



Public Prosecution
Service of Canada

Service des poursuites
pénales du Canada

Office of the Director of Public Prosecutions

Quarterly Financial Report For the quarter ended June 30, 2023

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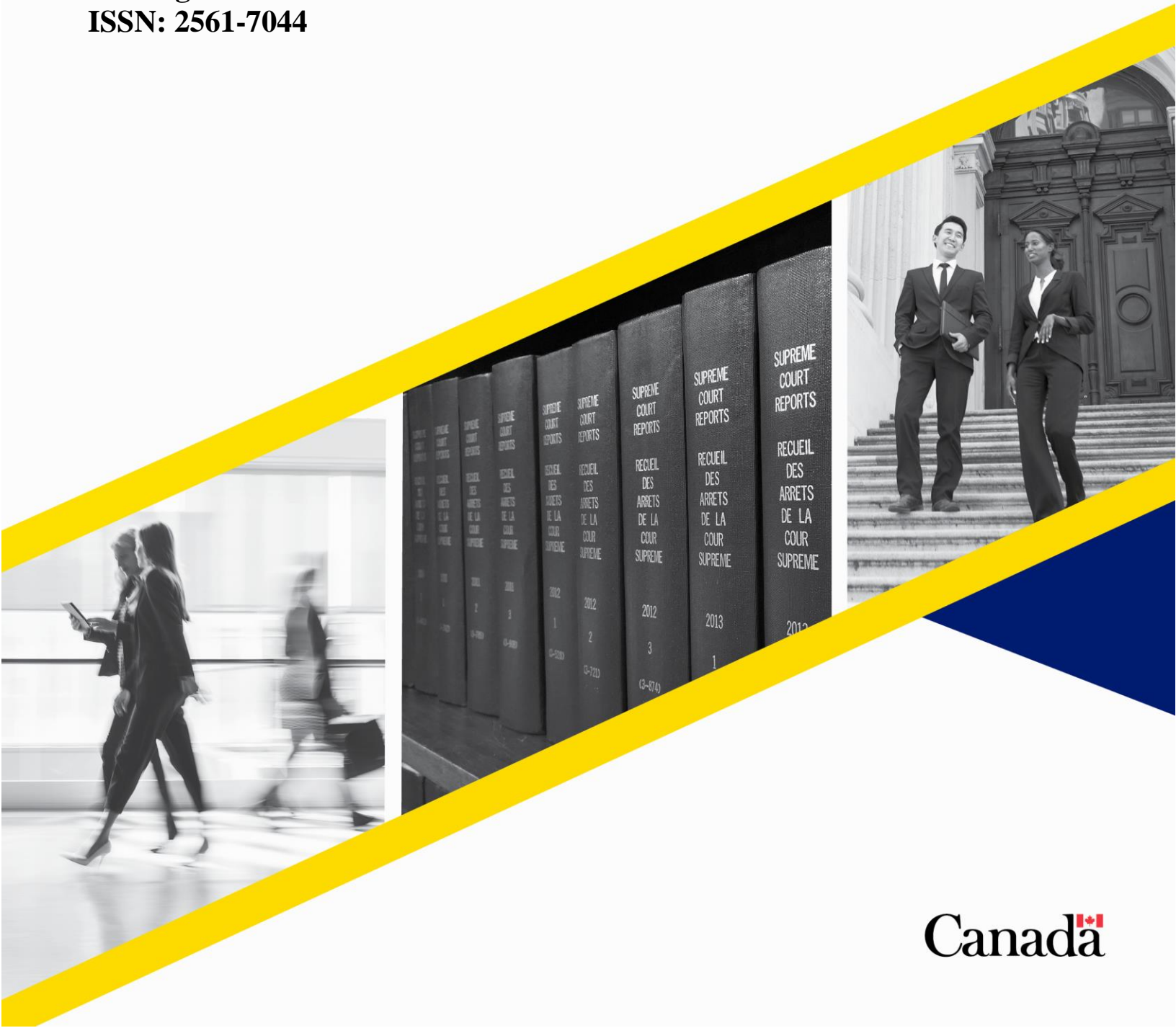


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Statement outlining results, risks and significant changes in operations, personnel and programs

1.0 Introduction

This quarterly report has been prepared by management as required by section 65.1 of the *Financial Administration Act*, and in the form and manner prescribed by the Treasury Board. It has not been subject to an external audit or review. This quarterly report should be read in conjunction with the *2023-24 Main Estimates*.

