



Northern Ireland

Courts and  
Tribunals Service

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# Annual Report & Resource Accounts



serving the community through the administration of justice



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**Northern Ireland Courts and  
Tribunals Service**

**Annual Report and Accounts  
For the year ended 31 March 2011**

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Laid before the Northern Ireland Assembly under section  
11(3) (c) of the Government Resources and Accounts Act  
(Northern Ireland) 2001 by the Department of Justice on  
30 June 2011.

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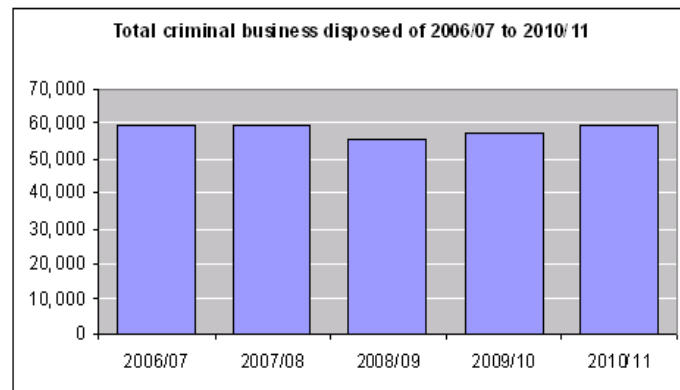
# 2010/11 Highlights

## Court & Tribunal Business

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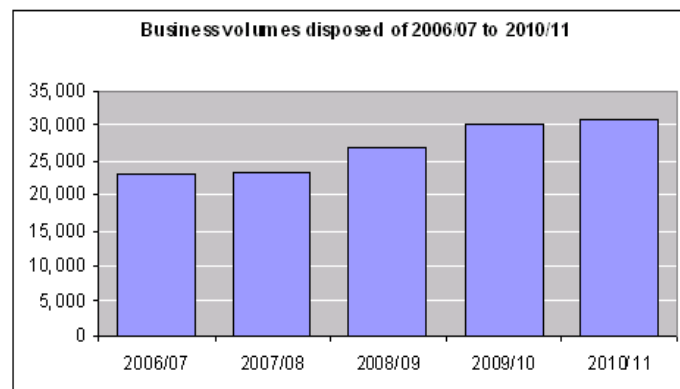
### Criminal Court Business

- The Crown Court received 1,634 cases, an increase of 21% from the previous year
- The number of defendants received in the magistrates' courts increases by 5% to 56,613
- There is a 15% increase in the number of defendants received in the Youth Magistrates' Court to 3,466
- The total criminal court business disposed of increases by 6%



### Civil Court Business

- The volume of civil court business disposed of increased by 3%.



### Family Court Business

- Children Order applications increase of 30%.

### Tribunal Business

- 16,758 cases are received in 2010/11 (a 6% increase on the previous year) and 16,671 cases disposed of.

## Delivering Responsive Customer Service

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- All 21 courthouses in Northern Ireland maintained their Customer Service Excellence Standard.
- Access to services is improved through online case tracking, online accounts and online information services for matrimonial cases.
- Citizens called to jury service enabled to submit juror notices online.
- Almost half of small claims applications now lodged online.
- New online fine payment service launched, with just over 10% take-up since January 2010.
- Electronic interfaces are established with the Youth Justice Agency, Driver and Vehicles Agency, TV Licensing and the Compensation Agency.
- Service delivery standards are published for NI tribunals.

## Promoting confidence in the Criminal Justice System

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- Case Progression Officers are assigned to all court venues, whose role is to work closely with the judiciary, prosecution and defence to improve the management of cases.
- The Fine Collection Scheme continues to reduce the number of offenders who are committed to prison for failing to pay fines. The work of our fine collection team led to a 30% reduction in the number of warrants issued for fine default.
- We work in partnership with colleagues in the Department of Justice (DoJ) to deliver the Justice Bill (Northern Ireland) 2011.
- Almost 150 visits and work placements are hosted at courts throughout Northern Ireland as part of our outreach strategy.
- Belfast hosts the National Magistrates' Mock Trial Competition, the All Ireland Advocacy Challenge and the Bar National Mock Trial.

## Improving Access to Justice

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- The Northern Ireland Courts and Tribunals Service (NICTS) assume statutory responsibility for most of Northern Ireland's tribunals from 1 April 2011.
- The Minister of Justice announces a review of Access to Justice in Northern Ireland.
- The limit in the Small Claims court increases from £2,000 to £3,000.

## Supporting an Independent Judiciary

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- Responsibility for the Northern Ireland Judicial Appointments Commission transfers to the Office of the First and Deputy First Minister.
- A new memorandum of Understanding defines the role of the Northern Ireland Judicial Appointments Ombudsman within a devolved administration.

## FOREWORD BY THE DIRECTOR

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On 12 April 2010, justice functions in Northern Ireland were devolved to the Northern Ireland Assembly and the Department of Justice (DoJ) came into existence as a new Northern Ireland Department. From this date, the Northern Ireland Courts and Tribunals Service (NICTS) became an executive agency of the DoJ.



In accordance with the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010, the annual report and accounts of the NICTS for the year ended 31 March 2011 and onwards, will be laid in the Northern Ireland Assembly.

During the period up to 12 April 2010, the NICTS complied with the corporate governance and accountability framework arrangements (including Managing Public Money) issued by HM Treasury.

From 12 April 2010 onwards, the NICTS complied with the corporate governance and accountability framework arrangements (including Managing Public Money Northern Ireland) issued by the Department of Finance and Personnel (DFP) and Department of Justice (DoJ).

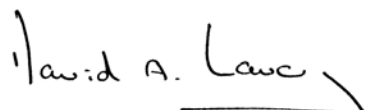
The devolution of policing and justice on 12 April 2010 did not change our business or the service we provide to the public, but did change the way in which we are accountable for our performance. Devolution has established a new dynamic with the legislature at Stormont, which has been of immense benefit.

The NICTS has continued to offer a high quality service to court users as recognised by the retention of the Customer Service Excellence Award at all courthouses during devolution's inaugural year.

The Access to Justice Review, launched during the year, will contribute to a range of Ministerial priorities. Part of that exercise touches on an area where considerable progress continues to be made, that of reforming the Legal Aid system in Northern Ireland. This reflects a continuing commitment to offering greater value for money for the taxpayer and creating improved access to the Legal Aid fund for those who need it.

I hope readers will find this Annual Report interesting and informative in explaining the work of our courts and tribunals.

The staff of the NICTS continues to deliver on our commitment to 'serving the community through the administration of justice'.

A handwritten signature in black ink that reads "David A. Lavery". The signature is written in a cursive style with a long horizontal stroke at the end.

**D.A. LAVERY**

**Director, Northern Ireland Courts and Tribunals Service**

**22 June 2011**

## PART 1 DIRECTORS' REPORT

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This is the Annual Report and Accounts for the NICTS ("the Agency") for the financial year ended 31 March 2011. These Statements have been prepared in accordance with directions given by DFP in pursuance of the Government Resources and Accounts Act (Northern Ireland) 2001 and the accounts direction given by the Department of Justice in accordance with Article 8 (4) (a) (iii) of the Criminal Injuries Compensation (Northern Ireland) Order 2002 and Paragraph 4 of the Northern Ireland Criminal Injuries Compensation Scheme 2002 as amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010.

### Who we are

The Agency is an Executive Agency of the DoJ for Northern Ireland. We are accountable to the Northern Ireland Assembly through the Minister of Justice, David Ford MLA.

The Agency provides a unified administration for courts and tribunals. Our role is to:

- provide administrative support for all of Northern Ireland's courts, i.e. the Court of Appeal, High Court, Crown Court, County Courts, Magistrates' Courts and Coroner's Courts;
- provide administrative support for tribunals;
- support an independent judiciary;
- enforce civil court judgments through the Enforcement of Judgments Office;
- manage funds held in court on behalf of minors and patients; and
- deliver effective and affordable publicly funded legal services, where appropriate through sponsorship of the Northern Ireland Legal Services Commission (NILSC).

## Organisational Aims & Values

Our organisational aim is:

“Serving the community through the administration of justice”

### Corporate Values

We aim at all times to demonstrate the following corporate values:

#### Integrity

to interact with our customers with the highest degree of integrity, promoting an atmosphere of honesty and trust

#### Openness

to undertake our work in an open and transparent manner

#### Professionalism

to conduct our business to the highest standards

#### Accountability

to be responsible for delivering a high quality service to the public

#### Fairness

to treat everyone fairly

We have incorporated our Corporate Values into our performance management system for our staff so that we can measure the way in which we demonstrate our values on a continuous basis.

## How we are structured

There are 21 courthouses across Northern Ireland, the largest being Laganside Courts and the Royal Courts of Justice in Belfast, and a number of tribunal hearing centres. All of our courthouses have achieved the Customer Service Excellence Standard in recognition of the high level of customer service provided. Further information on our structure is included in the appendices to this Report:

- Appendix 1**            Court Divisions and Map
- Appendix 2**            Northern Ireland Courts and Tribunals structure
- Appendix 3**            Judicial Complement in Northern Ireland

The Agency Framework Document sets out the arrangements for the effective governance, financing and operation of the Agency. The Framework Document is available on our website ([www.courtsni.gov.uk](http://www.courtsni.gov.uk)).

## Agency Board

The Director of the Agency, **David Lavery**, is the Agency's Chief Executive and Accounting Officer. He is supported by a Board which consists of the Agency's Divisional Heads, a DoJ representative, an independent Board member and four Judicial Representatives. The Board is chaired by the Director and provides direction to the Agency in the discharge of its responsibilities.

There are five Heads of Division who are responsible for the following areas:

### Business Operations (Jacqui Durkin)

**The key objective of this Division is:**

*To deliver quality services which meet the needs of our customers.*

Business Operations Division is responsible for:

- providing administrative support for criminal, civil and family court business and the Coroners Service;
- the Enforcement of Judgments Office;
- customer service improvement;
- business development & modernisation; and
- judicial support and liaison.





## Criminal & Coroners Policy (Geraldine Fee)

**The key objective of this Division is:**

To deliver high quality policy and legal advice to the Minister.

Criminal & Coroners Policy Division is responsible for:

- advising the Minister on the policy and legislative framework within which the Northern Ireland courts operate;
- preparing court related legislation;
- providing legal advice to the Agency; and
- providing the secretariat to the Court Rules Committees.



## Civil Policy & Tribunal Reform (Siobhan Broderick)

**The key objective of this Division is:**

To deliver high quality policy and legal advice to the Minister; and modernising the administration of tribunals in Northern Ireland.

Civil Policy & Tribunal Reform Division is responsible for:

- advising the Minister on the policy and legislative framework within which the Northern Ireland courts operate;
- preparing court related legislation;
- providing the secretariat to the Court Rules Committees;
- the delivery of the tribunal reform programme to achieve a unified courts and tribunals service;
- the efficient running of existing tribunals; and
- the establishment of new tribunals.

## Business Support (Anthony Carleton)



**The key objective of this Division is:**

Delivering a controlled financial and commercial environment, achieving value for money.

Business Support Division is responsible for:

- the management and oversight of the Agency's finances;
- financial oversight of the Non Departmental Public Body (NDPB) sponsorship arrangements with the NILSC;
- the management and oversight of the Agency's capital investment strategy, including the court estate;
- procurement services;
- internal audit and risk management;
- the Court Funds Office (CFO);
- Human Resource services; and
- Security Branch including court estate and information security.

## Public Legal Services (Robert Crawford)



**The key objective of this Division is:**

To deliver cost effective public legal services for those who cannot otherwise afford access to justice.

Public Legal Services Division supports the Minister in the provision of legal aid in Northern Ireland and is responsible for:

- sponsorship of the NILSC;
- reform of public legal services in partnership with the NILSC; and
- formulating and implementing legal aid policy.

An organisational management structure is attached at **Annex A**.

**PJ Fitzpatrick** is a non-executive member of the Board. He was appointed in April 2009 and supports the work of the Board by providing external, independent advice and expertise which informs the decision-making process.

**Carol Moore** is the DoJ representative on the Agency Board, nominated by the Permanent Secretary. She is also a non-executive member of the Board and keeps the Agency Board informed of the DoJ's views.

The **Judicial Representatives** are nominated by the Lord Chief Justice and keep the Agency Board informed of the views of the Lord Chief Justice and the judiciary on the Agency and its operations. The Judicial Representatives are:

### **The Honourable Mr Justice Deeny**

**His Honour Judge Burgess**, Recorder of Belfast

**District Judge Bagnall**, Presiding District Judge (Magistrates' Courts)

**Mr Conall MacLynn**, President of the Appeals Tribunal

The Agency Board meets quarterly and is responsible for oversight of the Agency's delivery strategies, the achievement of the Agency's objectives and targets and governance arrangements. It has specific functions in relation to finance, planning, performance and policy, which are set out in the **Framework Document**.

### **Other Committees**

The work of the Board is supported by three further committees. These are the Finance Committee, Audit Committee and Risk Assurance Committee. These committees meet regularly throughout the year and report to the Board. The Finance Committee is chaired by the Director, David Lavery. The Audit and Risk Assurance Committees are chaired by the non-executive board member, PJ Fitzpatrick.

## **Our People**

During the year, the average number of full time equivalent (FTE) staff employed in the Agency was 805, the majority of whom are in front line services at courthouses / tribunal hearing centres throughout Northern Ireland and in the Enforcement of Judgments Office. Further information on our staff can be found at **Annex B**.

### **Devolution**

Following the transfer of policing and justice functions to the DoJ on 12 April 2010 the Agency became an Executive Agency of the DoJ and our staff became Northern Ireland Civil Servants.

As part of the assimilation onto the Northern Ireland Civil Service (NICS) grading structure a comprehensive grading review was completed in relation to Administrative Officer (AO) and Executive Officer (EO) posts in March 2011. Work continues on the next step of the people assessment (AO/EO) and the matching of people to AO/EO posts.

## **NVQ Programme**

In addition to the training opportunities provided to staff through the DoJ Learning and Development Strategy, the Agency has National Vocational Qualification (NVQ) Centre status and we deliver a programme of court and tribunal specific qualifications. We continue to develop these qualifications to ensure staff throughout the various court/tribunal disciplines are able to participate in the programme.

## **Employee Involvement**

The Agency attaches considerable importance to ensuring the involvement of employees in delivering its aims and objectives.

As the Agency is part of the NICS, negotiation on pay and consultation on HR policy is managed through the central Whitley Council machinery. During the year the pre-devolution the Agency Whitley Constitution was reviewed to reflect that the DoJ and the Agency are now part of the NICS. The Agency Whitley Constitution was signed by the management and trade Union sides on 11 February 2011.

The **Staff Panel**, which was introduced in March 2009, provides a forum for discussion and consultation on issues that affect staff. It is an opportunity for staff to participate and to play a proactive role in influencing decision making. The evaluation of the Staff Panel which was carried out during 2010-11 found this to be a useful initiative.

The Agency has a well established internal communications system, which meets the requirements of the Information and Consultation of Employees Regulations (NI) 2005, and complements the DoJ communication system. The Agency's communication channels include key messages, team briefing sessions, focus groups, staff handbook, the Agency and DoJ intranet sites, staff notices and staff attitude surveys. The Agency's staff magazine "Open Court" is circulated quarterly to all members of staff in the Agency.

## **Our Sponsorship Role**

The Agency sponsors the **NILSC** which is responsible for the provision of publicly funded legal services in Northern Ireland under the Legal Aid Scheme.



NORTHERN IRELAND  
Legal Services  
Commission

The Commission publishes its own Annual Report and Accounts as well as Corporate and Business Plans, which can be found on their website [www.nilsc.org.uk](http://www.nilsc.org.uk)

The Agency was previously also responsible for the **Northern Ireland Judicial Appointments Commission** (NIJAC) however this responsibility transferred to the Office of the First Minister and Deputy First Minister (OFMDFM) on 12 April 2010.

Further information on the NDPB, including advisory bodies for which the Agency has responsibility is attached in **Annex C**.

### Judicial Appointments Ombudsman

Mr Karamjit Singh CBE was appointed Judicial Appointments Ombudsman for Northern Ireland in 2006. The Ombudsman's role is to investigate cases where maladministration is alleged to have occurred in the judicial appointment process. The Ombudsman's Annual Report can be found at [www.nijao.gov.uk](http://www.nijao.gov.uk)



Mr Karajit Singh  
Judicial Appointments  
Ombudsman

### Support for the Northern Ireland Judiciary

The Agency is responsible for providing administrative support to the Northern Ireland Judiciary. There are 72 full-time members of the judiciary across the various judicial tiers, plus 57 deputy and fee paid judicial officers, 203 Lay Magistrates and 313 Tribunal Members.

The Lord Chief Justice of Northern Ireland is head of the Judiciary and President of the courts of Northern Ireland. In addition, he is responsible for:

- Assigning the judiciary to the courts, listing business within the courts, and determining sitting times;
- Dealing with complaints against members of the judiciary. The Code of Practice on Complaints and Protocol on Judicial Discipline are published on the Agency's website ([www.courtsni.gov.uk](http://www.courtsni.gov.uk));
- Maintaining arrangements for the welfare, training and guidance of the judiciary; and
- Representing the views of the Northern Ireland Judiciary to Parliament and to the Northern Ireland Assembly.



Lord Chief Justice,  
the Rt Hon Sir Declan  
Morgan

The Lord Chief Justice, the Rt Hon Sir Declan Morgan, is supported by the Presiding County Court Judge (His Honour Judge Burgess, Recorder of Belfast), the Presiding District Judge (Magistrates' Courts), (Mrs Fiona Bagnall), the Liaison Master (Master McCorry) and the Presiding Lay Magistrate, (Mr David Moore).

Further information on the judicial complement can be found in **Appendix 3**.

## PART 2 MANAGEMENT COMMENTARY

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### Business Performance

The Agency Business Plan for 2010-11 contained four overarching strategic aims:

- Delivering responsive customer services;
- Improving access to justice;
- Promoting confidence in the justice system; and
- Supporting an independent judiciary.

We published a number of performance targets in our Business Plan in support of these strategic aims. The following commentary explains what we did during 2010-11 to achieve these strategic aims.

### Delivering Responsive Customer Services

#### Business Performance

The courts and tribunals performance standards published in our Business Plan for 2010-11 were delivered in partnership with the Northern Ireland judiciary.

Our business volumes during 2010-11 were as follows:

	Cases Received	Cases Disposed of
Criminal	61,713	59,157
Civil	25,526	31,051
Family	8,107	7,593
Tribunals	16,758	16,671

Details of our performance in these areas can be found at **Annex D**.

#### Business Improvement

During 2010-11 we continued to develop our business through implementation of our **Business Modernisation and Customer Service Strategy**. We successfully implemented a number of initiatives designed to deliver quality, customer-focused services, including:

- the introduction of Integrated Court Operations System (ICOS) case tracking online;
- ICOS Accounts Online;
- electronic interfaces with the Youth Justice Agency, Driver and Vehicles Agency, TV Licensing and the Compensation Agency; and
- the introduction of online information services for matrimonial cases.

The Agency is a partner in the **Causeway Programme** which facilitates electronic communication and information sharing between the criminal justice agencies in Northern Ireland. During 2010-11 we continued to work with our Causeway partners to embed data sharing mechanism and meet our Service Level Agreement (SLA) resulting targets.

Following an extensive procurement project, we awarded a new Information Communication and Technology (ICT) contract to Fujitsu Services in November 2010. This new contract will enable the continued development and modernisation of the Agency business processes, whilst ensuring value for money. The contract will run for 5 years with an optional 2 year extension

## **Customer Service**

The Agency is committed to continuously improving its services to meet the needs of our customers.

Our 21 courthouses retained the Customer Service Excellence Standard in 2010-11 which demonstrates the continued commitment of our staff to delivering quality services to the public. We have retained this standard for three years, with annual assessments carried out in our courthouses.

