. Our ongoing specialist support program was delivered for selected teams.

During the year, the OPP also facilitated a Team Wellbeing Program, aimed at promoting positive staff health and wellbeing in a team-based, professional setting. The program included team-based presentations, workshops and training sessions. Activities were very well received by participants and feedback has indicated high levels of participation, engagement and wellbeing benefits for staff.

## The OPP's performance against OH&S management measures

The number of reported incidents across the Office decreased to 1.32 per 100 FTE.

<i>Measure</i>	<i>KPI</i>	<i>2018/19</i>	<i>2017/18</i>
<b>Incidents</b>	No. of incidents	5	12
	Rate per 100 FTE	1.32	3.55
	No. of incidents requiring first aid and/or further medical treatment	5	10
<b>Workcover*</b>	No. of standard claims	1	1
	Rate per 100 FTE	0.28	0.3
	No. of lost time claims	0	0
	Rate per 100 FTE	0	0
	No. of claims exceeding 13 weeks	0	1
	Rate per 100 FTE	0	0.3
<b>Fatalities</b>	Fatality claims	0	0
<b>Claim costs</b>	Average cost per standard claim (includes amount paid and estimate)*	\$4,615	\$65,866
<b>Return to work</b>	Percentage of claims with return to work plans <30 days	100%	0%
<b>Consultation and participation</b>	Evidence of agreed structure of designated workgroups (DWGs), health and safety representatives (HSRs), and issue resolution procedures (IRPs).	Complete	Not reported
	Compliance with agreed structure on DWGs, HSRs, and IRPs.	Complete	Not reported
	Number of quarterly committee meetings	4	4
<b>Risk management</b>	Percentage of internal audits/inspections conducted as planned	97.56%	70.45%
	No. of Improvement Notices issued across the OPP by WorkSafe Inspector	0	0
<b>Training</b>	Percentage of new staff that have received OH&S induction training	100%	100%
	Percentage of HSR's trained:		
	Acceptance of role	100%	100%
	Re-training (refresher)	70%	0%**

\* Data sourced from Victorian WorkCover Authority (VWA)

\*\* Not previously tracked or reported

# Appendix 10

## Environmental report

### Commitment to sustainable practices

The OPP is committed to reducing energy consumption, using environmentally sustainable products and implementing environmentally sustainable strategies. The OPP reduces the environmental impact of its operations by implementing initiatives that have an environmental payback. Actions which have been undertaken by the OPP during the last financial year include:

- working with the Department of Treasury and Finance as part of a joint project management team, the upgraded building plant and equipment in 565 Lonsdale Street has been commissioned to reduce energy consumption
- implementing a waste management strategy to allow the separation of waste into several streams
- donating redundant furniture to charities and sporting organisations to avoid landfill
- employing building contractors who had waste management processes in place to reduce building waste.

### Environmental report for 2018/19

Environmental reporting pertaining to energy and waste is based on data from the Melbourne CBD OPP office located at 565 Lonsdale Street where 95 per cent of office-based staff members are located. Reporting elements relating to paper and transport cover all OPP office locations and staff. This information has been prepared in accordance with the Financial Reporting Directions issued under s. 8 of the *Financial Management Act 1994*.

### ENERGY

Indicator	2018/19				2017/18			
	Electricity	Natural Gas	Green Power	Total	Electricity	Natural Gas	Green Power	Total
Total energy usage segmented by primary source (MJ)	1,334,883	2,060,985	0	3,395,868	4,490,463	2,310,826	0	6,801,289
Greenhouse gas emissions associated with energy use (t CO <sub>2</sub> -e)	953	114	0	1,067	1,871	127	0	1,998
Percentage of electricity purchased as Green Power	0			0	0			0
Units of energy used per FTE (MJ/FTE)	3,512			3,512	12,649			12,649
Units of energy used per unit of office area (MJ/m <sup>2</sup> )	162			162	576			576

#### Notes on energy data:

- Energy data was provided by Jones Lang LaSalle, on behalf of Department of Treasury and Finance.
- Department of Treasury and Finance as landlord does not purchase green power for 565 Lonsdale Street.
- The OPP's average FTE during 2018/19 is used for energy reporting.



## WASTE

The waste generated by processes within the OPP is divided into three general classes – landfill, compost and recycling.