1.1 Authority, mandate and core responsibility

The Office of the Director of Public Prosecutions (ODPP) was created on December 12, 2006, with the coming into force of the *Director of Public Prosecutions Act*. The ODPP is an independent prosecution service mandated to prosecute offences that are under the jurisdiction of the Attorney General of Canada.

The ODPP has one core responsibility, which is the provision of prosecution services in an independent, impartial and fair manner. The mandate of the ODPP includes:

- initiating and conducting federal prosecutions;
- intervening in proceedings that raise a question of public interest that may affect the conduct of prosecutions or related investigations;
- issuing guidelines to federal prosecutors;
- advising law enforcement agencies or investigative bodies on general matters relating to prosecutions and on particular investigations that may lead to prosecutions;
- communicating with the media and the public on all matters that involve the initiation and conduct of prosecutions;
- exercising the authority of the Attorney General of Canada in respect of private prosecutions; and
- exercising any other power or carry out any other duty or function assigned by the Attorney General of Canada that is compatible with the ODPP.

In addition, Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refer to the activities and resources of ten distinct services that support program delivery in the organization, regardless of the Internal Services delivery model in a department. These services are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information

Management Services; Information Technology Services; Real Property Management Services; Materiel Management Services; and Acquisition Management Services.

1.2 Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the ODPP's spending authorities granted by Parliament, and those used by the ODPP consistent with the *2023-24 Main Estimates*. This quarterly report has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before moneys can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts, or through legislation in the form of statutory spending authority for specific purposes.

When Parliament is dissolved for the purposes of a general election, section 30 of the *Financial Administration Act* authorizes the Governor General, under certain conditions, to issue a special warrant authorizing the Government to withdraw funds from the Consolidated Revenue Fund. A special warrant is deemed to be an appropriation for the fiscal year in which it is issued.

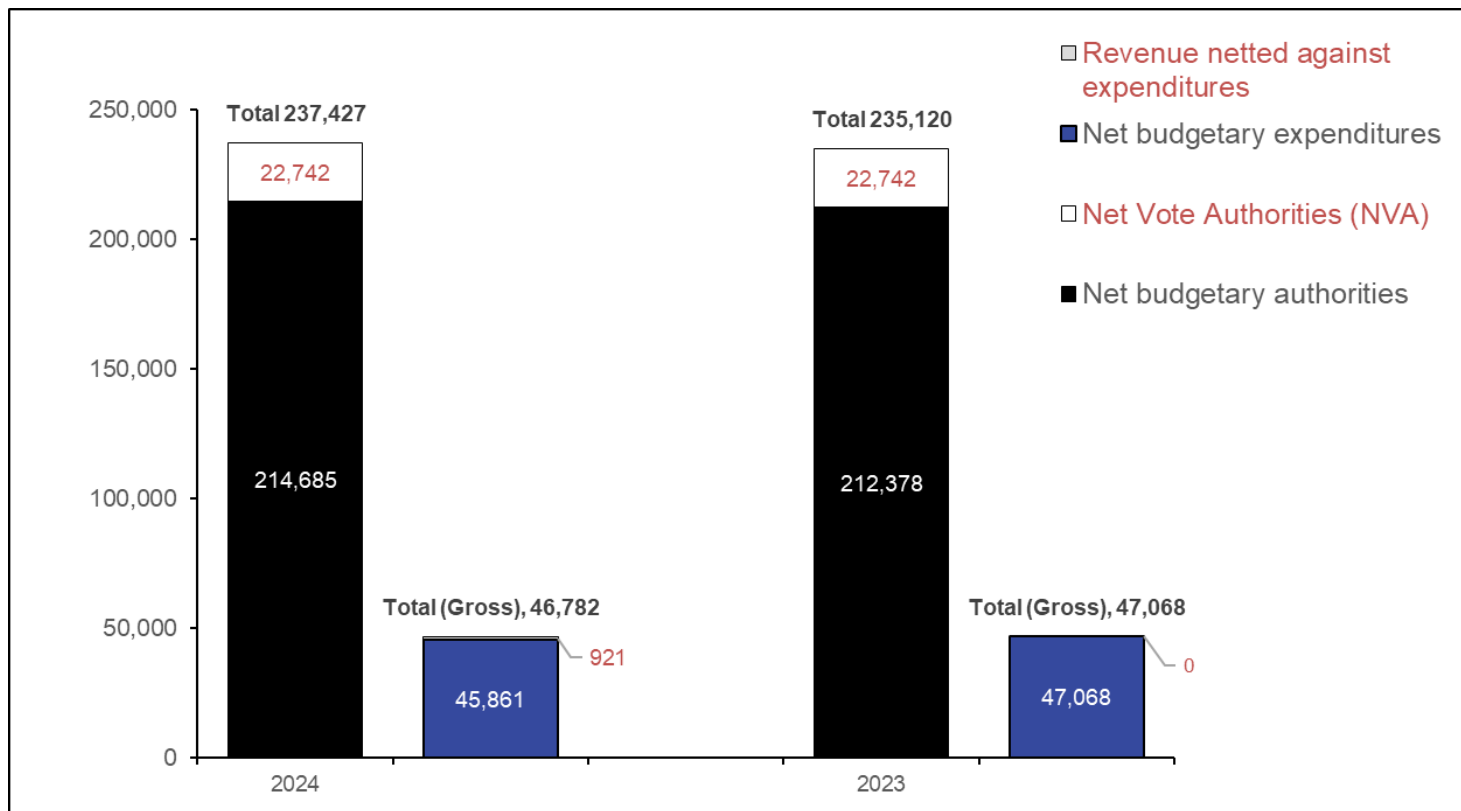
The ODPP uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