To gain a better insight into our customer requirements the Agency has continued the series of journey mapping exercises. Customer journey mapping is the process of tracking the experiences that customers have when they use a service. During 2010-11 we finalised a journey map of the experiences of Youth defendants, sharing the information with criminal justice partners. We have also embarked on a customer journey map to chart the experiences of victims of domestic violence; this will be completed in 2011-12.

We are working closely with the Office of the Lord Chief Justice, colleagues in the Public Prosecution Service and our security providers on a range of measures to keep witnesses informed and reduce waiting times at court. Initiatives include time slots for witnesses and procedures for witnesses to be called to court only when required. An evaluation of these initiatives is planned for 2011-12.

Over the past year we have also worked with voluntary bodies such as Victim Support, the NSPCC and other criminal justice colleagues to review our Victim & Witness Policy and evaluate the remote video link arrangements within Belfast Courts for children and vulnerable adults.

We introduced a number of initiatives to **modernise and improve service delivery for users of Northern Ireland tribunals**. In keeping with the reform programme, which seeks to produce a more customer focused and transparent tribunal process, Agency published standards for service delivery across all of the tribunals and as a result more efficient listing procedures were adopted. Dedicated administrative support was provided in specific areas to improve service levels including accessibility for tribunal users. Our first combined tribunal customer survey was also completed to identify both the customer baseline and areas of concern to inform our programme of modernisation and continuous improvement.

## **Court Estate**

During the year the main focus of our capital investment programme was on security and cellular accommodation. We also completed a wide-ranging survey of our court buildings to identify further improvements which could be made in line with the Disability Discrimination Act. Now that we are part of the NICS we have engaged fully with the Central Procurement Directorate of DFP to improve the effectiveness of our procurement practices. A Court Estate Strategy has been developed and has been passed to DoJ for consideration. We also continued to manage the Private Finance Initiative (PFI) contract for Laganside Courts.

## **Enforcement of Judgments Office**

The Enforcement of Judgments Office (EJO) provides a centralised service for all aspects of the civil judgment enforcement process in Northern Ireland (NI).

The economic climate continues to have a very significant impact on the work of EJO. It has experienced another rise in the volume and total value of cases lodged during the past year. The increase in the number of cases for the possession of property has required additional resources to be allocated to this area of work. It is notable that the proportion of cases ending in the property being repossessed by the EJO staff rather than by way voluntary arrangement continues to rise steeply. The EJO staff work closely with advice bodies throughout NI, such as the Housing Rights Service and Advice for Debt NI, and in close cooperation with creditors representatives to encourage early and better engagement with debtors. The EJO Users' Forum has provided the basis for much of this helpful activity. The EJO management is continuing to examine how these cases are handled in order to reduce delay and list as many cases as possible at the first available opportunity.

The office has strived to review and streamline processes to manage the increase in new business with the introduction of the following improvements;

- New and more comprehensive Means Report form for the examination of debtors;
- Measures to increase the number of summonses the office can issue; and;
- Review of the use of enforcement officers and the court estate to examine debtors near to their community location.

The EJO introduced two new on-line services which assist the Office in our means investigation processes; these are new on-line links with Companies House and Equifax. The Office is also establishing new links with the Social Security Agency with a view to implementing a process to support them with their Anti Fraud initiatives.

## Service Improvement

We are committed to improving our quality of service to all customers supported by a complaints procedure that enables us to put things right and to learn from any mistakes that may have occurred.

This year saw the revised complaints procedure embedded across the service, with tribunals being included for the first time. This improved recording of complaints and preparation of quarterly reports.

On devolution, we came under the remit of the Northern Ireland Ombudsman. To support our commitment to offering a transparent customer complaints procedure that delivers, we engaged with the Ombudsman's office and invited the Deputy Ombudsman to participate in our internal customer service seminar.

We received 188 complaints across the organisation during 2010-11, which represented a 10% decrease on the previous year. A total of 94% of complaints were responded to within the target timescale (15 days) with 43% of the complaints received being upheld. Many of these resulted in follow-up action to improve customer service delivery. A breakdown of complaints received and action taken is included in the quarterly complaints reports, available on the Agency's website ([www.courtsni.gov.uk](http://www.courtsni.gov.uk)).

## Business Continuity

We have in place business continuity plans to ensure critical business functions can be maintained. During 2010-11 we reviewed and tested these plans to ensure they were fit for purpose. These plans are continually reviewed and updated and are available to staff on the intranet.

## Improving Access to Justice

### Tribunal Reform

In 2009 the Northern Ireland Executive endorsed a programme of tribunal reform, including the transfer of administrative responsibility for all NI tribunals to the Agency. The statutory transfer of NI tribunals to the Agency took place on 1 April 2011, when we assumed full responsibility for the following tribunals:

- Traffic Penalty Tribunal
- Northern Ireland Valuation Tribunal
- Charity Tribunal
- Health and Safety Tribunal
- Lands Tribunal
- Special Educational Needs and Disability Tribunal (SENDIST)
- Mental Health Review Tribunal
- Care Tribunal
- Schedule 11 Tribunal

We also have administrative responsibility for the Appeal Tribunals and Rent Assessment Panel. During 2011-12 we will work with the Department for Social Development to agree arrangements for the statutory transfer of these tribunals.

The Agency also administers on behalf of the Lord Chancellor, a number of UK-wide tribunals sitting in NI, including the tax and immigration tribunals.

### **Access to Justice Review**

On 13 September 2010 Justice Minister David Ford announced a review of legal aid provision in NI with a view to developing proposals on how best to help people secure access to justice while achieving value for money in the use of public funds.

The review team, led by Mr Jim Daniell, published a Progress Report on 16 March 2011 and is scheduled to publish its final report in July 2011. A copy of the Progress Report can be found on the Agency's website ([www.courtsni.gov.uk](http://www.courtsni.gov.uk)).

### **Legal Aid Reform**

During 2010-11 the Agency took forward a range of reforms in order to reduce the cost of legal aid and to align future expenditure with the budget announced by the Prime Minister as part of the devolution funding package. Following an extensive public consultation exercise, we introduced new remuneration arrangements for legally aided Crown Court cases, which has resulted in a NI 'bespoke' standard fee structure. The new remuneration arrangements came into force on 13 April 2011 and will deliver substantial savings in the cost of criminal legal aid.

During 2010-11 the Agency brought forward new criteria for assignment of counsel. It is expected that regulations to implement these criteria will be made early in 2011-12. The new arrangements will make further savings. Consultation will take place on a number of further initiatives, including the use of a new power in the Justice Act to seek court orders to recover the cost of a legally aided defence from a wealthy defendant who is convicted by the court.

### **County Court Jurisdiction**

Following a public consultation exercise in 2010 to increase the jurisdictional limit of the County Court, a summary of the responses received was published on 20 December 2010. It noted the Minister of Justice's intention to increase the financial limit of the County Court from £15k to £30k, and the financial limits of the District Judges' jurisdiction and the Small Claims limit from £5k to £10k and £2k to £3k, respectively.

The increase in the Small Claims limit was effective from 2 May 2011. The increases to the County Court general civil jurisdiction and District Judges' jurisdiction will take place later in 2011-12.

## **Redrawing the Map**

The Agency consulted on proposals to establish a single territorial jurisdiction for the County Courts and Magistrates Courts in NI, which would provide greater flexibility to facilitate the more effective disposal of court business, provision of facilities for particular cases and utilisation of the court estate. Respondents were supportive of the principle of a single jurisdiction. We will seek to bring forward these reforms in the next available legislative vehicle.

## **Interpreter Services**

We arrange interpreter services in court for those for whom English is not their first language. The main languages requested in 2010-11 were Lithuanian, Polish, Mandarin and Portuguese. In total, there were 2,714 requests for language interpretation in courts, which is an 18% decrease on the number of requests in 2009-10.

## **Promoting confidence in the justice system**

### **Speeding up Justice**

The Agency has continued to work closely with other criminal justice agencies to improve case progression in the criminal justice system. Case Progression Officers are assigned at each court venue, whose role is to work closely with the judiciary, prosecution and defence to improve the throughput of cases. The Agency facilitated a series of workshops with local solicitors, with the support of judiciary and criminal justice colleagues, to outline the initiatives in place. We also led the work to develop new end-to-end performance standards for criminal cases, which will be introduced in shadow mode for the forthcoming year.

### **Criminal Justice Inspection NI**

During 2010-11 Criminal Justice Inspection NI (CJINI) published a range of inspections which were relevant to the work of the Agency.

The CJINI published a report on the Management of Jurors. It was the view of the inspectors that the Agency is meeting the demands of the system by providing sufficient juror numbers to ensure the smooth running of criminal trials. Inspectors also commented on the customer service ethos that is prevalent in how the Agency staff deal with prospective jurors and how the on-going internal reviews of jury administration and management was in line with good practice. There were 8 recommendations covering the areas of juror numbers, excusals and deferrals, and management and administration. The Agency has developed an action plan to address the issues raised.

The Inspectorate also published a report on Prisoner Escort & Court Custody containing a total of 17 recommendations, 4 of which were assigned to the Agency, with a further 2 assigned to the Agency and the Northern Ireland Prison Service (NIPS) jointly.

The Agency is also continuing to work with colleagues across a variety of cross-departmental groups to address recommendations arising from inspections such as Hate Crime and Domestic Violence & Abuse to improve the range of services available for victims and witnesses of crime.

### **Outreach in the Community**

The Agency continues to promote knowledge and understanding of the courts and justice system through its Outreach Programme.

During 2010-11 we have delivered a focused approach to our outreach concentrating on the delivery of quality educational and community based activities throughout NI including court visits tailored to meet the needs of schools, community groups and the general public. We facilitated almost 150 court visits and work placements this year.

Core to the outreach programme are a number of key annual events including the National Magistrates' Mock Trial Competition in Laganside Courts, the All-Ireland Advocacy Competition co-sponsored by the Irish Courts Service, and workshops in the Common Purpose Programme.

The built heritage of the courts and their role within the community was developed further this year with Downpatrick and Armagh Courthouse again participating in European Heritage Open Day with almost 300 people taking part, and the development of a new Belfast Legal Quarter information guide.

### **Fine Enforcement**

As part of the strategy for improving the collection of court imposed fines, we continued to run a Fine Collection Scheme, with a centrally-based fine collection team. Their job is to pursue unpaid fines, and this has resulted in almost 30% fewer fine warrants being issued to Police Service of Northern Ireland (PSNI) for enforcement.

During 2010-11 we developed and launched a fine payment record and revised means enquiry form to assist the courts in assessing the financial situation of defendants who are before the court. We supplemented this with an information campaign to raise awareness of the importance of providing financial details to the courts.

From 2011-12 onwards a separate Trust Statement will be prepared for fines receivable and those payable/paid to the Northern Ireland Consolidated Fund (NICF) via the DoJ.

### **Office of the Public Guardian**

The Agency continues to participate in the inter-departmental project taking forward the recommendations of the Bamford Review of Mental Capacity. In particular, the Agency is leading on the establishment of a new Office of the Public Guardian.

## Justice Bill (Northern Ireland) 2011

During 2010-11 we worked in partnership with colleagues in the DoJ to deliver the Justice Bill (Northern Ireland) 2011.

The Bill contains provisions which give effect to our strategic objectives to **promote confidence in the justice system** and improve access to justice. The Bill enhances sentencing powers; opens up the court tiers to which applications for compassionate bail and repeat bail may be made; and improves arrangements for third party witness summonses in the magistrates' courts. It also allows court rules to be made specifying the circumstances in which the disclosure of information relating to family proceedings concerning children is permitted.

We have also taken the opportunity in the Bill to promote confidence and improve access to justice by creating a power to enable the recovery of legal aid costs from convicted defendants, allow the development of new arrangements for the funding of money damages cases and enable means-testing for criminal legal aid. In addition, the Bill gives solicitors, who are authorised by the Law Society, extended rights of audience in the High Court and Court of Appeal. This measure gives effect to a key recommendation of the Bain Review and will provide clients with a greater choice of legal representation, thereby enhancing the provision of legal services throughout NI.

The Bill also creates better and enhanced services to victims and witnesses, through the creation of an offender levy to fund services to victims of crime, the extension of special measures for the giving of evidence by vulnerable and intimidated witnesses and the extension of the range of matters that can be dealt with by way of video-link. Throughout 2010-11 we have engaged with partners across the justice sector to support the development of these new initiatives.

## Information Assurance

Information is a key business asset. The Agency continues to provide information assurance protection by managing risks to the confidentiality, integrity and availability of information. We are committed to providing customers with the assurance that their information is collected, stored, transferred and disposed of securely and in compliance with the Freedom of Information Act 2000 and the Data Protection Act 1998.

The Agency is required to disclose in the Annual Report and Resource Accounts 'a summary of incidents reported' to the Information Commissioner's Office and also the number of incidents recorded by the Agency which did not require to be reported to the Commissioner. There have been no such incidents during 2010-11. The Agency reports any incidents which they feel fall under this guidance to the DoJ and Information Commissioner's Office immediately.

We have been working to align our information assurance policies and accreditation requirements with the DoJ and the NICS. To assist with this alignment the Agency has representation on the Information Risk Owners Council, Records and Information

Management Group, the Joint Information Managers Group and relevant accreditation panels.

## Supporting an independent judiciary

### Partnership Working

We work in partnership with the judiciary on a wide range of issues as they affect the courts, including the achievement of our court and tribunal performance standards (our 2010-11 performance standards can be found at **Annex D**).

### Judicial Appointments

During 2010-11 we supported the transfer of the sponsorship of NIJAC to the OFMDFM while working closely with the Commission to ensure judicial appointments are made in a timely way in accordance with business need.

We also defined a new Memorandum of Understanding to reflect the role of the Northern Ireland Judicial Appointments Ombudsman within a devolved administration.

## Financial Position and Results for the Year

From 12 April 2010, the Agency complies with the corporate governance and accountability framework arrangements issued by the DoJ and also the guidance issued by DFP, including Managing Public Money Northern Ireland.

The Agency is funded principally by monies voted from Northern Ireland Assembly and, to a lesser extent by income generated from court fees.

The Annual Report and Accounts of the Agency for the year ended 31 March 2011 relate entirely to the period post devolution and will be laid in the Northern Ireland Assembly.

The Agency is now accountable to the Northern Ireland Assembly through the Justice Minister, David Ford MLA.

### Accounting boundary

The accounting boundary incorporates the Agency and the Criminal Injuries Compensations Panel Northern Ireland (CICAPNI). During the year the Agency held responsibility for the granting of funds to the NILSC. As an executive NDPB the NILSC are outside the boundary for the purposes of these accounts.

The funds invested by the CFO are specifically excluded from the accounting boundary. Third party monies are similarly excluded.

The NILSC and the CFO each publish their own audited financial statements.

## Financial Position (Statement of Financial Position)

Following devolution the Agency became an executive agency of the DoJ and as such there are requirements to produce annual reports and accounts for expenditure. The Agency's activities are financed mainly by Supply voted by the Northern Ireland Assembly and financing obtained from the DoJ.

The Agency's Statement of Financial Position (SoFP) consists primarily of non current assets totalling £210.3m. Of this, £203.6m represents land and buildings: the remainder being information technology assets, furniture and fittings and plant and machinery and intangibles.

## Results for the Year (Statement of Comprehensive Net Expenditure)

The Statement of Comprehensive Net Expenditure (SoCNE) represents the net total administration and programme resources consumed during the year. The results for the year are set out in the SoCNE and are as follows:

- Net Operating Costs amounted to £155.7m (2009-10: £153.8m restated);
- Staff Costs of £25.5m (2009-10: £24.0m restated);
- Other Administrative Costs of £3.8m (2009-10: £5.3m restated);
- Gross expenditure of £156.0m (2009-10: £151.6m restated) relating to the Agency's programme activities; and
- Operating Income of £29.6m (2009-10: £27.1m).

The Agency employed an average of 805 (Full Time Equivalent) staff during 2010-11, a decrease of 8 from 2009-10. Accommodation rentals, information technology charges, and non-cash asset related charges accounted for the majority of other administration costs.

As in previous years, a large portion of the Agency's expenditure was allocated to publicly funded legal services, or Legal Aid. The funding of Legal Aid continues to be a pressure on Agency's resources. However, the ongoing programme of reform has been designed to address this. The administration of publicly funded legal services is carried out by the NILSC. The NILSC is an executive Non-Departmental Public Body (NDPB), and subject to the relevant government and accounting guidelines. Details of operational and financial performance of the NILSC can be found on their website at [www.nilsc.org.uk](http://www.nilsc.org.uk). The total grants paid to the NILSC in 2010-11 amounted to £99.5m, (2009-10: £103.0m) approximately 54% of the gross expenditure of the Agency.

The Agency had operating income of £29.6m (2009-10: £27.1m restated) which was used to support the administration of justice.

Fees from civil court work are included in these financial statements as Accruing Resources. It is government policy that the provision of services for civil court proceedings must be self-financing, so the fees earned from this type of work must cover the cost of

that provision. Note 7 shows the level of civil court costs, and the associated income generated. In 2010-11 the recovery level was 99% (2009-10: 103%)

In 2010-11 the Agency at £155.7m, the total expenditure was £5.3m less than the net budget allocation of £161.0m. The capital spend of £6.7m was £0.2m less than the budget allocation of £6.9m.

	<b>2010-11 Actual £'000</b>	<b>2010-11 Budget £'000</b>	<b>Variance £'000</b>
Net Operating Costs - Agency	56,148	58,337	(2,189)
Grant & Grant In Aid to NILSC (NDPB)	99,513	102,671	(3,158)
<b>Total Expenditure</b>	<b>155,661</b>	<b>161,008</b>	<b>(5,347)</b>
<b>Capital Expenditure - Agency</b>	<b>6,685</b>	<b>6,906</b>	<b>(221)</b>
<b>Overall Total Expenditure</b>	<b>162,346</b>	<b>167,914</b>	<b>(5,568)</b>

It should be noted that the £99.5m Grant and Grant In Aid (GIA) to the NILSC represents the cash drawn down from the Agency during the financial year. The expenditure of the NILSC is not within the accounting boundary of the Agency and therefore the NILSC prepare their own Annual Report and Accounts.

The Agency's net operating costs were £2.2m less than the approved budget of £58.3m. The main expenditure areas contributing to this underspend was as follows:

- Expenditure on staff costs was under spent by £135k;
- Expenditure on other costs was under spent by £1,142k;
- Expenditure on non cash costs was £342k greater than the budget; and
- Income was £1,254k more than budgeted for.

## **Non Current Assets**

Non current asset expenditure is detailed within the Notes 8 & 9 to the financial statements. Non current asset purchases include building enhancements, IT hardware and software, plant and equipment and furniture. As detailed in Note 8 to the financial statements, a full valuation of land and buildings was carried out at 31 March 2009 by the Land and Property Services. During 2010-11 the total Net Book Value has decreased by £2m, mainly resulting from the indexation movements arising in the year.

## Cash Flow Statement

The Cash Flow Statement provides information on how the Agency finances its ongoing activities.

The Cash Flow Statement shows a net cash outflow from operating activities of £144.0m (2009-10: £146.0m restated).

## Pensions and Early Departure Costs

Details about the Agency's pensions and early departure costs policies are included in the Note 4 & 13 to the accounts. Details of pension benefits and schemes for Board members are included in the Remuneration Report.

## Donations to Charity

In the current year there have been no charitable donations, (2009-10: £76,617). The donations in 2009-10 relate to secondment of Anthony Carleton the Director of Business Support to Extra Care, a non-public sector charitable organisation. During the period of the secondment there was no recoupment of salary costs from Extra Care.