	2018/19				2017/18			
<i>Indicator</i>	<i>Landfill</i>	<i>Recycled</i>	<i>Compost</i>	<i>Total</i>	<i>Landfill</i>	<i>Recycled</i>	<i>Compost</i>	<i>Total</i>
Total units of waste disposed of by destination (kg/year)	11,700	3,504	889	<b>16,950</b>	26,784	32,812	4,416	<b>64,012</b>
Units of waste disposed of per FTE by destinations (kg/FTE)	31	9	3	<b>43</b>	75	92	12	<b>179</b>
Recycling rate (per cent of total waste)	21			<b>21</b>	51			<b>51</b>
Greenhouse gas emissions associated with waste disposal (t CO2-e)	15			<b>15</b>	29			<b>29</b>

### Notes on waste data:

- OPP waste disposal data was provided by Jones Lang LaSalle, on behalf of Department of Treasury and Finance. The data is based on a single sample waste audit.
- The reduction on recycled waste in 2018/19 is attributed to the OPP Paperless Project.
- OPP occupies 95 per cent of 565 Lonsdale Street, the data includes the total waste for the building including tenancy and base building consumption.

### Actions taken to reduce waste consumption:

- To minimise waste going to landfill, redundant office equipment and furniture was offered to various charity organisations and auction houses.

## PAPER

<i>Indicator</i>	<i>2018/19</i>	<i>2017/18</i>
Total units of copy paper used (reams)	6,848	10,336
Units of copy paper used per FTE (reams/FTE)	18	29
Percentage of 75–100% recycled content copy paper purchased (%)	99.9	100
Percentage of 50–75% recycled content copy paper purchased (%)	0	0
Percentage of 0–50% recycled content copy paper purchased (%)	0.1	0

### Notes on paper consumption:

- The paper consumption data was provided by Corporate Office Solutions.

### Actions taken to reduce paper consumption:

- The implementation of the OPP Paperless Project has delivered significant reductions to paper usage across the organisation.
- While the range of paper used by the OPP is mandated by the Victorian Government Purchasing Board under the Whole of Victorian Government stationery panel arrangement, for general office usage the OPP has selected a standard white A4 paper with a high recycled content and continues to ensure that where possible all paper purchased is made in Australia to minimise the environmental impact of importation.
- Default printing is double sided.

## WATER

<i>Indicator</i>	<i>2018/19</i>	<i>2017/18</i>
Total units of metered water consumed (kilolitres)	2,932	4,236
Units of metered water consumed in offices per FTE (kilolitres/FTE)	7.7	11.9
Units of metered water consumed in offices per unit of office area (kilolitres/m2)	0.35	0.53

### Notes on water consumption data:

- Data was provided by Jones Lang LaSalle on behalf of the Department of Treasury and Finance, the owner of 565 Lonsdale Street.

## TRANSPORT

The department's fleet comprises 31 vehicles, 65 per cent of which are operational vehicles, and the remainder executive fleet. Of the operational vehicles 85 per cent are four cylinder petrol fuelled, and 15 per cent are six cylinder petrol fuelled.

The executive fleet comprised 25 per cent four cylinder diesel fuelled 12.5 per cent six cylinder diesel fuelled, 25 per cent six cylinder petrol fuelled, 25 per cent four cylinder petrol fuelled vehicles and 12.5 per cent hybrid fuelled.

	<i>2018/19</i>			<i>2017/18</i>		
<i>Operational Vehicles</i>	<i>4 cyl</i>	<i>6 cyl</i>	<i>Total</i>	<i>4 cyl</i>	<i>6 cyl</i>	<i>Total</i>
Total energy consumption by vehicles (MJ)	768,850	182,115	<b>950,965</b>	585,610	410,058	<b>995,668</b>
Total vehicle travel associated with entity operations (km)	242,568	51,667	<b>294,235</b>	197,899	132,096	<b>329,995</b>
Total greenhouse gas emissions from vehicle fleet (t CO <sub>2</sub> -e)	54	14	<b>68</b>	33	27	<b>60</b>
Greenhouse gas emissions from vehicle fleet per 1,000km travelled (t CO <sub>2</sub> -e)	0.23	0.25	<b>0.48</b>	0.16	0.20	<b>0.36</b>