2.0 Highlights of the fiscal quarter and fiscal year-to-date results

This section highlights the significant items that have contributed to the net increase in resources available for the year and net changes in actual expenditures for the quarter ended June 30, 2023, in comparison to the prior year.

The ODPP's financial structure is mainly composed of voted budgetary authorities namely; Vote 1 Program expenditures and vote-netted revenue (VNR) authority, as well as statutory authorities for contributions to employee benefit plans.

Chart 1: Comparison of Budgetary Authorities and Expenditures as of June 30, 2023, and June 30, 2022 (in thousands of dollars)



2.1 Significant Changes to Spending Authorities

For the period ended June 30, 2023, the ODPP had a total net spending authority of \$214.7 million available for use as detailed in Chart 1 and Appendix A. This amount represents the authorities provided in the *2023-24 Main Estimates*.

The increase of \$2.3 million (1.1 %), compared to total net spending authorities at the same time in fiscal year 2022-23 (\$212.4 million) is mainly due to funding received to assist the Canada Revenue Agency in fighting tax evasion in a complex global and digital environment as well as funding received to support additional drug treatment court, offset by a decrease in funding to improve access to justice for Indigenous people and to address systemic barriers in the criminal justice system.

2.2 Significant Changes to Budgetary Expenditures and Revenues

The total year-to-date expenditures, for the period ended June 30, 2023, is \$46.8 million compared to \$47.1 million for the same period in 2022-23, as detailed in Appendix B. The breakdown differs nonetheless and the decrease is mainly attributable to a decrease in salary expenditures and professional and special services, offset by an increase in travel and in other subsidies and payments.

2.3 Revenues Netted Against Expenditures for the Quarter Ended June 30, 2023

The ODPP has the authority to respend revenues received for providing services to other government departments and agencies. During the quarter ended June 30, 2023, there were \$0.9 million in revenues applied toward expenditures. The ODPP had recorded no revenue during the same period the previous year, as detailed in Appendix B.

3.0 Risks and Uncertainties

The ODPP's key corporate risks are identified and assessed through an update of the Corporate Risk Profile (CRP). The ODPP will be working on an updated CRP in 2023-24, which is scheduled to be completed in the fall of 2023.