## Payment within 10 calendar days

The Agency seeks to comply with the "The Better Payments Practice Code" for achieving good payment performance in commercial transactions. Further details regarding this are available on the website [www.payontime.co.uk](http://www.payontime.co.uk). Under this Code, the policy is to pay bills in accordance with contractual conditions or, where no such conditions exist, within 10 days of receipt of goods and services or the presentation of a valid invoice, whichever is the later. The prompt payment results for 2010-11 showed that 89.09% of invoices were paid in accordance with the terms of the standard (2009-10: 75.09%)

## Auditors

Prior to the devolution of policing and justice functions in Northern Ireland, the Financial Statements were audited by the Comptroller and Auditor General (who heads the National Audit Office) and reported to Parliament. Financial statements for 2010-11 onwards are audited by the Comptroller and Auditor General for Northern Ireland (C&AG), who heads the Northern Ireland Audit Office and is appointed by statute and reports to Northern Ireland Assembly. His certificate and report is produced at pages 46 to 48.

So far as the Accounting Officer is aware, there is no relevant audit information of which the entity's auditors are unaware and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The audit of the financial statements for 2010-11 resulted in an audit fee of £68,000 (2009-10: £103,100), £50,000 of which relates to the year end audit of the Agency and the remaining £18,000 (2009-10: £33,000 this included 2008-09 charges of £16,000) relates to the year end audit of the CFO. £50,000 of the fees are included in non staff administration

costs as disclosed in Note 5 and £18,000 within non staff programme costs, as disclosed in Note 6 to these accounts. Notional audit charges for 2009-10 include £15,100 additional costs for the audit of the implementation of International Financial Reporting Standards.

The C&AG may also undertake other statutory activities that are not related to the audit of the body's Financial Statements such as Value for Money reports. No such activity took place during the year.

### **Directorships and other significant interests**

A register is maintained by the Agency that includes details of company directorships and other significant interests held by Board members which may conflict with their management responsibilities. This register is available for public inspection upon request.

### **Sustainability reporting**

The Agency has been participating with other agencies and NICS departments since August 2009 on sustainability matters. The Agency are now part of the DoJ Sustainability Working Group as part of the Public Sector Energy Campaign (PSEC) and is aligned to the OFMDFM Implementation Plan containing high level strategic targets covering all the NICS departments which impact on business supported by the DoJ. The Agency is committed to achieving targets under the Carbon Reduction Commitment (CRC) Scheme and associated accreditation and strives in its day to day activities towards maintaining the best possible environmental performance.

### **Environmental Issues**

The Agency was included in the recently awarded Central Procurement Directorate electricity contract which uses a 100% Green Energy source. The Agency continues to explore areas that will provide energy efficiency savings and remains committed to the principles of sustainable development and to the integration of environmental consideration into our policies and the everyday operational aspects of Estate Management and Procurement.

### **Environmental Liabilities**

The Agency's capital commitments are detailed in Note 14 to these accounts. Given the nature of these contracts it is believed that there will be no potential environment liabilities associated.

### **Principle Risks and Uncertainties**

Risk management is integrated into the activities of the Agency by linking risk directly to the achievement of objectives. The Agency implements effective risk management arrangements, which are detailed in our Risk Management Policy Statement. These include developing, monitoring and reviewing an Agency Risk Register which identifies the key risks, those responsible for ensuring that the risks are managed, and the action that will be taken to manage them.

Risk management is championed by the Finance Director - with the Agency Board owning the overall risk management framework. Divisional Heads are responsible for ensuring the management systems in their area are robust for accountability, critical challenge and oversight of risk. Risk management is taken forward as an integral part of the business planning process and is monitored on a quarterly basis.

The main risks to the Agency's business objectives are:

- Failing to ensure there are adequate corporate governance arrangements in place for Arms Length Body
- Failure to apply effective controls within front-line services.
- Legacy inquests do not progress
- Inaccurate information and/or misunderstanding of information leading to the Minister being misled or misinformed or onward inappropriate release of potentially sensitive data which may lead to reputational damage

### **Legal Aid Reform**

We will continue to implement a programme of reforms to better align expenditure with available budget.

### **Tribunal Reform**

The Agency will continue to work with the Northern Ireland Departments to successfully transfer the remaining tribunals in Department for Social Development (DSD) and Department for Education and Learning (DEL).

### **Remote Contingent Liabilities**

As stated in Note 19 of the Annual Accounts there is estimated contingent liabilities of £321k in relation to legal cases pending. In accordance with IAS 37 this requires disclosure in the accounts.

### **Managing Attendance**

The rate of sickness absence in the Agency during 2010-11 was an average of 11.2 days absence per employee. This was a decrease of 4.2 % on 2009-10 when the average was 11.7 days absence per employee.

The Agency's staff is now managed in accordance with the NICS Inefficiency Sickness Absence Policy which was implemented with effect from 12 April 2011. DoJ have developed a Management of Sickness Absence Action Plan and absence levels will be managed against the associated DoJ absence targets, which is 10.6 days for 2010-11 and 10 days for 2011-12. Individual Agency targets are yet to be agreed.

## Looking Forward

The Agency as an Agency of the DoJ will continue to **‘Service the Community through the Administration of Justice’**. The Agency will set out its 2011-12 priorities as agreed with the Minister of Justice, David Ford MLA, which will take account of the NI Executive’s priorities included within the NI Programme for Government. The Agency’s key targets and development objectives can be found in the 2011-12 Business Plan.

The Agency continues the process of Tribunal Reform and with the plan to have a unified Courts and Tribunals Service. In February 2011 the First Minister and Deputy First Minister made the Departments (Transfer of Functions) Order (Northern Ireland) 2011 which gives effect to the statutory transfer of Tribunals. On 1 April 2011 this statutory transfer took place with the Agency assuming full responsibility of nine Tribunals from other NI Departments and will continue the progress the transfer of the remaining Northern Ireland Tribunals.

## PART 3 REMUNERATION REPORT

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### Remuneration Policy

The remuneration of senior civil servants is set by the Minister for Finance and Personnel. The Minister approved a freeze on senior pay in respect of 2010/11 and 2011/12 pay awards, in line with the Executive's decision in Budget 2011-15 to mirror the UK Coalition Government's commitment to impose pay restraint.

The Northern Ireland Permanent Secretary Remuneration Committee helps determine pay on entry and the annual review of the NICS Permanent Secretaries pay in line with the annual pay strategy as approved by the Minister of Finance and Personnel. The freeze on pay in 2010/11 and 2011/12 also applies to Permanent Secretaries.

The pay system in place for senior civil servants in the Northern Ireland Civil Service is currently under review.

### Service Contracts

Civil service appointments are made in accordance with the Civil Service Commissioners for Northern Ireland's Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commissioners can be found at [www.nicscommissioners.org](http://www.nicscommissioners.org)

### Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior management of the Agency.

## Remuneration

Officials Name & Title	2010-11			2009-10		
	Salary £'000	Bonus Payments £'000	Benefits in Kind(to nearest £100)	Salary £'000	Bonus Payments £'000	Benefits in Kind(to nearest £100)
Mr DA Lavery Director	110-115	-	-	110-115	5-10	-
Mrs J Durkin Head of Business Operations	65-70	-	-	65-70	5-10	-
Mr G Keatley * Head of Business Operations (departed 31 October 2010)	35-40 (65-70 full year equivalent)	-	-	100-105	-	-
Ms G Fee Head of Criminal & Coroners Policy	65-70	-	-	65-70	-	-
Mrs HL McAlpine Head of Civil Policy & Legislation (Departed 4 January 2011)	60-65 (80-85 full year equivalent)	-	-	80-85	5-10	-
Mrs S Broderick Head of Civil Policy & Tribunal Reform	55-60 (65-70 full year equivalent)	-	-	55-60 (65-70 full year equivalent)	-	-
Mr A Carleton Head of Business Support	65-70	-	-	65-70	-	-
Mr Robert Crawford **Head of Publicly Funded Legal Services (appointed 1 March 2010)	65-70	-	-	5-10	-	-
Mr D P Andrews Head of Publicly Funded Legal Services (departed 31 January 2010)	-	-	-	60-65 (70-75 full year equivalent)	-	-
Mr K King *** Non Executive Director (departed 31 March 2010)	-	-	-	0-5	-	-
Mr PJ Fitzpatrick **** Non Executive Director (appointed 1 April 2009)	10-15	-	-	5-10	-	-

\* George Keatley, Head of Business Operations retired on 31 October 2010.

\*\* Robert Crawford, Head of Public Funded Legal Services was appointed on 1 March 2010 to replace Paul Andrews who resigned on 31 January 2010. During 2009-10 Robert was seconded from the Northern Ireland Office and on devolution 12 April 2010 he transferred to the Agency as a permanent member of staff.

\*\*\* Kevin King, non-executive director, supplied his services under the terms of a contract, which commenced on 6 October 2003 to 31 March 2010. He was remunerated by way of a daily attendance fee.

\*\*\*\* PJ Fitzpatrick, non-executive director, supplies his services under the terms of a contract which commenced on 1 April 2009; he is remunerated by way of a daily attendance fee.

As non-executive director's, there are no entitlements to pension or other contributions from the Agency.

## **Salary**

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any ex gratia payments.

## **Benefits in kind**

The monetary value of benefits in kind covers any benefits provided by the Agency and treated by HM Revenue and Customs as a taxable emolument.

## **Bonuses**

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they are payable to the individual. The bonuses reported in 2010-11 relate to performance in 2010-11 and the comparative bonuses reported for 2009-10 relate to the performance in 2009-10.

## Pension Entitlements

	<b>Accrued Pension at age 60 at 31 March 2011 and related lump sum</b>	<b>Real increase/ (decrease) in pension and related lump sum at age 60</b>	<b>CETV at 31 March 2011</b>	<b>CETV at 31 March 2010 *****</b>	<b>Real increase/ (decrease) in CETV</b>	<b>Employer contribution to partnership pension account</b>
<b>Name and title</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>Nearest £100</b>
Mr DA Lavery Director	40-45 plus 125-130 lump sum	2.5.5 plus 7.5-10 lump sum	751	739	(2)	-
Mrs J Durkin Head of Business Operations	20-25 plus 65-67 lump sum	2.5-5 plus 12.5-15 lump sum	278	274	36	-
Mr G Keatley Head of Business Operations (departed 31 October 2010)	30-35 plus 100-105 lump sum	(7.5-10) plus (25-27.5) lump sum	763	753	(238)	-
Ms G Fee Head of Criminal & Coroners Policy	15-20 plus 45-50 lump sum	10-15 plus 32.5-35 lump sum	199	195	127	-
Mrs HL McAlpine Head of Civil Policy & Legislation (departed 4 January 2011)	20-25 plus 70-75 lump sum	5-10 plus 22.5-25 lump sum	337	331	74	-
Mrs S Broderick Head of Civil Policy & Tribunal Reform	10-15 plus 30-35 lump sum	10-15 plus 30-32.5 lump sum	186	183	182	-
Mr A Carleton Head of Business Support	20-25 plus 65-70 lump sum	2.5-5 plus 7.5-10 lump sum	329	323	15	-
Mr Robert Crawford Head of Public Funded Legal Services	20-25 plus 65-70 lump sum	2.5-5 plus 7.5-10 lump sum	372	365	13	-

\*\*\*\*\* The actuarial factors used to calculate CETVs were changed in 2010/11. The CETVs at 31 March 2010 and 31 March 2011 have both been calculated using the new factors, for consistency. The CETV at 31 March 2010 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors.

## Northern Ireland Civil Service (NICS) Pension arrangements

Pension benefits are provided through the NICS pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium, and classic plus). These arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 are eligible for membership of the nuvos arrangement or they can opt for a partnership pension account. Nuvos is an 'earned pension' arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. Earned pension benefits are increased annually in line with increases in the CPI. For 2011, public service pensions will be increased by 3.1% with effect from 11 April.

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or on immediately ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos. Further details about the Civil Service pension arrangements can be found at the website [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk).

## Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

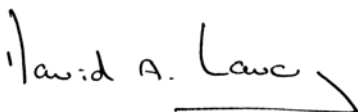
The actuarial factors that are used in the CETV calculation were changed during 2010, due to changes in demographic assumptions and the move from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) as the measure used to up rate Civil Service pensions. This means that the CETV in this year's report for 31/03/10 will not be the same as the corresponding figure shown in last year's report.

## Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## Compensation for loss of office

There was no compensation paid for loss of office in 2010-11.



**D A Lavery**  
**Accounting Officer**  
**22 June 2011**

## PART 4 ANNUAL ACCOUNTS 2010-11

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### Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act (Northern Ireland) 2001, the DFP has directed the Agency to prepare for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Agency and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by DFP, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

The Accounting Officer of the DoJ has designated the Director of the Agency, as the Accounting Officer of the Agency. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Agency's assets, are set out in the Accounting Officers' Memorandum in 'Managing Public Money in Northern Ireland' issued by the DFP.

The Director is responsible for the maintenance and integrity of the information on the Agency's website.

## Statement on Internal Control

### Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Agency policies, aims and objectives, whilst safeguarding the public funds and the Agency's assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland.

When policing and justice functions in Northern Ireland were devolved to the Northern Ireland Assembly on 12 April 2010, the DoJ was established as a new Northern Ireland Department by the Department of Justice Act (Northern Ireland) 2010. From this date, the Agency became an executive agency of the DoJ. As such, it now complies with the corporate governance and accountability framework arrangements issued by the DoJ and also the guidance issued by the DFP, including Managing Public Money Northern Ireland.

The NILSC Chief Executive has been designated by the DoJ Permanent Secretary as the NILSC Accounting Officer. The relationship between the Agency and the NILSC has been formalised in an agreed management statement and financial memorandum. The format and content of the management statement is currently under review to bring it into line with NICS best practice.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Agency's policies, aims and objectives; to evaluate the likelihood of those risks being realised and the impact should they be realised; and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Agency for the year ended 31 March 2011 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

### Capacity to handle risk

The Agency is committed to the principles of risk management as an integral part of the work of the Agency at all levels and forms a central element of its corporate governance arrangements. Risk management is championed by the Business Support Director with the Agency Board owning the overall risk management framework. Divisional Heads are responsible for ensuring the management systems in their area are robust for accountability, critical challenge and oversight of risk. Risk management is considered formally at Management Board meetings through the review of the Corporate Risk Register and Corporate Plan monitoring reports. Risk management was and continues to be incorporated into the corporate planning and decision-making processes of the Agency. Risk management also constitutes a standing item on the agendas for Branch and Divisional meetings.

A Risk Management Policy is in operation and Risk Coordinators are in place throughout the Agency. They are responsible for promoting, supporting and coordinating risk management in their business areas. A tailored risk management training package has been rolled out to staff at all levels, which includes all risk coordinators and Heads of Division, and is based on Treasury 'Orange Book' guidance.

Training material appropriate to authority levels and duties has been provided to staff as part of the training package. Continued support and guidance is facilitated through the Accountability, Governance and Projects Team whose role is to support risk management arrangements.

### **The risk and control framework**

Risks are considered in tandem with objectives at all levels in the organisation and formally reported on Branch, Divisional and Corporate Risk Registers. The risk process is compliant with Treasury 'Orange Book' guidance which sets out 5 key stages.

Risks are primarily identified through risk identification workshops and are assessed in terms of their probability of occurrence and impact on the achievement of objectives, and scored and reported on accordingly.

Responsibility for the management of each risk is assigned to a risk owner and recorded on the risk register, along with controls in place to mitigate the risk, or action plans in place in order to enhance the level of control.

Risk Registers are formally reviewed on a quarterly basis and documentation updated accordingly as a result of the implementation of planned actions. The updated risk registers record any movement of risks in terms of impact and probability of occurrence from one period to another and this enables an appreciation of how the risk has changed over time.

Updates on corporate risks are formally reported quarterly to the Management Board where the Board will collectively review, recommend and pursue actions in place to manage the risks. The corporate risk appetite is set by the Agency Board and used as a starting point for setting levels of risk tolerance down the Agency. Managers and Heads of Division escalate risks to the next level of management which have exceeded specific risk appetites.

These processes are also in operation within the NILSC and are monitored by their own Management Board and through the Agency's arms length bodies oversight arrangements.

## **Information Risk**

Our Information Risk Policy supplements our corporate approach to risk management and encourages staff and managers to consider information as assets, supported by the compilation of Information Asset Registers. Therefore, information assets are subject to the risk management processes outlined above. In support of that process, the Information Risk Policy requires Information Asset Owners to provide written assurance to the Senior Information Risk Owner that any information assets within their business areas have been subject to the minimum measures mandated by DAO (DPF) 09/08 and the policies and procedures of the Agency. We continue to monitor and review our approach to information risk management. The NILSC has provided returns to the DoJ accreditation panel for three key IT systems and awaits confirmation of accreditation.

## **Audit and Risk Assurance Committees**

The Audit and Risk Assurance Committees are responsible for the overseeing and development of the risk management and review processes through, for example, ensuring compliance with the quarterly review points, biannual formal stewardship reporting in order to ensure continued alignment with planning and monitoring at corporate, divisional and branch level. In challenging the risks identified by executive management, the Risk Assurance Committee ensured and continues to ensure that there is ongoing consideration of the impact of both external and internal initiatives in the planned work for the Agency.

Risk management was and continues to be integrated into the activities of the Agency through linking risk directly to the achievement of objectives, visible sponsorship and support from senior management, implementation of revised risk management policy bringing an approach consistent with best practice. Risk management is included on the Management Board agenda as well as at divisional and branch level. There is a standardised hierarchical suite of risk registers and revised risk documentation. Risk management responsibilities are included in job descriptions, and there is support and provision of guidance on risk issues from the Accountability, Governance and Projects Team.

## **Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. The Agency Board and I receive regular reports from the Audit and Risk Assurance Committees concerning internal control, risk and governance. At the end of the reporting period, Heads of Division reviewed the stewardship statements completed by Business Managers in order to create a series of divisional statements from which I have been able to take assurance in respect of the management of risk and the achievement of objectives.

The Agency's Risk and Assurance Branch operates to the Government Internal Audit Standards. It submits regular reports, including an independent opinion by the Head of Risk & Assurance on the adequacy and effectiveness of the Agency's system of risk management, control and governance.

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Agency who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their report to those charged with governance and other reports. The review processes outlined ensure that there is continuous improvement in the system of internal control. The Head of Risk and Assurance has provided overall Satisfactory Assurance based on the work carried out during the year.

I have also received satisfactory assurance over the operation of the risk management process within the NILSC through the oversight of these arms length bodies by the Agency and independent review by the NILSC's internal auditors (however, see significant control issues).

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Agency Board and the Audit & Risk Assurance Committees and a plan to address any weaknesses and to ensure continuous improvement of the system is in place.

### **Significant Control Issues**

In 2010-11 NICTS started a project to carry out a comprehensive review of the court fees and the basis of deferral. During the course of the 2010-11 audit a number of issues were identified in relation to Deferred Income. These issues included fees identified that required deferral which had previously been omitted, the suitability of the case management system ICOS for the purposes of this calculation and the requirement to ensure the model used to calculate Deferred Income is reflective of the latest fee type and structure. Management will address and conclude on these control issues in the coming year as part of the ongoing project in this area.

I have continued to work closely with the NILSC to assist them to improve their financial management regime. I am aware that the NILSC accounts for 2009-10 have not yet been laid. I am also aware that the NILSC accounts from 2003-04 to 2008-09 have been qualified due to an inability to confirm the accuracy of the provisions within the accounts and insufficient evidence being available to confirm that material fraud did not exist. I am aware of the issues in managing criminal legal aid and of rising costs, particularly for Very High Cost Criminal Legal Aid cases. I am also aware of procurement issues relating to the use of single tender actions within NILSC which need to be addressed.