	<i>2018/19</i>	<i>2017/18</i>
<i>Indicator</i>	<i>Total greenhouse gas emissions (t CO<sub>2</sub>-e)</i>	<i>Total greenhouse gas emissions (t CO<sub>2</sub>-e)</i>
Total travelled by aeroplane	93	151

<i>Indicator</i>	<i>2018/19</i>	<i>2017/18</i>
Percentage of CBD employees regularly (>75 per cent of work attendance days) using public transport, cycling or walking to and from work or working from home	90	90

### Notes on transportation data:

- Vehicle fuel data was supplied by the Department of Treasury and Finance's VicFleet unit.
- Over 90 per cent of all air travel relates to the movement of witnesses for trial preparation or giving evidence at court – as such, distance of travel can vary significantly.

### Actions taken to reduce vehicle emissions:

- Ongoing program of replacing vehicles with more fuel efficient models.
- The upgraded 'end of trip' facilities has encouraged more staff to walk, run or cycle to work.
- Public transport tickets are purchased for staff travel to and from external meetings and also between the Melbourne and Geelong offices.

# Appendix 11

## Supplementary information

### Audit Committee membership and roles

The Audit Committee consists of the following members:

- H Burjorjee, Chairperson (independent member)
- L Woolmer (independent member)
- S Jones, General Manager Corporate Services

The main responsibilities of the Audit Committee are to:

- review and report independently to the Solicitor and Minister on the annual report and all other financial information published by the OPP
- assist the Solicitor and the Minister in reviewing the effectiveness of the OPP's internal control environment covering:
  - effectiveness and efficiency of operations
  - reliability of financial reporting and
  - compliance with applicable laws and regulations
- determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors
- maintain effective communication with the external auditors
- oversee the effective operation of the Risk Management Framework.

### Consultancies

#### Details of consultancies over \$10,000

In 2018/19, there was one consultancy where the total fees payable to the consultant was \$10,000 or greater. The total expenditure incurred during 2018/19 in relation to this consultancy is \$24,467 (excluding GST). Details of individual consultancy is outlined below:

<i>Consultant</i>	<i>Purpose</i>	<i>Start date</i>	<i>End date</i>	<i>Total approved project fee (\$ ex GST)</i>	<i>Expenditure 2018/19 (\$ ex GST)</i>	<i>Future expenditure (\$ ex GST)</i>
RMIT University	A study of victims' experiences and communication needs	01/09/2018	10/04/2019	\$25,000.00	\$24,467.00	Nil

#### Details of consultancies under \$10,000

In 2018/19, there were no consultancies where the total fees payable to the consultants were less than \$10,000.

### Information and Communication Technology (ICT) expenditure

For the 2018/19 reporting period, the Office had a total ICT expenditure of \$5,786,546 with the details shown below:

<i>(\$ thousand)</i>			
All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure	Non-Business As Usual (Non-BAU) ICT expenditure	Operational expenditure	Capital expenditure
Total	Total = Operational expenditure and Capital expenditure		
5,349	438	359	79

ICT expenditure refers to the Office's costs in providing business enabling ICT services within the current reporting period. It comprises Business As Usual (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing the Office's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

## Appendix 12

### Statement of availability of other information

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by the Department and are available on request, subject to the provisions of the *Freedom of Information Act 1982*. However, in adopting best practice disclosure policies and to ensure that the OPP discharges its accountability obligations, where relevant, details about some of the following items have been disclosed within this Report of Operations.

- A statement that declarations of pecuniary interests have been duly completed by all relevant officers of the OPP.
- Details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.
- Details of publications produced by the OPP about itself, and how these can be obtained.
- Details of changes in prices, fees, charges, rates and levies charged by the OPP.
- Details of any major external reviews carried out on the OPP.
- Details of major research and development activities undertaken by the OPP.
- Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken by the OPP to develop community awareness of the office and its services.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- A general statement on industrial relations within the OPP and details of time lost through industrial accidents and disputes.
- A list of major committees sponsored by the OPP, the purposes of each committee and the extent to which the purposes have been achieved.
- Details of all consultancies and contractors including:
  - consultants/contractors engaged
  - services provided and
  - expenditure committed to for each engagement.