The ODPP does not determine the number or types of cases referred to it for prosecution, nor does it control all of the levers of the criminal justice system. The capacity of law enforcement agencies or investigative bodies contributes to a risk that the organization might experience declining revenues, which could affect the resources needed to meet its prosecutorial obligations. To address this risk, the ODPP is making key investments in its digital platform to ensure that its prosecution practice continues to progress toward a dynamic and digital environment, allowing the organization to provide services and fulfill its mandate as effectively and efficiently as possible. The ODPP continues to monitor its business practices to ensure resources are managed in a cost-effective manner through caseload and resource planning. In addition, the ODPP has built flexibility within its budget management processes to allow for the adjustment of resources in the event that there is a requirement.

Given the nature of ODPP's core mandate, employees are required to receive and handle a high volume of records from investigators that contain sensitive information. This, in turn, increases the risk that sensitive information could be inadvertently disclosed or lost, resulting in a potential privacy breach, a threat to the security and safety of individuals, and/or the public questioning the ability of the organization to adequately protect the information under its control. In addition, employees and agents (private sector prosecutors) could be exposed to incidents of threat and intimidation due to the nature of their work for the ODPP. Both the security of information and the safety of staff risks are being mitigated by developing and implementing a long-term security awareness strategy aimed at improving the departmental security posture in the areas of physical security, information security and personnel security.

The current state of the ODPP national Agent Affairs Program could negatively impact the ODPP's ability to manage funds. To mitigate this risk, the ODPP will continue to strengthen the financial accountabilities of the program and related policies, procedures and delegations.

4.0 Significant changes in relations to operations, personnel and programs

Departmental processes and procedures have been developed to adjust to the new workplace landscape. The ODPP is developing and implementing a hybrid workplace to support the delivery of remote and non-remote legal and administrative operations.

5.0 Approval by Senior Officials

Approved by:

Kathleen Roussel

Director of Public Prosecutions and
Deputy Attorney General of Canada

Mélanie Lamoureux, CPA

Chief Financial Officer

Ottawa, Canada

Date

APPENDIX A

Statement of Authorities (unaudited)

	Fiscal year 2023-24			Fiscal year 2022-23		
	Total available for use for the year ending March 31, 2024*	Used during the quarter ended June 30, 2023	Year-to-date used at quarter-end	Total available for use for the year ending March 31, 2023*	Used during the quarter ended June 30, 2022	Year-to-date used at quarter-end
(in thousands of dollars)						
Vote 1 - Net Operating expenditures	192,632	40,347	40,347	191,960	41,964	41,964
Budgetary Statutory Authorities:						
Contributions to employee benefit plans	22,053	5,513	5,513	20,418	5,104	5,104
Total Budgetary statutory authorities	22,053	5,513	5,513	20,418	5,104	5,104
Total Budgetary Authorities	214,685	45,861	45,861	212,378	47,068	47,068
Total Authorities	214,685	45,861	45,861	212,378	47,068	47,068

* Includes authorities available for use and granted by Parliament at quarter-end.

APPENDIX B

Departmental budgetary expenditures by Standard Object (Unaudited)

(in thousands of dollars)	Fiscal year 2023-24			Fiscal year 2022-23		
	Planned expenditures for the year ending March 31, 2024*	Expended during the quarter ended June 30, 2023	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2023*	Expended during the quarter ended June 30, 2022	Year-to-date used at quarter-end
Expenditures:						
Personnel	167,141	39,392	39,392	156,539	40,260	40,260
Transportation and communications	4,248	1,264	1,264	5,258	927	927
Information	336	45	45	532	76	76
Professional, special & other services	48,909	4,657	4,657	57,596	4,994	4,994
Rentals	3,855	356	356	3,270	235	235
Repair and maintenance	590	41	41	2,292	21	21
Utilities, materials and supplies	1,722	343	343	1,914	247	247
Acquisition of machinery and equipment	1,974	44	44	3,338	73	73
Other subsidies and payments	8,652	640	640	4,381	235	235
Total gross budgetary expenditures	237,427	46,782	46,782	235,120	47,068	47,068
Less Revenues netted against expenditures:						
Legal services	(22,742)	(921)	(921)	(22,742)	0	0
Total net budgetary expenditures	214,685	45,861	45,861	212,378	47,068	47,068

* Includes authorities available for use and granted by Parliament at quarter-end.