During the year progress was made on the production of Annual Accounts and the development of a more robust forecasting process, particularly in relation to Very High Cost Criminal Cases. New arrangements will come into operation during the coming year to limit Criminal Legal Aid costs. It will be necessary for a working arrangement to be agreed and put in place with the Law Society and the Bar Council enabling the NILSC to conduct random spot checks on current legal aid claims. A need has been identified for primary legislation that will allow this and this will be included in the next Justice Bill. The NILSC's internal auditors have undertaken a comprehensive programme of reviews of operational and financial systems. The Chief Executive has been asked to provide assurance that the NILSC will fully comply with current procurement guidance.

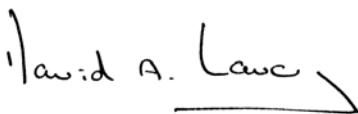
I am aware that the NILSC currently subsidises an element of the NILGOSC employee's pension contribution. Work is ongoing in conjunction with the DoJ and DFP to resolve this issue.

A suspected fraud of legal aid by a solicitors firm was reported by the NILSC to DoJ. In accordance with the Fraud Policy this was further reported to NIAO and DFP.

A firm of Stockbrokers has been engaged to provide professional services for the clients of the Court Funds Office (CFO) of the Court of Judicature. A legal opinion obtained by the CFO confirms the appropriateness of charging from the clients' funds charges for individual transactions executed by the stockbrokers on behalf of those clients. The legal opinion has, however, recommended an amendment to the relevant legislation governing the CFO to provide express statutory authority for charging the stockbrokers' management fees from clients' funds. The practice has ceased until the position is regularised by legislation. A power has been enacted in the Justice Bill which will allow for future management fees to be deducted. At the same time, an application is being made to the High Court for a declaration on the legality of the practice of deducting management fees from the accounts of CFO clients.

A separate issue arose regarding the CFO legislation covering the investment of funds in Court which indicated that stocks and shares ISAs are not an authorised investment. The Court Funds Judicial Liaison Group agreed that ISA's would no longer be brought into court until such times as the legislation can be amended to permit their use. A handling plan has been developed for the unwinding of ISA investments currently held in court.

Some Internal Audit reports provided only Limited Assurance during the year, and these included reports on investment appraisal and business case preparation, property plant and equipment, enforcement of judgments, corporate social responsibility and the Office of the Official Solicitor. A robust follow up process reports to the Audit Committee on the implementation of the Internal Audit recommendations contained in these reports and the assurance ratings are upgraded when the recommendations have all been successfully implemented. This process also covers audit reports from the previous year where any outstanding recommendations have not yet been fully implemented. The Head of Risk and Assurance reported that 97% of all Internal Audit recommendations made during the 2009/10 and 2010/11 years have been accepted and fully implemented. I am aware that the NILSC have a number of outstanding Internal Audit high priority recommendations. This will be kept under review through the quarterly Governance and Accountability meeting between the Agency and the NILSC.



**D A Lavery**  
**Accounting Officer**  
**22 June 2011**

## The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly

I certify that I have audited the financial statements of the Northern Ireland Courts and Tribunals Service for the year ended 31 March 2011 under the Government Resources and Accounts Act (Northern Ireland) 2001. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### **Respective responsibilities of the Director and auditor**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Agency's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Agency; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

## **Opinion on Regularity**

In my opinion, in all material respects, the expenditure and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

## **Opinion on the financial statements**

In my opinion:

- the financial statements give a true and fair view, of the state of the Agency's affairs as at 31 March 2011, and of the net operating cost, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance and Personnel directions issued thereunder.

## **Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Finance and Personnel directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

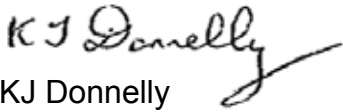
## **Matters on which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit.
- the Statement on Internal Control does not reflect compliance with Department of Finance and Personnel's guidance.

## Report

I have no observations to make on these financial statements.



KJ Donnelly  
Comptroller and Auditor General  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

27 June 2011

## Statement of Comprehensive Net Expenditure

for the year ended 31 March 2011

		Staff Costs	Other Costs	Income	Restated 2009-10
	Note	£'000	£'000	£'000	Total £'000
<b>Administration Costs</b>					
Staff costs	4	6,406			6,521
Other administration costs	5		3,786		5,309
<b>Programme Costs</b>					
Staff costs	4	19,126			17,489
Programme costs	6		155,982		151,649
Income	7			(29,639)	(27,118)
<b>Totals</b>		<b>25,532</b>	<b>159,768</b>	<b>(29,639)</b>	<b>153,850</b>
<b>Net Operating Cost</b>	3			<b>155,661</b>	<b>153,850</b>

## Other Comprehensive Expenditure

for the year ended 31 March 2011

	Note	2010-11 £'000	Restated 2009-10 £'000
Net Operating Cost		155,661	153,850
Net Loss on revaluation of Property Plant and Equipment	8	1,696	25,260
Net (gain)/loss on revaluation of Intangibles	9	(1)	416
Actuarial loss/(gain) on pension liability	13	100	(500)
<b>Total Comprehensive Expenditure for the year ended 31 March 2011</b>		<b>157,456</b>	<b>179,026</b>

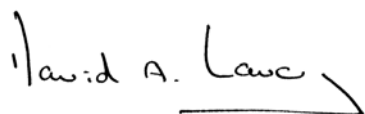
The Notes on pages 53 to 90 form part of these accounts.

2009-10 restated to reflect Machinery of Government and Accounting Policy Changes (As per Note 25).

## Statement of Financial Position

as at 31 March 2011

	Note	2010-11 £'000	Restated 2009-10 £'000	Restated 1 April 2009 £'000
<b>Non-current assets:</b>				
Property, plant and equipment	8	209,008	211,121	240,178
Intangible assets	9	1,289	2,143	2,132
<b>Total non-current assets</b>		<b>210,297</b>	<b>213,264</b>	<b>242,310</b>
<b>Current assets:</b>				
Trade and other receivables	10	5,566	6,374	6,377
Cash and cash equivalents	11	-	2,841	3,913
<b>Total current assets</b>		<b>5,566</b>	<b>9,215</b>	<b>10,290</b>
<b>Total assets</b>		<b>215,863</b>	<b>222,479</b>	<b>252,600</b>
<b>Current liabilities:</b>				
Cash and cash equivalents	11	(635)	-	-
Trade and other payables	12	(12,882)	(15,361)	(19,440)
<b>Total current liabilities</b>		<b>(13,517)</b>	<b>(15,361)</b>	<b>(19,440)</b>
<b>Non-current assets less net current liabilities</b>		<b>202,346</b>	<b>207,118</b>	<b>233,160</b>
<b>Non-current liabilities</b>				
Provisions	13	(8,914)	(4,749)	(5,577)
Other payables	12	(20,088)	(21,004)	(21,727)
<b>Total non-current liabilities</b>		<b>(29,002)</b>	<b>(25,753)</b>	<b>(27,304)</b>
<b>Assets less liabilities</b>		<b>173,344</b>	<b>181,365</b>	<b>205,856</b>
<b>Taxpayers' equity:</b>				
General fund		58,209	64,535	64,182
Revaluation reserve		115,135	116,830	141,674
<b>Total taxpayers' equity</b>		<b>173,344</b>	<b>181,365</b>	<b>205,856</b>



**D A Lavery**  
**Accounting Officer**  
 22 June 2011

The Notes on pages 53 to 90 form part of these accounts.

2009-10 restated to reflect Machinery of Government and Accounting Policy changes (As per Note 25).

## Statement of Cash Flows

for the year ended 31 March 2011

	Note	2010-11 £'000	Restated 2009-10 £'000
<b>Cash flows from operating activities</b>			
Net operating cost		(155,661)	(153,850)
Adjustment for non-cash transactions	5, 6	14,504	9,317
Decrease in trade and other receivables	10	808	3
less movements in receivables relating to items not passing through the SoCNE		16	16
Decrease in trade payables	12	(3,395)	(2,215)
less movements in payables relating to items not passing through the SoCNE		2,147	1,071
Use of provisions	13	(2,430)	(366)
Machinery of Government adjustments		-	3
<b>Net cash outflow from operating activities</b>		<b>(144,011)</b>	<b>(146,021)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	8	(6,336)	(3,620)
Purchase of intangible assets	9	(349)	(1,266)
Movement in Capital Accruals	12	575	(59)
<b>Net cash outflow from investing activities</b>		<b>(6,110)</b>	<b>(4,945)</b>
<b>Cash flows from financing activities</b>			
From the Consolidated Fund (Supply) – current year		-	147,862
Funding from Parent		141,770	-
From the Consolidated Fund (Supply) – prior year	12	(1,960)	(2,382)
From the Consolidated Fund (non-supply)		7,597	7,591
Advances from the Contingencies Fund		-	37,000
Repayments to the Contingencies Fund		-	(37,000)
Capital element of payments in respect of finance leases and PFI contracts	16	(840)	(2,528)
<b>Net financing</b>		<b>146,567</b>	<b>150,543</b>
<b>Net decrease in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund</b>			
		<b>(3,554)</b>	<b>(423)</b>
Receipts due to the Consolidated Fund which are outside the scope of the Agency's activities		-	7,950
Payments of amounts due to the Consolidated Fund		(881)	(8,599)
Receipts due to DoJ which are outside the scope of the Agency's activities		10,633	-
Payments of amounts due to the DoJ which are outside the scope of the Agency's activities		(9, 674)	-
<b>Net decrease in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund</b>		<b>(3,476)</b>	<b>(1,072)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	11	<b>2,841</b>	<b>3,913</b>
<b>Cash and cash equivalents at the end of the period</b>	11	<b>(635)</b>	<b>2,841</b>

The Notes on pages 53 to 90 form part of these accounts. 2009-10 restated to reflect Machinery of Government and Accounting Policy Changes (As per Note 25).

## Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2011

	Note	General Fund £'000	Revaluation Reserve £'000	Total Reserves £'000
<b>Balance at 1 April 2009 (as originally disclosed)</b>		<b>64,179</b>	<b>141,674</b>	<b>205,853</b>
Machinery of Government		3	-	3
<b>Restated balance at 1 April 2009</b>		<b>64,182</b>	<b>141,674</b>	<b>205,856</b>
<b>Changes in taxpayers equity for 2009-10</b>				
Net Parliamentary Funding – drawn down		147,862	-	147,862
Consolidated Fund Standing Services	6,13	7,696	-	7,696
Supply receivable adjustment		(1,960)	-	(1,960)
Comprehensive Expenditure for the Year		(153,850)	-	(153,850)
Non-cash charges – auditor's remuneration	5, 6	103	-	103
Non-cash charges – actuarial gain	13	500	-	500
Net loss on revaluation of property, plant and equipment	8	-	(25,260)	(25,260)
Net gain on revaluation of intangible assets	9	-	416	416
<b>Balance at 31 March 2010</b>		<b>64,533</b>	<b>116,830</b>	<b>181,363</b>
Machinery of Government		2	-	2
<b>Restated balance at 31 March 2010</b>		<b>64,535</b>	<b>116,830</b>	<b>181,365</b>
<b>Changes in taxpayers' equity for 2010-11</b>				
Funding from Parent		141,770	-	141,770
Consolidated Fund Standing Services	6,13	7,597	-	7,597
Comprehensive Expenditure for the Year		(155,661)	-	(155,661)
Non-cash charges – auditor's remuneration	5, 6	68	-	68
Non-cash charges – actuarial loss	13	(100)	-	(100)
Net loss on revaluation of property, plant and equipment	8	-	(1,696)	(1,696)
Net gain on revaluation of intangible assets	9	-	1	1
<b>Balance at 31 March 2011</b>		<b>58,209</b>	<b>115,135</b>	<b>173,344</b>

The Notes on pages 53 to 90 form part of these accounts.

2009-10 restated to reflect Machinery of Government and Accounting Policy Changes (As per Note 25).

## Notes to the Agency Resource Accounts

### 1.0 Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2010-11 Government Financial Reporting Manual (FReM) and the Accounts Direction issued by DFP. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Agency for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Agency are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

#### 1.1 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

The accounts are stated in sterling, which is the Agency's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£'000).

#### 1.2 Accounting Boundary

These accounts incorporate the core activity of the Agency and CICAPNI.

The Agency sponsors one executive non-departmental public body (NDPB), this is the NILSC. This has been excluded from the accounting boundary for the purposes of these accounts.

The NILSC was established on 1 November 2003 to operate the legal aid system, a function previously performed by the Legal Aid Department (LAD).

The funds invested by the CFO (Funds in Court) are specifically excluded from the Agency accounts following DFP guidance. Third party monies are similarly excluded. The funds held on behalf of third parties by the CFO are included in Note 22.

Financial information about the NILSC and the CFO may be obtained from their separately published annual accounts.

### 1.3 Property, Plant and Equipment

The Agency holds title to the land and buildings shown in the accounts with the exception of Laganside Courts Complex which is leased under the PFI Contract (see Notes 8 and 16).

Land has been included within the SoFP on the basis of open market value for existing use. Due to the specialised nature of courthouses they are included within the SoFP at depreciated replacement cost. Other buildings are included within the SoFP on the basis of existing use value. Land and buildings surplus to requirements are valued on the basis of open market value less any directly attributable selling costs. Antiques are professionally valued every five years and were revalued at the 31 March 2009 by Hugh Boyd BSc (Econ.) M.I.P.A.V. All other assets are included at depreciated replacement cost.

Professional valuations of land and buildings take place at least once every five years in accordance with IAS 16 and appropriate indices are applied to revalue in intervening years. Land and buildings were valued by the Land and Property Services (LPS) of the DFP at 31 March 2009.

Other property, plant and equipment have been stated at their value to the business by reference to Office of National Statistics (ONS) indices. The indices for other property, plant and equipment were obtained from ONS MM17 Price Index Numbers for Current Cost Accounting as at March 2011.

The Agency's capitalisation threshold is £1,000 and individual assets below this amount are expensed through the SoCNE.

### 1.4 Intangible Assets

Intangible assets have been restated under IAS 38. Expenditure on intangible assets consists of computer software and licences and the associated costs of implementation are capitalised where expenditure of £1,000 or more is incurred. Computer software and licences are amortised over the shorter of the term of the licence and the useful economic life.

### 1.5 Depreciation

Property, plant and equipment are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Assets in the course of construction are depreciated from the point at which the asset is brought into use. A further adjustment is made for any backlog depreciation arising from the requirement to value assets by reference to current costs and from this the backlog depreciation is posted to the revaluation reserve.

No depreciation is provided on land since it has unlimited or very long estimated useful life. Useful lives are normally in the following ranges:

Land - Freehold	Not depreciated
- Leasehold	Not depreciated
Buildings - Freehold	Individually assessed
- Leasehold	Period of lease
Furniture and Fittings	10 years
Plant and machinery	5 years
Computer equipment	3-7 years
Intangible Assets – Software licences	3 years
Computer Software	3 years
Motor vehicles	3 years
Antiques (non-operational)	Not depreciated

Additions to assets will be depreciated from the month of acquisition. Disposals from assets will not be depreciated in the month of disposal.

Antiques (non-operational) are included in the furniture and fittings section in the property plant and equipment (Note 8).

## 1.6 Inventory

Inventory of consumable stores held by the Agency are not considered material and are written off in the SoCNE as they are purchased.

There was no inventory held in 2010-11.

Assets seized by the EJO are not included in inventories on the basis that they are not owned by the Agency, but are held for resale in settlement of third party creditors. Third party assets held by the EJO at the year end are disclosed in Note 22 under Third Party Assets non monetary assets.

## 1.7 Operating Income

Operating income is income that relates directly to the operating activities of the Agency. Operating income comprises fees and charges for services provided to external customers, rents receivable, and miscellaneous receipts.

Income is recognised in the period in which it is earned in the SoCNE and is accrued or deferred as necessary. Operating income is stated net of VAT.

Fines Income is not treated as Accruing resources for the purposes of these accounts. All fine income therefore is payable to the NICF via DoJ as consolidated fund extra receipts (CFER's). Once collected are payable to NICF via the DoJ. An analysis of fines collected is detailed within Note 12.3.

## **1.8 Administration and Programme Expenditure**

The SoCNE is analysed between administration and programme income and expenditure. The classification of expenditure and income as administration or as programme follows the definition of administration costs guidance set out in the most recent guidance on Estimates issued by DFP.

Administration costs reflect the costs of running the Agency and include expenditure on administrative staff and associated costs including accommodation, information technology, communications and office supplies.

Programme costs reflect the costs of related service delivery costs for the operation, managing, maintaining the courts. It includes staff costs and administration costs where they directly relate to service delivery.

## **1.9 Operating Leases**

Rentals under operating leases are charged to the SoCNE on a straight line basis over the lease term.

## **1.10 Pensions**

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS (NI)) that are described at Note 4. The defined benefit schemes are unfunded and are non-contributory, except in respect of dependants' benefits. The Agency recognises the expected cost of these elements on a systematic and rational basis, over the period during which it benefits from employees' services, by payment to the PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS (NI). In respect of the defined contribution schemes, the Agency recognises the contributions payable for the year.

## **1.11 Early Departure Costs**

The Agency meets the additional costs of benefits beyond the normal PCSPS (NI) benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS (NI), over the period between early departure and normal retirement date. The Agency provides for this in full, when the early retirement programme becomes binding on the Agency, by establishing a provision for the estimated payments discounted by the Treasury discount rate of 2.9% in real terms.

Pension liabilities may arise in respect of provisions for lump sum early departure costs and the balance of any unpaid Accruing Superannuation Liability Charges (ASLC).

### **1.12 Value Added Tax (VAT)**

Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **1.13 Private Finance Initiative (PFI) Transactions.**

DFP has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure, and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The Agency therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including replacement of components; and
- c) Payment for finance (interest costs).

### **Services received**

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

### **PFI Assets**

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the agency approach for each relevant class of asset in accordance with the principles of IAS 16.

### **PFI liability**

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the SoCNE.

Further details of current ongoing agreements are shown in Note 16 to the accounts.

#### **1.14 Grants Payable**

Grants payable are recorded as expenditure in the period that the underlying event or activity giving entitlement to the grant occurs. Receipt of a claim for funding acts as the underlying event in normal circumstances. Grants related to activity occurring over a specific time period, usually a financial year, are recorded as expenditure for that period.

#### **1.15 Provisions**

The Agency provides for legal or constructive obligations, which are of uncertain timing or amount at the SoFP date, on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the real rate set by HM Treasury (currently 2.9%).

Further details on provisions are contained in Note 13.

#### **1.16 Contingent Liabilities**

In addition to contingent liabilities disclosed in accordance with IAS 37, the Agency discloses for Assembly reporting and accountability purposes, certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which are required to be reported to the Assembly in accordance with the requirements of Managing Public Money NI.

There were no contingent liabilities arising during the period which required reporting to the Assembly.

Where the time value of money is material, contingent liabilities, which are required to be disclosed under IAS 37, are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

Further details of contingent liabilities are contained within Note 19.

#### **1.17 Third Party Assets**

Third Party assets are assets for which the Agency acts as custodian or trustee, but in which neither the Agency nor public sector more generally has a direct beneficial interest in them. Third Party assets are not public assets, and hence are not

recorded in the primary financial statements. In the interests of general disclosure and transparency, details of the Agency's third party assets are provided in Note 22.

### **1.18 Critical accounting estimates and key judgements**

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Agency's accounting policies. We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

#### **(i) - Depreciation of property, plant and equipment**

Depreciation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 1.5.

#### **(ii) - Impairment of property, plant and equipment and intangibles**

Where there is an indication that the carrying value of items of property, plant and equipment or intangibles may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.

#### **(iii) - Pension and other post retirement provisions**

The Agency accounts for pension and other post retirement benefits in accordance with IAS 19. In determining the pension cost and the defined benefit obligation of the pension schemes a number of assumptions are used which include the discount rate, salary growth, price inflation, the expected return on the schemes' investments and mortality rates. Further details on the pension provision are contained in Note 13.