This information is available from:

Projects and Performance Unit  
Office of Public Prosecutions  
565 Lonsdale Street  
MELBOURNE VIC 3000  
Telephone: (03) 9603 7615  
Email: [pp.info@opp.vic.gov.au](mailto:pp.info@opp.vic.gov.au)

## Appendix 13

### Attestation

#### Attestation for financial management compliance with Standing Direction 5.1.4

I, John Cain, certify that the Office of Public Prosecutions has complied with the applicable Standing Directions 2018 under the *Financial Management Act 1994* and Instructions.

A handwritten signature in black ink, reading "John W. Cain". The signature is written in a cursive style with a large, stylized 'C' at the end.

John Cain  
Solicitor for Public Prosecutions  
Office of Public Prosecutions

# Appendix 14

## Disclosure index

The annual report of the Office of Public Prosecutions is prepared in accordance with all relevant Victorian legislations and pronouncements.

This index has been prepared to facilitate identification of the Office's compliance with statutory disclosure requirements.

<i>Legislation</i>	<i>Requirement</i>	<i>Page Reference</i>
<b>Standing Directions &amp; Financial Reporting Directions</b>		
Report of operations – FRD Guidance		
<b>Charter and purpose</b>		
FRD 22H	Manner of establishment and the relevant Ministers	62
FRD 22H	Purpose, functions, powers and duties	3
FRD 8D	Office objectives, indicators and outputs	73
FRD 22H	Initiatives and projects	1, 18-19
FRD 22H	Nature and range of services provided	11-19
<b>Management and structure</b>		
FRD 22H	Organisational structure	10
<b>Financial and other information</b>		
FRD 8D	Performance against output performance measures	73
FRD 8D	Budget portfolio outcomes	22
FRD 10A	Disclosure index	95-96
FRD 15E	Executive officer disclosures	63-64
FRD 22H	Employment and conduct principles	86
FRD 22H	Occupational health and safety policy	87-88
FRD 22H	Summary of the financial results for the year	22
FRD 22H	Significant changes in financial position during the year	22
FRD 22H	Major changes or factors affecting performance	22
FRD 22H	Subsequent events	64
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	81-83
FRD 22H	Application and operation of the <i>Protected Disclosure 2012</i>	84
FRD 22H	Details of consultancies over \$10,000	92
FRD 22H	Details of consultancies under \$10,000	92
FRD 22H	Disclosure of ICT expenditure	92
FRD 22H	Statement of availability of other information	93
FRD 24D	Reporting of office-based environmental impacts	89-91
FRD 29C	Workforce Data disclosures	85-86
SD 5.2	Specific requirements under Standing Direction 5.2	1-96

<b>Legislation</b>	<b>Requirement</b>	<b>Page Reference</b>
<b>Compliance attestation and declaration</b>		
SD 5.4.1	Attestation for compliance with Ministerial Standing Direction	94
SD 5.2.3	Declaration in report of operations	Inside front cover
Financial statements		
<b>Declaration</b>		
SD 5.2.2	Declaration in financial statements	26
Ministerial Directions & Financial Reporting Directions		
<b>Other requirements under Standing Directions 5.2</b>		
SD 5.2.1 (a)	Compliance with Australian accounting standards and other authoritative pronouncements	33
SD 5.2.1 (a)	Compliance with Ministerial Directions	94
SD 5.2.1 (b)	Compliance with Model Financial Report	23-71
<b>Other disclosures as required by FRDs in notes to the financial statements (a)</b>		
FRD 21C	Disclosures of Responsible Persons, Executive Officers and other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report	62-63
FRD 103H	Non-Financial Physical Assets	61
FRD 110A	Cash Flow Statements	31
FRD 112D	Defined Benefit Superannuation Obligations	37
<i>Note:</i> (a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.		
Legislation		
<i>Freedom of Information Act 1982</i>		81-83
<i>Protected Disclosure Act 2012</i>		84
<i>Financial Management Act 1994</i>		23-71

SD is a Standing Direction issued by the Assistant Treasurer under s. 8 of the *Financial Management Act 1994*. Standing Directions specify public sector agency responsibilities to achieve a high standard of public financial management and accountability.

FRD is a Financial Reporting Direction which forms part of the Directions issued pursuant to s. 8 of the *Financial Management Act 1994*. An FRD deals specifically with financial reporting issues for Victorian public sector entities.

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