### **1.19 Financial Instruments**

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial instrument is recognised when, and only when, the entity becomes a party to the contractual provisions of the instrument. A previously recognised financial asset is derecognised when, and only when, either the contractual rights to the cash

flows from that asset expire, or the entity transfers the asset such that the transfer qualified for derecognition. A financial liability is derecognised when, and only when, it is extinguished.

### **Financial Assets**

The Agency has financial instruments in the form of trade receivables, cash and cash equivalents.

In accordance with IAS 39 Financial Instruments: Recognition and Measurement, trade receivables, cash and other receivables are classified as “loans and receivables”. Loans and receivables are non-derivative non-current assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method less any impairment.

Financial assets within trade and other receivables are initially recognised at fair value, and subsequently carried at amortised cost using the effective method less provisions for doubtful receivables.

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash which are subject to insignificant risk of changes in value and have an original maturity of 3 months or less.

The Agency assesses at each SoFP date whether there is any objective evidence that a financial asset or group of financial assets classified as loans and receivables is impaired.

The amount of the loss is calculated as the difference between the carrying amount of the asset and the present value of estimated future cash flows from the asset discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses are assessed individually for financial assets that are individually significant and individually or collectively for assets that are not individually significant. In making collective assessment of impairment, financial assets are grouped into portfolios on the basis of similar risk characteristics. Future cash flows from these portfolios are estimated on the basis of the contractual cash flows and historical loss experience for assets with similar risk characteristics.

Impairment losses are recognised in the SoCNE and the carrying amount of the financial asset or group of financial assets reduced by establishing an allowance for impairment losses. If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognised, the previously recognised loss is reversed by adjusting the allowance.

When a financial asset is deemed unrecoverable the amount of the asset is reduced directly and the impairment loss is recognised in the SoCNE to the extent that a provision was not previously recognised.

### **Financial Liabilities**

The Agency also has financial instruments in the form of trade payables that are classified in accordance with IAS 39 as “other financial liabilities”. These are initially measured at fair value, net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

#### **1.20 Employee Benefits including Pensions**

Under the requirements of IAS 19 Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave as at the year end. This cost has been estimated using average staff numbers and costs applied to the average untaken leave balance determined from the results of a survey to ascertain leave balances as at 31 March 2011. It is not anticipated that the level of untaken leave will vary significantly from year to year.

The Agency has recognised both annual and flexi leave entitlements that have been earned by the year end but not yet taken. These are included in current liabilities for both administration and programme staff across the Agency.

#### **1.21 Segmental Reporting**

Under the requirement of IFRS 8 ‘Operating Segments’-Disclosures (amendment) the Agency must disclose information to enable users of the financial statements to evaluate the nature and financial effects of the business in which it engages and the economic environment in which it operates. ‘Total Assets’ are only required to be disclosed in reporting segments where total assets for segments are regularly reported to the chief operating decision maker. As total assets for segments are not regularly reported to the chief operating decision maker the Agency has adopted this amendment. The amendment does not have a material impact on the Agency’s financial statements. Details of the reporting segments are contained within Note 3.

### 1.22 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2011

Chapter in FReM 2010-11	Area affected	Description of revision	Comments
11	Income and Expenditure	The removal of Cost of Capital charging from accounts.	<p>Applies to all public sector bodies. Guidance issued by HM Treasury meant that this change was budgetary neutral. No impact on the Agency other than disclosure.</p> <p>2009-10 comparatives have been restated accordingly to exclude cost of capital charges. Prior year expenditure included within Net Operating Cost decreased by £6,787k as a result of this restatement. The decrease was off-set by a corresponding reduction in the level of notional charges against the General Fund. Further details are contained in Note 25.</p>

The Agency has reviewed the remaining standards, interpretations and amendments to published standards that became effective during 2010-11 and which are relevant to its operations. The adoption of these standards has not had a significant impact on the financial position or results of the Agency.

### 1.23 Accounting standards, interpretations and amendments to published standards not yet effective

The Agency has reviewed the additional or revised accounting standards and new (or amendments to) interpretations contained within the Government Financial Reporting Manual (FReM) 2011-12 and considers that these changes are not relevant to its operations.

In addition, certain new standards, interpretations and amendments to existing standards have been published that are mandatory for accounting periods beginning on or after 1 April 2011 or later periods, but which the Agency has not adopted early.

Other than as outlined in the table below, the Agency considers that these standards are not relevant to its operations.

Standard	Description of revision	Application date	Comments
IAS 24	Related Party Disclosures - Revised definition of related parties	Annual periods beginning on or after 1 January 2011	Inclusion of a partial exemption for government-related entities. Given that the FReM interprets the related party requirements significantly to reduce the disclosure on transactions between public sector entities it is unlikely that this will have significant impact.

## 2. Machinery of Government and Accounting Policy Changes

### 2.1 Reconciliation of reported taxpayers' equity for the year ended 31 March 2010 as a result of the machinery of government and accounting policy changes

	General Fund £'000	Revaluation Reserve £'000	Total £'000
Taxpayers' equity at 1 April 2010	64,529	116,830	181,359
Adjustments for Machinery of Government Changes:			
Trade Payables	6	-	6
<b>Taxpayers' equity at 1 April 2010</b>	<b>64,535</b>	<b>116,830</b>	<b>181,365</b>

### 2.2 Reconciliation of reported net operating cost for year ended 31 March 2010 as a result of the machinery of government, reclassification and accounting policy changes

	Note	£'000
<b>Net operating cost for 2009-10</b>	<b>25</b>	<b>162,327</b>
<b>Adjustments:</b>		
Machinery of Government	25	(1,690)
Reclassification	25	-
Accounting policy changes	25	(6,787)
<b>Net operating cost for 2009-10 Post Devolution</b>		<b>153,850</b>

Refer to Note 25 for a reconciliation of all adjustments to the SoCNE.

During the period the following changes took place;

#### 1) Machinery of Government Changes

On 12 April 2010 NIJAC transferred to the OFMDFM by way of a Machinery of Government transfer.

#### 2) Reclassifications of income and expenditure

The Agency has taken the opportunity to reclassify a number of balances contained within the SoFP to better reflect circumstances and improve the overall quality of reporting within the Accounts as follows:

Income has been reclassified from Administration to Programme, prior to devolution income was classified as administration it is now classified as programme to match income with the flow of related expenditure.

Tribunal Expenditure – during 2009-10 the recoupment of Tribunal expenditure from other NICS departments for those tribunals which the agency performed an administration function for was netted of expenditure. This has been reclassified with gross expenditure being reported.

There is a nil effect on the SoCNE and the SoFP as a result of these reclassifications.

### 3) Accounting Policy

Prior to April 2010 a cost of capital charge was included to reflect cost of capital (COC) utilised by the Agency. In April 2010, in line with FREM the requirement to charge COC was removed this real charge resulted in an accounting policy charge for the Agency.

### Impact on Financial Statements

The tables above summarise the overall impact of the above on corresponding amounts in the SoCNE and SoFP with more detailed information within Note 25.

### 3. Analysis of Net Expenditure by Reporting Segment

The Agency's operating segments are determined by the services provided both to external and internal customers assessed.

Aim	2010-11			Restated 2009-10		
	Gross	Income	Net	Gross	Income	Net
Segment 1	73,029	(29,636)	43,393	62,878	(27,111)	35,767
Segment 2	7,829	(3)	7,826	9,685	(7)	9,678
Segment 3	1,345	-	1,345	1,820	-	1,820
Segment 4	103,097	-	103,097	106,585	-	106,585
<b>Net Operating Costs</b>	<b>185,300</b>	<b>(29,639)</b>	<b>155,661</b>	<b>180,968</b>	<b>(27,118)</b>	<b>153,850</b>

Segment 1	Operations
Segment 2	Business Support
Segment 3	Civil & Criminal Policy and Legislation
Segment 4	Public Funded Legal Services

#### 4. Staff numbers and related costs

##### Staff costs comprise:

	Total	Permanently employed staff	2010-11 £'000 Others	Restated 2009-10 £'000 Total
Wages and salaries	21,175	20,476	699	20,369
Social security costs	1,332	1,305	27	1,143
Other pension costs	3,854	3,818	36	3,410
<b>Sub Total</b>	<b>26,361</b>	<b>25,599</b>	<b>762</b>	<b>24,922</b>
Less recoveries in respect of Outward secondments	(829)	(829)	-	(912)
<b>Total net costs *</b>	<b>25,532</b>	<b>24,770</b>	<b>762</b>	<b>24,010</b>

\* Of the total, £Nil has been charged to capital

##### Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows:

Segment	Total	Permanent staff	2010-11 Number Others	2009-10 Number Total
1 – Operations	616	603	13	634
2 – Business Support	129	124	5	115
3 – Civil & Criminal Policy & Legislation	29	28	1	33
4 – Public Funded Legal Services	31	30	1	31
<b>Total</b>	<b>805</b>	<b>785</b>	<b>20</b>	<b>813</b>

Up until the date of devolution all contributions were to the Principal Civil Service Pension Scheme (GB) – (PCSPS (GB)). On the date of devolution all membership transferred to the Principal Civil Service Pension Scheme (NI) - PCSPS (NI). PCSPS (NI) is an unfunded multi-employer defined benefit scheme but the Agency is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out at 31 March 2007 and details of this valuation are available in the PCSPS (NI) resource accounts.

For 2010-11, employers' contributions of £126k were payable to the PCSPS (GB) and £3,614k to PCSPS (NI) (2009-10: £3,373k were payable to PCSPS (GB)) at one of four rates in the range 18.0% to 25.0% (2009-10: 16.7% to 24.3%) of pensionable pay, based on salary bands. The scheme's actuary reviews employer contributions

every four years following a full scheme valuation. The salary bands and contribution rates were revised for 2011-12 the rates will be in the range 18.0% to 25.0% and remain unchanged. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions are age-related and range from 3% to 12.5% of pensionable pay (2009-10: 3% to 12.5%). Employers also match employee contributions up to 3% (2009-10: 3%) of pensionable pay. In addition, employers' contributions of 0.8% of pensionable pay are payable to the PCSPS (NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

As at 31 March 2011, no employees of the Agency opted for a partnership pension account. Employer's contributions were therefore £Nil (2009-10: £Nil).

### Exit Packages

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972. Exit costs are accounted for in full in the year of departure. Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-Health retirement costs are met by the pension scheme and are not included in the following table;

Exit Package cost band	2010-11			2009-10
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Total number of exit packages by cost band
< £10,000	-	-	-	2
£10,000 - £25,000	-	1	1	1
£25,000 - £50,000	-	-	-	1
£50,000 - £100,000	-	-	-	7
£100,000 - £150,000	-	-	-	2
£150,000 - £200,000	-	-	-	3
<b>Total number of exit packages</b>	-	<b>1</b>	<b>1</b>	<b>16</b>
<b>Total Resource Cost £</b>	-	<b>12,464</b>	<b>12,464</b>	<b>28,761</b>

During 2008-09 a provision was created of £1.6m (Note 13) for the 16 members of staff who opted to exit under an early departure scheme. The actual date of their departure was during 2009-10 and the additional resource impact during the year of departure was £28,761.

During 2010-11 one member of staff opted to leave under an early departure scheme. The resource impact was £12,464.

### **III-Health retirement**

Four individuals retired on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £5,128.

### **Judicial Office Holders**

Judicial office holders are mainly covered by the provisions of the Judicial Pensions Scheme (JPS). The terms of most of the pension arrangements are set out in (or in some cases are analogous to), the provisions of two Acts of Parliament, the Judicial Pensions Act 1981 and the Judicial Pensions & Retirement Act 1993 (JUPRA).

The JPS is an unfunded public service scheme, providing pensions and related benefits for members of the judiciary. Participating Judicial Appointing or Administering Bodies make contributions known as ASLCs, to cover the expected cost of benefits under the JPS. ASLCs are assessed regularly by the Scheme's Actuary – The Government Actuary's Department.

The contribution rate required from the Judicial Appointing or Administering Bodies to meet the cost of benefits accruing in the year 2010-11 has been assessed as 32.15% of the relevant judicial salaries (2009-10: 32.15%). This includes an element of 0.25% (2009-10: 0.25%) as a contribution towards the administration costs of the scheme. A contribution rate of 32.15% has been recommended for the year commencing 1 April 2011.

The liability for future payment is not chargeable to the Agency but is a charge on the JPS. The Agency is unable to identify its share of the underlying assets and liabilities. There is a separate scheme statement for the JPS as a whole and a full actuarial valuation was carried out as at 31 March 2005. Details of the Resource Accounts of the Ministry of Justice: Judicial Pensions Scheme can be found on the Ministry of Justice website ([www.justice.gov.uk](http://www.justice.gov.uk)).

## 5. Other Administration Costs

	Note	2010-11		Restated	Restated
		£'000	£'000	2009-10	2009-10
				£'000	£'000
<b>Rentals under operating leases:</b>					
Hire of plant and machinery		7		41	
Rentals for accommodation		402		308	
			<b>409</b>		<b>349</b>
<b>PFI service charges</b>					
Service element of PFI contracts		-		292	
Interest charges: Finance leases		-		13	
					<b>305</b>
<b>Non-cash items</b>					
Depreciation	8	1,018		1,930	
Amortisation	9	84		521	
Loss on disposal of property, plant and equipment		25		-	
Decrease in bad debt provision		(16)		(16)	
Auditors' remuneration and expenses		50		70	
Provision provided for in the year	13	444		277	
Provision not required written back	13	(339)		(639)	
Unwinding of discount	13	1		-	
			<b>1,267</b>		<b>2,143</b>
<b>Other expenditure</b>					
Court Security		134		77	
Information Technology		725		281	
Building Rates		161		135	
Legal Claims & Costs		(227)		323	
Consultancy		455		1,049	
Other Costs		862		647	
			<b>2,110</b>		<b>2,512</b>
<b>Total</b>			<b>3,786</b>		<b>5,309</b>

## 6. Programme Costs

		2010-11		Restated	Restated
	Note	£'000	£'000	2009-10	2009-10
				£'000	£'000
<b>Publicly funded legal services:</b>					
Grant		91,415		95,490	
Grant in Aid		8,098		7,510	
			<b>99,513</b>		<b>103,000</b>
<b>Criminal Appeals</b>			<b>(113)</b>		<b>2,403</b>
<b>Queen's University of Belfast</b>			<b>25</b>		<b>25</b>
<b>Rentals under operating leases</b>					
Hire of plant and machinery		38		104	
Rentals for accommodation		498		566	
			<b>536</b>		<b>670</b>
<b>PFI service charges:</b>					
Service element of PFI contracts		2,175		4,547	
Interest charges: Finance leases		1,369		1,552	
			<b>3,544</b>		<b>6,099</b>
<b>Non-cash items</b>					
Depreciation	8	5,392		5,230	
Amortisation	9	1,079		1,150	
Loss on disposal of property, plant and equipment		318		257	
Loss on disposal of Intangible Assets		41			
Auditors remuneration and expenses		18		33	
Provision provided in the year	13	7,108		305	
Provision not required written back	13	(919)		-	
Unwinding of Discount	13	200		200	
			<b>13,237</b>		<b>7,175</b>
<b>Other expenditure</b>					
Court Security		5,481		5,280	
Information Technology		4,206		1,432	
Building Rates		2,385		2,537	
Consultancy		17		234	
Tribunals Member Fees		3,210		441	
Other		8,601		7,213	
			<b>23,900</b>		<b>17,137</b>
<b>Judicial costs (Non-consolidated fund)</b>					
Judicial costs		5,003		4,812	
Judicial pensions		2,740		2,737	
			<b>7,743</b>		<b>7,549</b>
<b>Consolidated Fund standing services</b>					
Judicial wages and salaries		6,818		6,812	
Judicial social security costs		779		779	
			<b>7,597</b>		<b>7,591</b>
<b>Total</b>			<b>155,982</b>		<b>151,649</b>

## 7. Income

	<b>2010-11</b>	<b>Restated</b>
	<b>£'000</b>	<b>2009-10</b>
	<b>Total</b>	<b>£'000</b>
		<b>Total</b>
Court Fees	23,927	23,461
Recovery of Tribunals	3,692	441
Other Income	2,020	3,216
	<b>29,639</b>	<b>27,118</b>

Other income relates to income from other sources which are not arising from court fees. This includes rental of court room accommodation, recovery of costs associated with the operation of the CFO and recovery of costs associated with the provision of the service of the Official Solicitor.

An analysis of fees and charges from civil business services provided to external and public sector customers is as follows:

	<b>2010-11</b>			<b>2009-10</b>		
	<b>Income</b>	<b>Full Cost</b>	<b>Deficit/ (surplus)</b>	<b>Income</b>	<b>Full Cost</b>	<b>Surplus/ (deficit)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Court Service	<b>22,460</b>	<b>(22,770)</b>	<b>(310)</b>	22,710	(21,836)	874
- Civil Business						
	<b>22,460</b>	<b>(22,770)</b>	<b>(310)</b>	<b>22,710</b>	<b>(21,836)</b>	<b>874</b>

Income shown is in respect of civil fee earning business and has been accounted for in accordance with HM Treasury Fees and Charges Guide.

The Agency is committed to achieving full cost recovery for the services it provides in respect of civil court business. The income for 2010-11 represents 99% of cost recovery. Further information on the Civil Fees Review can be found in the Management Commentary.

The civil business fee recovery target, above is based on expenditure net of exemptions and remissions. Applicants in receipt of certain means-tested benefits are entitled to automatic fee exemption. Remission of fees is considered on an individual basis and is granted in cases of hardship. Total fees remitted during 2010-11 amounted to £2.1k (2009-10: £2.3k).

## 8. Property, Plant and Equipment

	Land £'000	Buildings £'000	Information Technology £'000	Plant & Machinery £'000	Furniture & Fittings £'000	Total £'000
<b>Cost or valuation</b>						
At 1 April 2010	38,855	174,204	15,123	2,162	2,880	233,224
Additions	-	3,008	2,903	405	20	6,336
Disposals	-	-	(14,768)	-	-	(14,768)
Revaluations	(5,828)	4,081	(14)	144	(35)	(1,652)
<b>At 31 March 2011</b>	<b>33,027</b>	<b>181,293</b>	<b>3,244</b>	<b>2,711</b>	<b>2,865</b>	<b>223,140</b>
<b>Depreciation</b>						
At 1 April 2010	-	5,180	14,501	430	1,992	22,103
Charged in year	-	5,422	341	451	196	6,410
Disposals	-	-	(14,425)	-	-	(14,425)
Revaluations	-	121	(82)	29	(24)	44
<b>At 31 March 2011</b>	<b>-</b>	<b>10,723</b>	<b>335</b>	<b>910</b>	<b>2,164</b>	<b>14,132</b>
<b>Net book value at 31 March 2011</b>	<b>33,027</b>	<b>170,570</b>	<b>2,909</b>	<b>1,801</b>	<b>701</b>	<b>209,008</b>
<b>Net book value at 31 March 2010</b>	<b>38,855</b>	<b>169,024</b>	<b>622</b>	<b>1,732</b>	<b>888</b>	<b>211,121</b>
<b>Asset financing:</b>						
Owned	33,027	131,302	2,909	1,801	701	169,740
On balance sheet -PFI contracts	-	39,268	-	-	-	39,268
<b>Net book value at 31 March 2011</b>	<b>33,027</b>	<b>170,570</b>	<b>2,909</b>	<b>1,801</b>	<b>701</b>	<b>209,008</b>

	Land £'000	Buildings £'000	Information Technology £'000	Plant & Machinery £'000	Furniture & Fittings £'000	Total £'000
<b>Cost or valuation</b>						
At 1 April 2009	41,780	195,404	12,432	565	2,830	253,011
Additions	-	1,738	246	1,594	42	3,620
Disposals	-	(270)	-	-	-	(270)
Revaluations	(2,925)	(22,668)	2,445	3	8	(23,137)
<b>At 31 March 2010</b>	<b>38,855</b>	<b>174,204</b>	<b>15,123</b>	<b>2,162</b>	<b>2,880</b>	<b>233,224</b>
<b>Depreciation</b>						
At 1 April 2009	-	-	10,758	297	1,778	12,833
Charged in year	-	5,193	1,627	131	209	7,160
Disposals	-	(13)	-	-	-	(13)
Revaluations	-	-	2,116	2	5	2,123
<b>At 31 March 2010</b>	<b>-</b>	<b>5,180</b>	<b>14,501</b>	<b>430</b>	<b>1,992</b>	<b>22,103</b>
<b>Net book value at 31 March 2010</b>	<b>38,855</b>	<b>169,024</b>	<b>622</b>	<b>1,732</b>	<b>888</b>	<b>211,121</b>
<b>Net book value at 31 March 2009</b>	<b>41,780</b>	<b>195,404</b>	<b>1,674</b>	<b>268</b>	<b>1,052</b>	<b>240,178</b>
<b>Asset financing:</b>						
Owned	38,855	129,628	622	1,732	888	171,725
On Balance Sheet -PFI contracts	-	39,396	-	-	-	39,396
<b>Net book value at 31 March 2010</b>	<b>38,855</b>	<b>169,024</b>	<b>622</b>	<b>1,732</b>	<b>888</b>	<b>211,121</b>

## Notes

IAS 16 requires measurement of assets at fair value.

Land and buildings were valued as at 31 March 2009 by the Land and Property Service (LPS). The valuation was carried out by the LPS in accordance with the RICS Appraisal and Valuation Manual. In accordance with the accounting policy the Land and Buildings have been revalued using appropriate indices as provided by LPS. Indices for assets other than land and buildings were obtained from ONS MM17 Price Index Numbers for Current Cost Accounting as at March 2011.

Antiques have been included in the Furniture and Fittings classification and are professionally valued every five years. The valuation was carried out at the 31 March 2009 by Hugh Boyd BSc (Econ.) M.I.P.A.V. The market value was £73,775.

**Asset Disposals** - During the period the Agency entered into a new contract for the provision of IT and related services. On the commencement of the contract the existing hardware and software were disposed of to the new provider. The resulting

impact was a loss on disposal of both property plant and equipment and intangibles of £384k which has been reflected within Notes 5 and 6.

There are no donated assets to report.

## 9. Intangible Assets

Intangible assets comprise purchased computer software for the Agency.

	£'000
<b>Cost or valuation</b>	
At 1 April 2010	15,417
Additions	349
Disposals	(7,348)
Revaluations	(235)
<b>At 31 March 2011</b>	<b>8,183</b>
<b>Amortisation</b>	
At 1 April 2010	13,274
Charged in year	1,163
Disposals	(7,307)
Revaluations	(236)
<b>At 31 March 2011</b>	<b>6,894</b>
<b>Net Book Value at 31 March 2011</b>	<b>1,289</b>
<b>Net Book Value at 31 March 2010</b>	<b>2,143</b>

	£'000
<b>Cost or valuation</b>	
At 1 April 2009	11,827
Additions	1,266
Disposals	-
Revaluations	2,324
<b>At 31 March 2010</b>	<b>15,417</b>
<b>Amortisation</b>	
At 1 April 2009	9,695
Charged in year	1,671
Revaluations	1,908
<b>At 31 March 2010</b>	<b>13,274</b>
<b>Net Book Value at 31 March 2010</b>	<b>2,143</b>
<b>Net Book Value at 31 March 2009</b>	<b>2,132</b>

Intangible assets are adjusted to their current value each year by reference to appropriate indices supplied by the Office for National Statistics.

## 10. Trade receivables and other current assets

### 10.1 Analysis by type

	2010-11 £'000	Restated 2009-10 £'000	Restated 1 April 2009 £'000
<b>Amounts falling due within one year:</b>			
Trade receivables	-	-	-
Deposits and advances	4	5	6
Value Added Tax	1,483	698	1,069
Other receivables	1,124	803	1,115
Prepayments and accrued income	2,955	4,868	4,187
<b>Total</b>	<b>5,566</b>	<b>6,374</b>	<b>6,377</b>

Within trade receivables there is no provision for bad debt. In 2009-10 there was a provision of £16k (2008-09: £32k), as this is a provision, and therefore a non cash movement, it has been excluded from the movement in trade receivables for inclusion within the Statement of Cash Flow.

There are no receivable amounts falling due after more than one year.

There are no amounts included within receivables that will be due to the NICF

### 10.2 Intra-Government Balances

	Amounts falling due within one year			Amounts falling due after more than one year		
	2010-11 £'000	Restated 2009-10 £'000	Restated 1 April 2009 £'000	2010-11 £'000	Restated 2009-10 £'000	Restated 1 April 2009 £'000
Balances with other central government bodies	3,475	2,636	1,595	-	-	-
Balances with local authorities	-	-	-	-	-	-
<b>Subtotal: intra-government balances</b>	<b>3,475</b>	<b>2,636</b>	<b>1,595</b>	-	-	-
Balances with bodies external to government	2,091	3,738	4,782	-	-	-
<b>Total receivables at 31 March</b>	<b>5,566</b>	<b>6,374</b>	<b>6,377</b>	-	-	-

## 11. Cash and cash equivalents

	2010-11 £'000	2009-10 £'000	2008-09 £'000
Balance at 1 April	2,841	3,913	8,996
Net change in cash and cash equivalent balances	(3,476)	(1,072)	(5,083)
<b>Balance at 31 March</b>	<b>(635)</b>	<b>2,841</b>	<b>3,913</b>
The following balances at 31 March were held at:			
Office of HM Paymaster General	-	2,446	3,571
Commercial banks and cash in hand	(635)	395	342
<b>Balance at 31 March</b>	<b>(635)</b>	<b>2,841</b>	<b>3,913</b>

## 12. Trade payables and other current liabilities

### 12.1 Analysis by type

	2010-11 £'000	Restated 2009-10 £'000	Restated 1 April 2009 £'000
<b>Amounts falling due within one year</b>			
Trade payables	61	59	60
Other payables	30	230	770
Accruals and deferred income	11,114	11,589	12,251
Current part of imputed finance lease element of PFI contracts	718	642	2,446
Amounts issued from the Consolidated Fund for supply but not spent at year end	-	1,960	2,382
Consolidated Fund extra receipts due to be paid to the Consolidated Fund received	959	881	1,531
	<b>12,882</b>	<b>15,361</b>	<b>19,440</b>
<b>Amounts falling due after more than one year</b>			
Imputed finance lease element of PFI contracts	20,088	21,004	21,727
	<b>32,970</b>	<b>36,365</b>	<b>41,167</b>

Within accruals and deferred income are accruals for non-current assets of £1,743k (2009-10: £1,168k, 2008-09: £1,227k).

Included within the CFERs due to be paid to the NICF are receipts for fines collected of £668k (2009-10: £751k) and other receipts of £291k (2009-10: £130k). Refer to note 12.3 which provides detail on fines collected, paid and payable to the NICF.

## 12.2 Intra-Government Balances

	Amounts falling due within one year			Amounts falling due after more than one year		
	Restated	Restated		Restated	Restated	
	2010-11	2009-10	April 2009	2010-11	2009-10	April 2009
	£'000	£'000	£'000	£'000	£'000	£'000
Balances with other central government bodies	2,727	4,151	5,786	-	-	-
Balances with local authorities	6	9	1	-	-	-
Balances with NHS Trusts	2	3	-	-	-	-
<b>Subtotal: intra-government balances</b>	<b>2,735</b>	<b>4,163</b>	<b>5,787</b>	-	-	-
Balances with bodies external to government	10,147	11,198	13,653	20,088	21,004	21,727
<b>Total payables at 31 March</b>	<b>12,882</b>	<b>15,361</b>	<b>19,440</b>	<b>20,088</b>	<b>21,004</b>	<b>21,727</b>

## 12.3 Summary of fine income payable to the Northern Ireland Consolidated Fund.

The Agency accepts payment for fines imposed in the Magistrates and Crown courts for onward transmission to the NICF via the DoJ. Fines imposed in court can be cleared either by payment or by means other than payment, including committal to prison.

The Agency also receives payment for fines that are imposed externally to the courts including fixed penalties imposed for motoring offences and council imposed fines. These fines are accounted for as NICF income once payment has been received.

Fines are deemed to be outside the scope of the Agency's activities until paid. On collection of fines the receipts are held on trust and accounted for as amounts due to the Consolidated Fund until paid over see note 12.1.

The income payable to the consolidated fund consisted of the following elements:

	2010-11	2009-10
	£'000	£'000
<b>Fine Income Payable to Consolidated fund</b>		
Fines and Penalties		
Court Imposed fines	7,926	7,742
Externally imposed fines	1,962	2,252
	<u>9,888</u>	<u>9,994</u>
Less: Fines cleared by means other than payment including committal to prison	(1,797)	(1,794)
<b>Income Payable to the consolidated fund</b>	<u>8,091</u>	<u>8,200</u>

<b>Amounts Held On Trust</b>	<b>2010-11 £'000</b>	<b>2009-10 £'000</b>
Balance held on trust at 1 April	750	1,423
Fines cleared by receipt of payment	7,743	7,756
Payments to Consolidated Fund	(7,825)	(8,429)
<b>Balance held on Trust at 31 March</b>	<b>668</b>	<b>750</b>

For 2010-11, the balance of fines receivable was £8,347k (2009-10: £7,999k) as detailed below:

	<b>2010-11 £'000</b>	<b>2009-10 £'000</b>
Balance receivable at 1 April	7,999	7,555
Amounts Imposed	9,888	9,994
Fines Cleared by receipt of Payment	(7,743)	(7,756)
Fines Cleared by means other than payment including committal to prison	(1,797)	(1,794)
Balance receivable at 31 March	<b>8,347</b>	<b>7,999</b>

At 31 March 2010 the amounts payable for NICFs of £881k was paid to the UK Consolidated Fund, from April 2010 all amounts are payable to the NICF.

### 13. Provisions

	<b>Early departure costs £'000</b>	<b>Legal Claims £'000</b>	<b>Criminal Appeals £'000</b>	<b>Other £'000</b>	<b>Court Funds Office £'000</b>	<b>Total £'000</b>
Balance at 1 April 2010	1,437	312	-	3,000	-	4,749
Provided in the year	60	383	3,117	263	3,729	7,552
Provisions not required written back	(30)	(309)	(919)	-	-	(1,258)
Provisions utilised in the year	(620)	(49)	(1,498)	(263)	-	(2,430)
Unwinding of Discount on provisions	1	-	-	200	-	201
Actuarial loss	-	-	-	100	-	100
<b>Balance at 31 March 2011</b>	<b>848</b>	<b>337</b>	<b>700</b>	<b>3,300</b>	<b>3,729</b>	<b>8,914</b>

	Early departure costs £'000	Legal Claims £'000	Other £'000	Pensions £'000	Total £'000
Balance at 1 April 2009	1,712	398	3,100	367	5,577
Provided in the year	70	207	305	-	582
Provisions not required written back	(42)	(230)	-	(367)	(639)
Provisions utilised in the year	(303)	(63)	-	-	(366)
Provision settled from the Consolidated Fund	-	-	(105)	-	(105)
Interest	-	-	200	-	200
Actuarial Gain	-	-	(500)	-	(500)
<b>Balance at 31 March 2010</b>	<b>1,437</b>	<b>312</b>	<b>3,000</b>	<b>-</b>	<b>4,749</b>

### Analysis of expected timing of discounted flows

	Early departure costs £'000	Legal Claims £'000	Criminal Appeals £'000	Other £'000	Court Funds Office £'000	Total £'000
Not later than on year	276	337	700	300	3,729	5,342
Later than one year and not later than five years	419	-	-	1,700	-	2,119
later than five years	153	-	-	1,300	-	1,453
<b>Balance at 31 March 2011</b>	<b>848</b>	<b>337</b>	<b>700</b>	<b>3,300</b>	<b>3,729</b>	<b>8,914</b>

#### 13.1 Early departure costs

The Agency meets the additional costs of benefits beyond the normal PCSPS benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The Agency provides for this in full when the early retirement programme becomes binding by establishing a provision for the estimated payments discounted by the Treasury discount rate of 2.9% in real terms.

#### 13.2 Legal Claims

Provision has been made for various legal claims against the Agency. The provision reflects all known claims where legal advice indicates that there is a present obligation due to a past event and payment is probable and the amount of the claim can be reliably estimated. The amount provided is on a percentage expected probability basis. The provision is based on the estimated cash flow. No reimbursement will be received in respect of any of these claims. Legal claims, which may succeed but are less likely to do so or cannot be estimated reliably, are disclosed as contingent liabilities in Note 19.

### **13.3 Criminal Appeals**

Provisions have been made for criminal appeals claims which are with the Taxing Master pending judicial direction. The Taxing Master is a Supreme Court judge and has complete discretion in deciding how much should be paid out in respect of claims put before him. As each case is assessed on an individual basis a provision has been created for each case currently received and under assessment.

### **13.4 Other**

Provision has been made for a long service award for members of the judicial pension scheme. The purpose of the long service award is that, subject to any future changes in legislation, the award will compensate for any Tax or National Insurance charges on lump sums payable from the deregistered judicial pension schemes on retirement, whatever the personal circumstances of the judge or their other pension benefits.

### **13.5 Courts Funds Office: Stockbroker management Fees**

Between 1996 and 2010, the CFO deducted stockbroker management fees directly from clients' accounts. Legal advice has been received which suggests that there is a doubt as to whether it is permissible to deduct such fees in the absence of express legislative authority. In order to ascertain whether the Accountant General does have the power to deduct such fees, an application to the High Court is being prepared for a declaration to be made on the power to deduct the fees. This is expected to be heard during 2011.

If it is determined that the Accountant General does not have adequate powers, then consideration will be given to reimbursing those CFO clients from whom fees have been deducted. Therefore, a provision has been made for the total potential restitution of the stockbroker management fees deducted from CFO clients' accounts, including an estimate for interest that has accrued since the deductions were made.

### **13.6 Pension Liability**

Previously, the Agency was responsible for the administration of an individual personal pension determination in respect of one judicial office-holder. Defined benefits accrued in line with the PCSPS in an approved scheme. These benefits were then enhanced by one third through an unapproved scheme. The pension provision was unfunded and non-contributory, except in respect of dependants benefits.

On 4 April 2006, the judicial office-holder transferred to the Judicial Pensions Scheme. The provision represents the value of the pension liability at that date,

based on the calculation prepared by the Government Actuary's Department (GAD) in April 2006. This provision is no longer required and was released during 2009-10.

#### 14. Capital commitments

	2010-11 £'000	2009-10 £'000
IT Hardware and Software	4,658	-
Property Plant and Equipment	423	-
<b>Contracted capital commitments at 31 March 2011</b>	<b>5,081</b>	<b>-</b>

#### 15. Commitments under leases

##### 15.1 Operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2010-11 £'000	2009-10 £'000
<b>Obligations under operating leases comprise:</b>		
<b>Land:</b>		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
	<b>-</b>	<b>-</b>
<b>Buildings:</b>		
Not later than one year	963	976
Later than one year and not later than five years	2,696	3,004
Later than five years	2,271	2,776
	<b>5,930</b>	<b>6,756</b>
<b>Other:</b>		
Not later than one year	8	51
Later than one year and not later than five years	-	36
Later than five years	-	-
	<b>8</b>	<b>87</b>

##### 15.2 Finance leases

The Agency had no finance leases operating during the year.

## 16. Commitments under PFI contracts

### 16.1 Laganside Complex

During February 1999, the Agency entered into a Public Finance Initiative (PFI) agreement with a private sector provider for the provision and maintenance of a high quality court complex in Belfast.

In accordance with the agreement, service charges became payable with effect from February 2002 to December 2026 and these are charged to the SoCNE. The court complex has been accounted for as an asset of the Agency.

Total obligations under on balance sheet (SoFP) Service Concession arrangements for the following period comprise:

	2010-11 £'000	2009-10 £'000
Not later than one year	2,005	2,013
Later than one year and not later than five years	8,024	8,063
Later than five years	21,549	23,731
	<b>31,578</b>	<b>33,807</b>
Less interest element	(10,772)	(12,161)
<b>Total</b>	<b>20,806</b>	<b>21,646</b>

### 16.2 Present Value of obligations under on balance sheet (SoFP) service concession arrangements for the following periods comprises:

	2010-11 £'000	2009-10 £'000
Not later than one year	718	642
Later than one year and not later than five years	3,694	3,398
Later than five years	16,394	17,606
<b>Total</b>	<b>20,806</b>	<b>21,646</b>

### 16.3 Charge to the Statement of Comprehensive Net Expenditure and future commitments

The total amount charged in the SoCNE in respect of the service element of on balance sheet (SoFP) PFI transactions was £2,175k (2009-10: £4,839k); and the payments to which the Agency is committed is as follows.

	2010-11	2009-10
	£'000	£'000
Not later than one year	1,901	2,179
Later than one year and not later than five years	7,686	7,654
Later than five years	21,270	23,204
Total	<u>30,857</u>	<u>33,037</u>

### 17. Other financial commitments

The Agency has entered into a five year contract with Fujitsu Services for the provision of ICT services. The future capital commitments in revenue terms are approximately £18m there are no other contracted non-capital commitments at 31 March 2011.

### 18. Financial instruments

IAS 32 Financial Instruments: Presentation, and IFRS 7 Financial Instruments: Disclosures, requires disclosure that enables evaluation of the significance of financial instruments for the Agency's financial position and performance, the nature and extent of risks arising from financial instruments to which the Agency is exposed during the period and at the reporting date, and how the Agency manages those risks. As a result of the non-trading nature of its activities and the way in which Agencies are financed, the Agency is not exposed to the degree of financial risk faced by business entities.

The Agency has no powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change risks facing the Agency in undertaking its activities.

#### Classification of financial instruments

All Agency financial instruments are measured at amortised cost. The Agency's financial assets are classified as receivables and comprise trade and other receivables Note 10 and cash and cash equivalent Note 11. The Agency's financial liabilities comprise trade payables excluding tax assets, accruals and deferred income Note 12. The carrying value of these financial assets and liabilities, as

disclosed in the notes to the accounts, approximates to fair value because of their short maturities. The Agency recognises the components of net gain/loss through the SoCNE.

## **Risk Management**

Financial risks include credit risk, liquidity risk and market risks (interest rate and currency).

### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Agency is not exposed to significant credit risk and manages its exposure via credit risk management policies which require review of the credit history of the organisations that the Agency wishes to trade with. Publicly available credit information from recognised providers is utilised for this purpose where available. The maximum exposure to credit risk is represented by the carrying amounts of the trade receivables carried in the SoFP.

### **Liquidity risk**

The Agency's net revenue resource requirements are financed by resources voted annually by Northern Ireland Assembly, as is its capital expenditure. It is not, therefore, exposed to significant liquidity risks.

The Agency's financial assets of £NIL (2009-10: £2,841,185), found in Note 11 are non-interest bearing financial assets and comprise of cash and cash equivalents. Cash and cash equivalents are held in sterling and are available on demand.

### **Currency Risk**

Currency risk is the risk that the fair value of future cashflows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Agency does not have the authority to manage currency risk through hedging.

### **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All of the Agency's financial assets and liabilities carry nil or fixed rates of interest. The Agency is therefore not exposed to any interest rate risk.

### **Embedded Derivatives**

In accordance with IAS 39, Financial Instruments: Recognition and measurement, the Agency has reviewed all contracts for embedded derivatives that are required to

be separately accounted for if they do not meet certain requirements set out in the standard. In relation to the Agency's Laganside PFI contract there is a payment mechanism that determines the charge the Agency will pay from 2009 to 2026 which is based on the UK retail price index (RPI) and UK Gross Domestic Product Index (GDP). The embedded derivative is deemed to be closely related to the host contract as the amounts charged are in relation to the economic environment within which the Agency operates.

## 19. Contingent liabilities disclosed under IAS 37

There is an estimated contingent liability of £321k in relation to legal claims and costs; further information is disclosed within note 13.2.

	<b>2010-11</b>
	<b>£'000</b>
Legal cases pending	321
	<b>321</b>

There are further contingent liabilities upon which it is not possible to put a value. In particular, claims have been made under past contracts. It is the Agency's assertion that these claims are unsubstantiated.

## 20. Losses and special payments

During the year, there were 21 cases totalling £16,785 (2009-10: 23 cases totalling £11,017).

## 21. Related-party transactions

The Agency is an executive Agency of the DoJ. The DoJ is regarded as a related party. During the year, the Agency has had various material transactions with the Department, and with other entities for which the DoJ is regarded as the parent Department, namely the Police Service of Northern Ireland, the NIPS, the Compensation Agency, the Youth Justice Agency and the NILSC. In addition, the Agency has had various material transactions with other government departments and other central government bodies.

During the year, no Board members have undertaken any material transactions with the Agency.

The Director is on the board of SLS Legal Publication. SLS Legal Publications received payments in the 2010-11 financial year totalling £43,117.

A Head of Division and Board Member's husband was a Lay Magistrate for the Agency during the period. As a Lay Magistrate he received payments totalling £1,092.

A Head of Division and Board Member's sister in law is a solicitor employed by P Fahy Solicitors. P Fahy Solicitors received payments in the 2010-11 financial year totalling £104,471.

## 22. Third-party assets

The Agency holds as custodian or trustee certain assets belonging to third parties.

### Third Party Monetary Assets

The Agency, through the CFO, continues to provide a banking and investment service for funds that are deposited in court. The investment service is carried out by an external service provider. Examples of the types of funds include monies held for minors until they attain the majority, certain assets of some mental health patients, and payments into court in satisfaction of a claim as well as statutory deposits and unclaimed balances in court.

These are not the Agency's assets and are not included in the accounts. The assets held at the reporting date to which it was practical to ascribe monetary values, comprised monetary assets such as bank balances and monies on deposit, and listed securities. They are set out in the table immediately below:

	Restated 31 March 2010 £'000	Gross inflows £'000	Gross outflows £'000	31 March 2011 £'000
Monetary assets such as bank balances and monies on deposit	103,432	20,805	(19,243)	104,994
Listed securities	145,099	37,359	(16,691)	165,767
Total Third Party Assets	248,531	58,164	(35,934)	270,761

### Third Party Inventory Assets

The Official Solicitor may be appointed to act as a financial controller for persons deemed by the courts to be incapable of managing their financial affairs and assets. In such capacity the Official Solicitor acts as custodian of a number of property assets. Title deeds for property may also be held by the court service as security or bails in relation to legal actions.

Other significant assets held at the balance sheet date to which it was not practical to ascribe monetary values comprised:

	31 March 2011 Number	31 March 2010 Number
Property assets	877	230

## **23. Entities within the accounting boundary**

### **Entities within the accounting boundary**

The accounting boundary incorporates only the core Agency and CICAPNI.

During the year the Agency held responsibility for the granting of funds to NILSC. As an executive NDPB, NILSC is outside the accounting boundary for the purposes of these accounts.

The funds invested by the CFO are specifically excluded from the accounting boundary, following HM Treasury guidance. Third party monies are similarly excluded.

NILSC and CFO publish separate audited financial accounts.

## **24. Criminal Injuries Compensation Appeals Panel Northern Ireland**

The administrative functions of CICAPNI transferred from the Secretary of State for Northern Ireland (SOSNI) to the Secretary of State for Justice (SOSJ) in the 2007-08 financial year and were delivered by a Machinery of Government letter on 1 December 2007. A PES transfer from NIO to the Agency provides the funding for the tribunal.

The administrative functions of CICAPNI transferred from the Secretary of State for Justice to the DoJ following the devolution of policing and justice in Northern Ireland on 12 April 2010.

The DoJ has directed a statement of accounts in accordance with the 2002 Order and the Scheme, only requires a simple statement providing the full cost of CICAPNI for the year, given as a Note to the Court Service accounts.

This direction is in accordance with The Criminal Injuries (NI) Order 2002 (“the 2002 Order”) and with the Northern Ireland Criminal Injuries Compensation Scheme 2002 (“the Scheme”) which established the CICAPNI. Both the 2002 Order and the Scheme provide that the DoJ may direct the form of the accounts of the CICAPNI.

This accounting note has been prepared in accordance with the accounts direction issued by the DoJ.

**CICAPNI STATEMENT OF ACCOUNT AS AT 31 MARCH 2011**

	2010-11		2009-10	
	£	£	£	£
Income				-
<b>Staff Costs</b>				
Staff Payroll costs	(204,537)		(211,375)	
Judicial Payroll costs	(215,782)		(232,974)	
<b>Total Payroll costs</b>		(420,319)		(444,349)
<b>Other operating costs</b>		(197,339)		(217,681)
<b>Net cost of operations</b>		<b>(617,658)</b>		<b>(662,030)</b>

**25. Corresponding amounts**

During the financial year 2010-11, the following changes took place as detailed within Note 2;

- 1) Machinery of Government Changes;
- 2) Reclassifications; and
- 3) Accounting Policy

**Impact on Financial Statements**

The tables below summarise the overall impact of the above on corresponding amounts in the SoCNE and SoFP.

**Statement of Comprehensive Net Expenditure for the year ended 31 March 2010**

	2009-10 Published Resource Accounts	Machinery of Government Adjustments	Reclassifi- cation	Accounting Policy Changes	Restated 2009-10
	£'000	£'000	£'000	£'000	£'000
<b>Administration costs</b>					
Staff costs	6,521	-	-	-	6,521
Other administration costs	7,154	-	-	(1,845)	5,309
Operating Income	(26,693)	-	26,693	-	-
<b>Programme costs</b>					
Staff costs	17,399	(71)	161	-	17,489
Programme costs	157,946	(1,619)	264	(4,942)	151,649
Operating Income	-	-	(27,118)	-	(27,118)
<b>Net Operating Cost</b>	<b>162,327</b>	<b>(1,690)</b>	<b>-</b>	<b>(6,787)</b>	<b>153,850</b>

**Statement of Financial Position as at 31 March 2010**

	2009-10 Published Resource Accounts £'000	Machinery of Government as at 31 March 2010 £'000	Restated 2009-10 £'000
<b>Non-current assets:</b>			
Property, plant and equipment	211,121	-	211,121
Intangible assets	2,143	-	2,143
<b>Current assets:</b>			
Trade and other receivables	6,374	-	6,374
Cash and cash equivalents	2,841	-	2,841
<b>Liabilities:</b>			
Trade and other payables	(15,367)	6	(15,361)
Provisions	(4,749)	-	(4,749)
Pension Liability			
Other payables	(21,004)	-	(21,004)
	<b>181,359</b>	<b>6</b>	<b>181,365</b>
<b>Taxpayer's Equity:</b>			
General Fund	64,529	6	64,535
Revaluation Reserve	116,830	-	116,830
	<b>181,359</b>	<b>6</b>	<b>181,365</b>

**Statement of Financial Position as at 31 March 2009**

	2008-09 Published Resource Accounts £'000	Machinery of Government £'000	Restated 2008-09 £'000
<b>Non-current assets:</b>			
Property, plant and equipment	240,178	-	240,178
Intangible assets	2,132	-	2,132
<b>Current assets:</b>			
Trade and other receivables	6,377	-	6,377
Cash and cash equivalents	3,913	-	3,913
<b>Liabilities:</b>			
Trade and other payables	(19,443)	3	(19,440)
Provisions	(5,577)	-	(5,577)
Other payables	(21,727)	-	(21,727)

Statement of Financial Position as at 31 March 2009	2008-09		Restated 2008-09
	Published Resource Accounts	Machinery of Government	
	£'000	£'000	£'000
	205,853	3	205,856
<b>Taxpayer's Equity:</b>			
General Fund	64,179	3	64,182
Revaluation Reserve	141,674	-	141,674
	<b>205,853</b>	<b>3</b>	<b>205,856</b>

## 26. Events after the reporting period

On the 1 April 2011 some the statutorily transfer of nine Tribunals from other NI Departments took place. The following Tribunals where statutorily transferred;

1. Traffic Penalty Tribunal;
2. Northern Ireland Valuation Tribunal;
3. Charity Tribunal;
4. Health and Safety Tribunal;
5. Lands Tribunal ;
6. Special Educational Needs and Disability Tribunal;
7. Mental Health Review Tribunal;
8. Care Tribunal; and
9. Schedule 11 Tribunal.

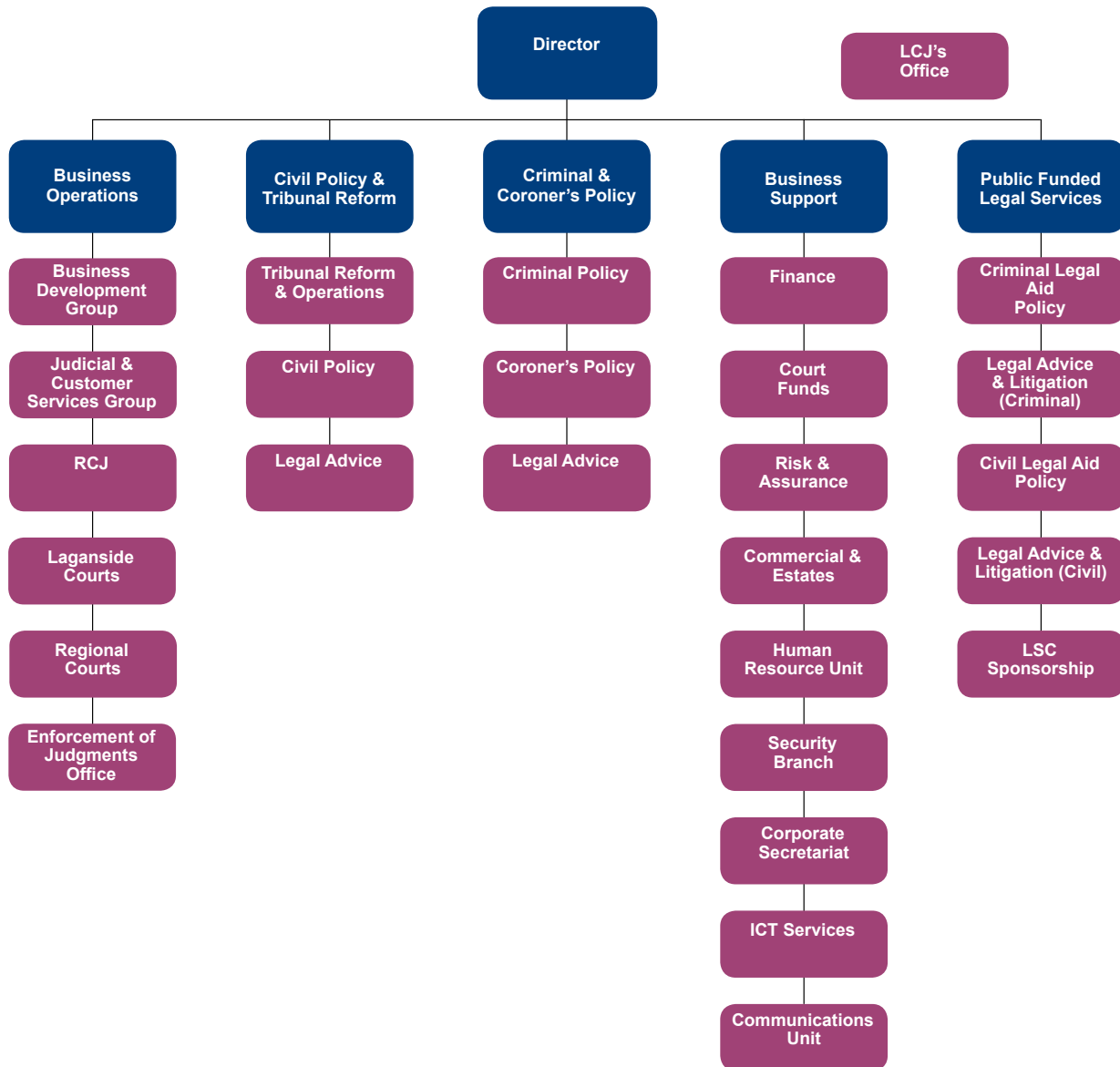
There is no impact on the 2010-11 financial statements arising from the transfer.

There were no other material events post the SoFP, for the year ended 31 March 2011.

The Accounting Officer authorised these financial statements for issue on the same date that they were certified by the C&AG.

## PART 5 APPENDICES

### Annex A Organisational Chart



## Annex B Staffing

At the end of March 2011, the Agency staffing complement was 801 posts, the majority of whom work within our core business of delivering front-line services at courthouses / tribunal hearing centres throughout NI and in the EJO.

Staff Complement	
Business Operations Division	571
Criminal & Coroners Policy Division	13
Civil Policy & Tribunal Reform Division	33
Business Support Division	99
Public Legal Services Division	25
Office of the Lord Chief Justice	31
Management Board Secretariat/Personal Secretaries/Communications Group	21
Management Board	8
<b>Total</b>	<b>801</b>

The majority of our staff joins the Agency at the entry grade of administrative officer.

Specialised posts are advertised as required throughout the year. These would include professionally qualified legal and accountancy appointments.

Staff Complement	
Administrative Officer	368
Executive Officer	226
Staff Officer	92
Deputy Principal	57
Principal Officer	43
Grade 6	6
Grade 5	8
Grade 3	1
<b>Total</b>	<b>801</b>

## Annex C Public Bodies 2010/11

The Agency has responsibility for the following Non Departmental Public Bodies (NDPB).

### Executive NDPB

#### Northern Ireland Legal Services Commission (NILSC)

The NILSC was established in November 2003 and is responsible for the provision of publicly funded legal services under the Legal Aid Scheme.

There was a total staff complement of 132.25 (FTE) at 31 March 2011 and the expenditure for 2010/11 was approximately £101.5m.

### Advisory NDPB

8 Justice of the Peace Advisory Committees exist, although they have been dormant since 2003 and the appointments of all members have now expired. There are not expected to be any new appointments of Justices of the Peace, as their functions are now transferred to Lay Magistrates.

### Tribunal NDPB

Criminal Injuries Compensation Appeals Panel for Northern Ireland

The Panel's role is to determine appeals against reviewed decisions made by the Compensation Agency arising from claims for criminal injuries compensation for incidents that occurred on or after 1 May 2002.

Statistical Information on NDPB appointments as at 31 March 2011

Total Appointees	Total Male Appointees	Total Female Appointees	Total Disabled Appointees	Total Ethnic Minority Appointees
73	45 (61.6%)	28(38.4%)	1(1.4%)	0

Please note: No ethnicity or disability information is held in respect of the Advisory NDPB.

## Annex D Court and Tribunal Performance Standards 2010/11

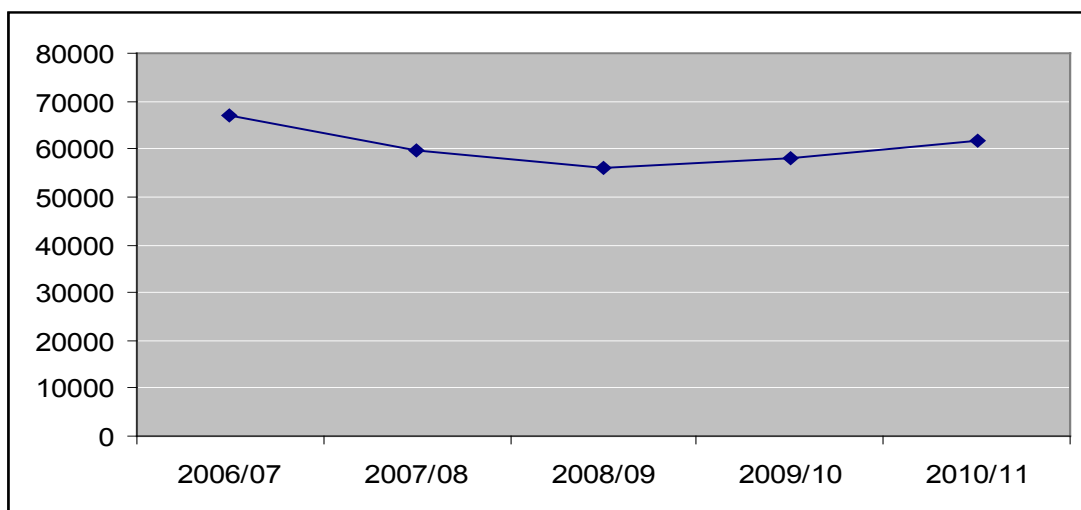
### Criminal Business

To facilitate the efficient disposal of criminal business<sup>1</sup>

- 80% of Crown Court defendants will be arraigned within six weeks of committal;  
**(In 2010-11 we achieved 90%)**
- 80% of Crown Court defendants will start their trial within 18 weeks of committal;  
**(In 2010-11 we achieved 80%)**
- 80% of Crown Court defendants will be sentenced within six weeks of a plea or finding of guilt;  
**(In 2010-11 we achieved 78%)**
- 80% of magistrates' courts adult defendants will have their case disposed of within nine weeks of first listing;  
**(In 2010-11 we achieved 81%)**
- A finding will be reached within 12 weeks from first listing for 80% of youth court defendants.  
**(In 2010-11 we achieved 79%)**
- 90% of Court of Appeal defendants will have their case listed within three weeks;  
**(In 2010-11 we achieved 100%)**

The chart below shows the levels of criminal business received over the past 5 years.

**Figure 1. Criminal Business Received**



<sup>1</sup> These Performance Standards for Criminal cases are set by the Lord Chief Justice

**Criminal Court Business – Volumes, Disposals and Performance**

<b>Business Volumes Received</b>	<b>2010/11</b>	<b>% difference*</b>
Total Criminal business	61,713	6
Crown Court cases	1,634	21
Magistrates' adult defendants	56,613	5
Magistrates' youth defendants	3,466	15
<b>Business Volumes disposed</b>		
Total criminal business	59,157	3
Crown Court cases	1,271	1
Magistrates' adult defendants	54,489	3
Magistrates' youth defendants	3,397	10
<b>Sittings</b>		
Total criminal sittings	6,610	3
Crown Court	2,553	5
Magistrates' adult	3,508	2
Magistrates' youth	549	0
<b>Performance against a target of 80% compliance</b>		
Crown Court <sup>2</sup>	80	1
Magistrates' adult	81	-2
Magistrates' youth	79	-2

\* compared with equivalent data for the 2009/10 period

<sup>2</sup> Committal to hearing target

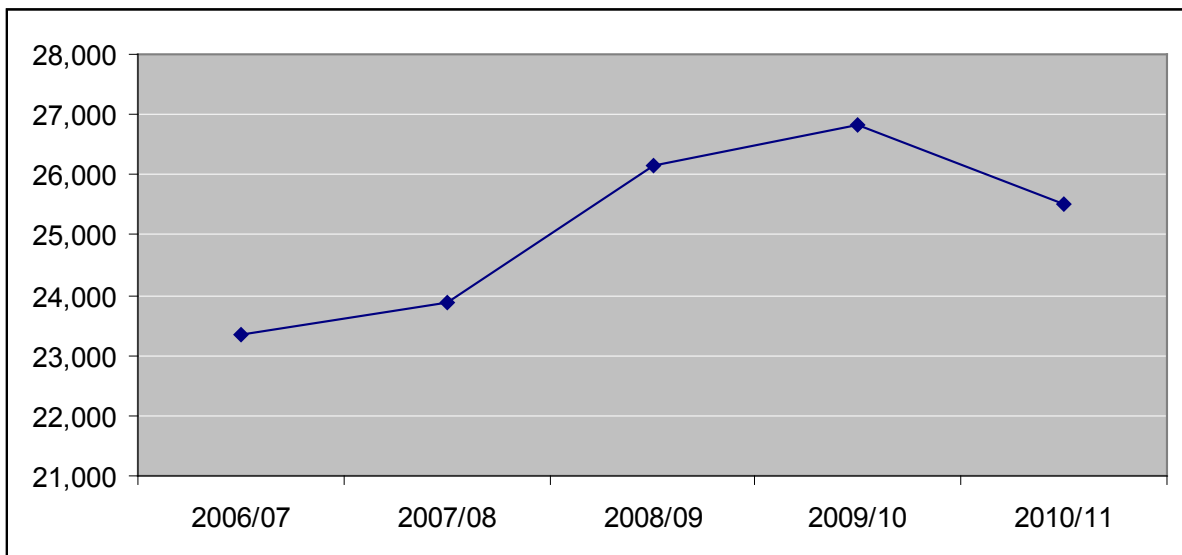
## Civil Business

To facilitate the efficient disposal of civil business –

- 98% of Queens Bench writs set down will be listed for hearing within three months of being set down;  
**(In 2010-11 we achieved 98%)**
- 98% of civil bills will be listed for hearing within 16 weeks of receiving a Certificate of Readiness;  
**(In 2010-11 we achieved 100%)**
- 97% of small claims default decrees will be issued within five working days of application or notice of acceptance of liability;  
**(In 2010-11 we achieved 99%)**
- 97% of mortgage applications will be listed for hearing within six weeks;  
**(In 2010-11 we achieved 95%)**
- 97% of creditors' petitions will be listed for hearing within six weeks.  
**(In 2010-11 we achieved 100%)**

The chart below shows the levels of civil business received over the past 5 years.

**Figure 2. Civil Business Received**



**Civil Court Business – Volumes, Disposals and Performance**

<b>Business Volumes Received</b>	<b>2010/11</b>	<b>% difference*</b>
Total civil business	25,526	-5
Civil Bills (Notice of Intentions to Defend)	7,701	4
Small Claims	12,920	-6
Writs set down	1,433	-31
Mortgages received	3,472	-5
<b>Business Volumes disposed</b>		
Total civil business	31,051	3
Ordinary Civil Bills	11,550	0
Small Claims	12,170	3
Writs disposed	4,583	20
Mortgages disposed	2,748	-9
<b>Sittings</b>		
Total civil sittings	2,926	-3
County Court	2,175	-5
Queen's Bench	544	4
Chancery	207	8
<b>Performance against a target of compliance</b>		
Civil Bills (98%)	100	0
Small Claims (97%)	99	3
Writs set down (98%)	98	-1
Mortgages received (97%)	95	37

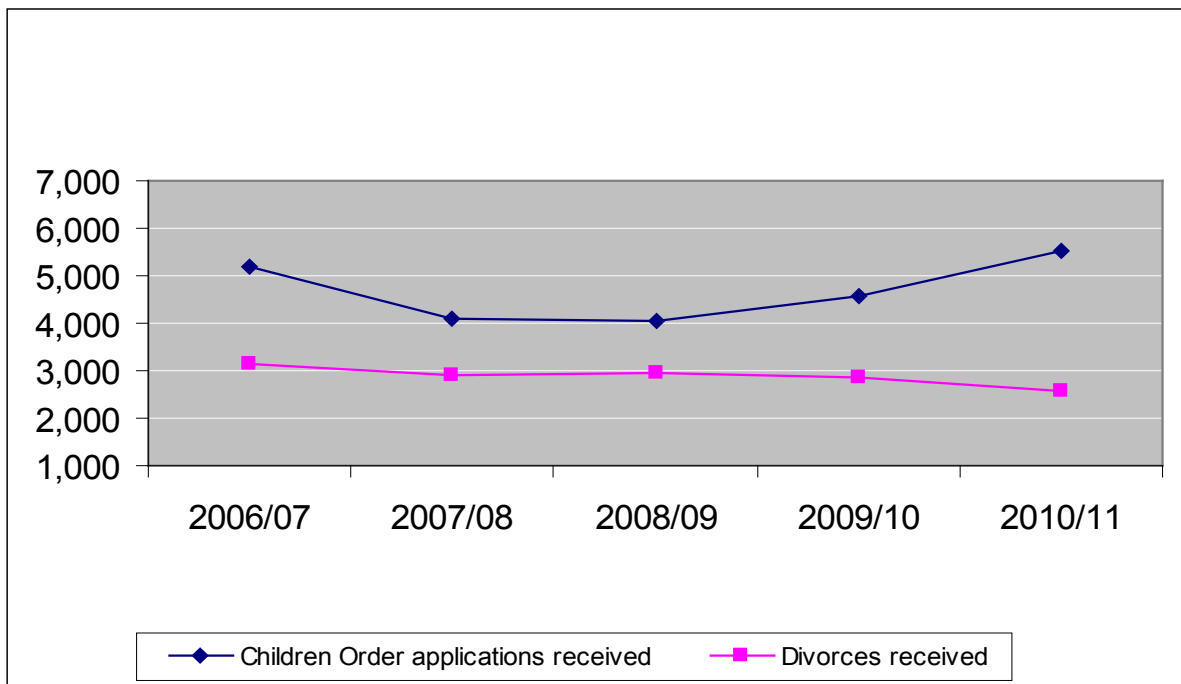
## Family Business

To facilitate the efficient disposal of family business –

- 90% of Children Order application will be listed for hearing within six weeks of receipt;  
**(In 2010-11 we achieved 91%)**
- 95% of Office of Care and Protection annual case reviews will be carried out within six weeks of receipt of complete Controllers’ accounts;  
**(In 2010-11 we achieved 95%)**
- 95% of applications for controllership orders (where no objection has been lodged) will be issued within 14 days of receipt of all required paperwork;  
**(In 2010-11 we achieved 96%)**
- 97% of undefended divorces will be listed for hearing within six weeks of receipt of certificate of readiness.  
**(In 2010-11 we achieved 96%)**

The chart below shows the levels of family business received over the past 5 years.

**Figure 3: Family Business Disposed**



## Family Court Business – Volumes, Disposals and Performance

Business Volumes Received	2010/11	% difference*
Children Order applications	5,541	21
Divorces received	2,566	-10
Business Volumes disposed		
Children Order applications	4,887	30
Divorces disposed	2,706	15
Sittings		
Children Order	1,883	4
Performance against a target of 90% compliance		
Children Order <sup>1</sup>	91	-9

<sup>1</sup> Target changed from 10 to 6 weeks.

## Coroners Service Business

To facilitate the efficient disposal of Coroners Service business –

- 97% of all deaths investigated that do not require a post mortem examination will have the certificate of registration issued to the Registrar of Deaths within three working days of the death being reported to the Coroner;  
**(In 2010-11 we achieved 97%)**
- 92% of all deaths that require a post mortem examination and that examination reveals a natural cause of death will have the certificate of registration issued to the Registrar of Deaths within five working days of receipt of the post mortem report;  
**(In 2010-11 we achieved 94%)**
- 90% of inquests will have a hearing fixed within 28 days of the Coroner's direction to list.  
**(In 2010-11 we achieved 82%)**

## Enforcement of Judgments Office

Our targets for the EJO were to –

- Issue 95% of notices of intention within three days of receipt: **84% issued**
- Accept 90% of enforcement applications within eight days: **84% accepted**
- Complete 85% of repossessions within 100 days of allocation to an Enforcement Officer: **86% completed.**
- Accept 90% of taxation applications within 22 days: **100% accepted**
- Issue 95% of taxation assessments within 13 days: **96% issued**

## Tribunal Business

To facilitate the efficient disposal of tribunal business –

- 98% of Northern Ireland Valuation Tribunal cases will be listed within eight weeks of representations from all parties being received;  
**(In 2010-11 we achieved 100%)**
- 98% of applications for leave to appeal to the Social Security Commissioner will be listed within eight weeks of a direction;  
**(In 2010-11 we achieved 100%)**
- 98% of appeals to the Social Security Commissioner will be listed within eight weeks of a direction;  
**(In 2010-11 we achieved 100%)**
- 90% of Pension Appeals will be listed for hearing within 25 weeks of receipt of the statement of case;  
**(In 2010-11 we achieved 91%)**
- 98% of Traffic Penalties Tribunal postal/personal appeals will be listed within 40 days of the agreed papers being received;  
**(In 2010-11 we achieved 99%)**
- 90% of CICAPNI cases will be listed within 16 weeks of agreed evidence bundle being received;  
**(In 2010-11 we achieved 96%)**
- 90% of SENDIST appeals will be listed within eight weeks from the end of the case statement period;  
**(In 2010-11 we achieved 99%)**
- 80% of MHRT appeals will be disposed of within eight weeks of receipt;  
**(In 2010-11 we achieved 86%)**
- 95% Care appeals will be listed for preliminary hearing within 18 weeks of receipt;  
**(In 2010-11 we achieved 100%)**
- 95% of Care appeals will be listed for hearing within 18 weeks of preliminary hearing;  
**(In 2010-11 we achieved 100%)**
- 95% of notice parties to cases before the Lands Tribunal will be sent notification of a case within 5 working days of registration;  
**(In 2010-11 we achieved 100%)**
- 90% of referrals will have the date of first mention/review fixed within 5 working days of the Lands Tribunal's direction to list;  
**(In 2010-11 we achieved 100%)**

- The first hearing for Disability Living Allowance and Attendance Allowance appeals will be within 9 weeks of receipt of appeal by the Appeals Tribunal;  
**(In 2010-11 the actual average time taken was 11.36 weeks)**
- The first hearing for Employment and Support Allowance appeals will be within 8 weeks of receipt of appeal by the Appeals Tribunal;  
**(In 2010-11 the actual average time taken was 10.27 weeks)**
- The first hearing for Income Support; Job Seekers Allowance; Social Fund and Incapacity Benefit will be within 8 weeks of receipt of appeal by the Appeals Tribunal;  
**(In 2010-11 the actual average time taken was 10.04 weeks)**
- The first hearing for all jurisdictions will be within 9 weeks of receipt of appeal by the Appeals Tribunal.  
**(In 2010-11 the actual average time taken was 10.69 weeks)**

Appendix 1

# Court Divisions & Map



Division	County Court Division	Petty Sessions District
<b>Belfast</b>	Belfast	Belfast and Newtownabbey
<b>Londonderry</b>	Londonderry	Londonderry, Magherafelt, Limavady
<b>Craigavon</b>	Craigavon	Craigavon, Lisburn
<b>Antrim</b>	Antrim	Antrim, Ballymena, Larne, North Antrim
<b>Armagh</b>	Armagh	Armagh, Banbridge (sitting at Newry), Newry and Mourne
<b>Omagh</b>	Omagh	East Tyrone, Fermanagh, Omagh, Strabane
<b>Newtownards</b>	Newtownards	Ards, North Down, Castlereagh, Down

## Appendix 2

# Northern Ireland Courts and Tribunals Structure

## The Court of Appeal

Hears appeals on points of law in criminal and civil cases from all courts

## The High Court

Hears complex civil cases and appeals from appeals from county courts

## County Courts

Hear a wide range of civil actions including small claims and family cases

## The Crown Court

Hears all serious criminal cases

## Coroners' Courts

Investigate unexplained deaths

## Magistrates' Courts

(including Youth Courts and Family Proceedings Courts)

Hears the majority of criminal cases and civil and family cases

## Northern Ireland Tribunals

Social Security & Child Support Commissioners

Appeals Tribunal\*

Care Tribunal

Charities Tribunal

Criminal Injuries Compensation Appeals Panel

Health & Safety Tribunals

Mental Health Review Tribunal

Northern Ireland Traffic Penalty Tribunal

Northern Ireland Valuation Tribunal

Pensions Appeal Tribunal

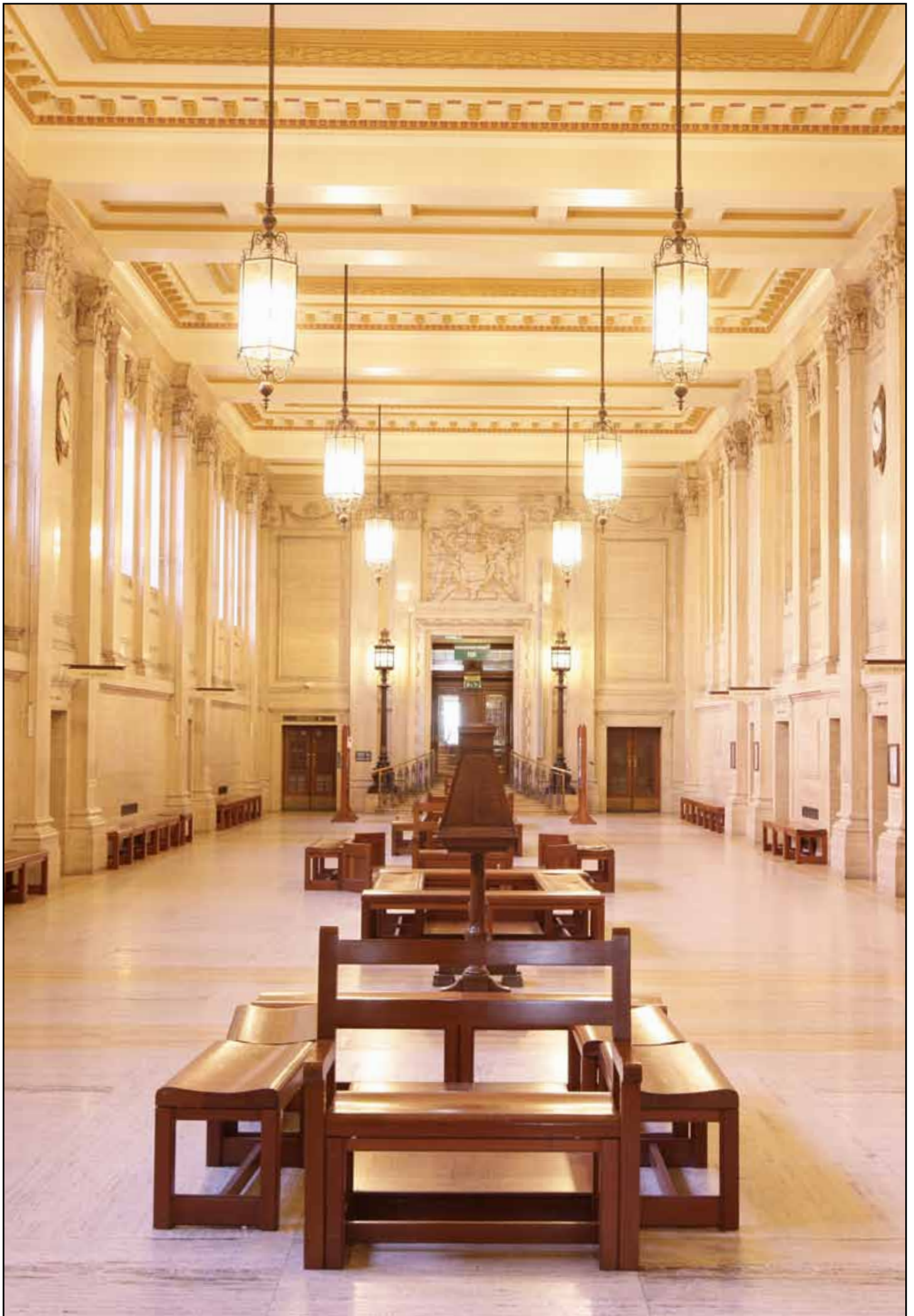
Rent Assessment Panel\*

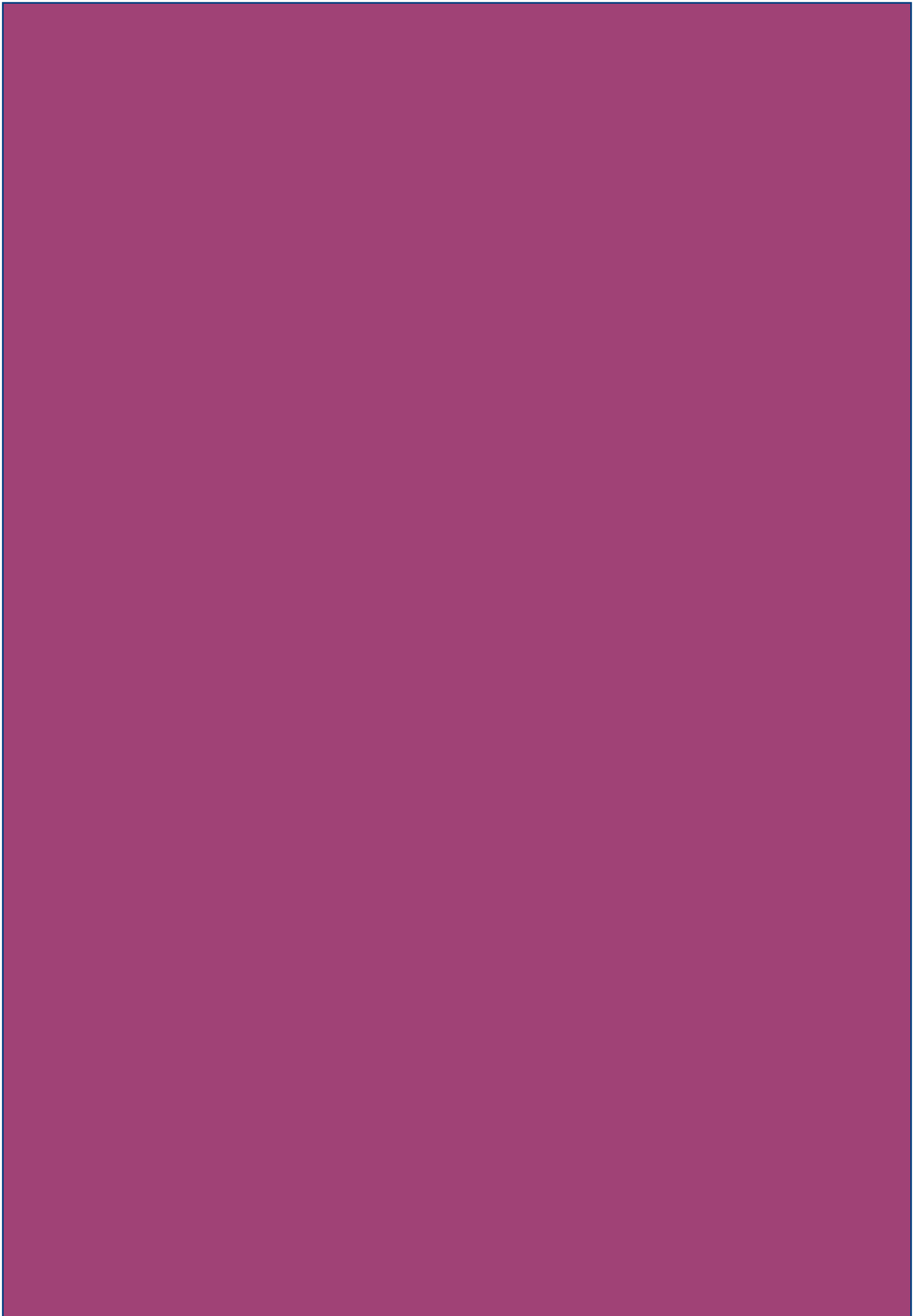
Special Educational Needs and Disability Tribunal

The Lands Tribunal

Tribunal under Schedule 11 of the HSS (NI) Order 1972 (Schedule 11)

\*These tribunals are administered by NICTS under an Agency agreement with DSD





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