



## **Appropriation Account 2013**

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**Vote 22**

**Courts Service**

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## Introduction

As Accounting Officer for Vote 22, I am required each year to prepare the appropriation account for the Vote, and to submit the Account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2013 for such of the salaries and expenses of the Courts Service and of the Supreme Court, the High Court, the Special Criminal Court, the Circuit Court and the District Court and of certain other minor services as are not charged to the Central Fund.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2013, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €515,170 is liable for surrender to the Exchequer.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the account.

### Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of appropriation accounts have been applied in the preparation of the account except for the following:

#### ***Depreciation***

Capital assets are depreciated on a straight line basis over their estimated useful life, starting in the month placed in service.

Buildings are depreciated at a rate of 2% per annum on a straight line basis.

Court buildings are valued upon vesting in the Courts Service. The valuation used is based on market values of commercial properties in the area.

### Statement on Internal Financial Control

#### ***Responsibility for System of Internal Financial Control***

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Courts Service. This responsibility is exercised in the context of the resources available to me and my other obligations as Chief Executive Officer. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

#### ***Financial Control Environment***

I confirm that a control environment containing the following elements is in place:

- financial responsibilities have been assigned at management level with corresponding accountability
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned
- formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.

***Administrative Controls and Management Reporting***

I confirm that a framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation and accountability and, in particular, that

- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts
- a risk management system operates within the Courts Service
- there are systems aimed at ensuring the security of the ICT systems
- there are appropriate capital investment control guidelines and formal project management disciplines.

The Courts Service is compliant with all relevant guidelines regarding procurement with the exception of 10 contracts to the value of €1.5 million. These contracts were extended beyond the original contract date without competitive procurement and an independent review was not obtained in advance of expenditure as required under Circular 40/2002. The details of these contracts have been reported to the Office of the Comptroller and Auditor General and the Department of Public Expenditure and there are now contracts in place, or in the process of being put in place, for seven of the items referred to above. Of the remaining three items, the Courts Service is taking steps to ensure that contracts are in place for these services in 2014.

***Audit Committee***

I can confirm that the Courts Service has an Audit Committee. The Committee is a sub-committee of the Board of the Courts Service. The role of the Committee is to oversee, advise and support the Board and the Chief Executive Officer/Accounting Officer by reviewing the comprehensiveness of assurances on a range of matters including the integrity of internal financial controls. The Audit Committee operates under an approved written charter and submits an annual report to the Courts Service Board. It also reviews and approves the Internal Audit annual work programme.

***Internal Audit***

I confirm that the Courts Service has an internal audit function with appropriately trained personnel, which operates in accordance with a written charter which I have approved. Its work is informed by analysis of the financial risks to which the Service is exposed and its annual internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

**Brendan Ryan**  
Accounting Officer  
Courts Service

31 March 2014

## **Comptroller and Auditor General**

### **Report for presentation to the Houses of the Oireachtas**

#### **Vote 22 Courts Service**

I have audited the appropriation account for Vote 22 Courts Service for the year ended 31 December 2013 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993. The account has been prepared in the form prescribed by the Minister for Public Expenditure and Reform, and in accordance with standard accounting policies and principles for appropriation accounts.

#### ***Responsibility of the Accounting Officer***

In accordance with Section 22 of the Exchequer and Audit Departments Act 1866, the Accounting Officer is required to prepare the appropriation account. By law, the account must be submitted to me by 31 March following the end of the year of account.

The Accounting Officer is also responsible for the safeguarding of public funds and property under his control, for the efficiency and economy of administration in the Court Service and for the regularity and propriety of all transactions in the appropriation account.

#### ***Responsibility of the Comptroller and Auditor General***

I am required under Section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation accounts of all Votes and to perform such tests as I consider appropriate for the purpose of the audit.

Upon completion of the audit of an appropriation account, I am obliged to provide a certificate stating whether, in my opinion, the account properly presents the receipts and expenditure related to the Vote. I am also required to refer to any material case in which

- a department or office has failed to apply expenditure recorded in the account for the purposes for which the appropriations made by the Oireachtas were intended, or
- transactions recorded in the account do not conform with the authority under which they purport to have been carried out.

Under Section 3 (10) of the Comptroller and Auditor General (Amendment) Act 1993, I am required to prepare each year, a report on any matters that arise from the audits of the appropriation accounts or examinations of accounting controls.

#### ***Scope of audit***

An audit includes examination, on a test basis, of evidence relevant to the amounts and regularity of financial transactions included in the account and an assessment of whether the accounting provisions of the Department of Public Expenditure and Reform's *Public Financial Procedures* have been complied with.

The audit involves obtaining sufficient evidence to give reasonable assurance that the appropriation account is free from material misstatement, whether caused by fraud or other irregularity or error. I also seek to obtain evidence about the regularity of financial transactions in the course of the audit. In forming the audit opinion, the overall adequacy of the presentation of the information in the appropriation account is evaluated.

***Opinion on the appropriation account***

In my opinion, the appropriation account properly presents the receipts and expenditure of Vote 22 Courts Service for the year ended 31 December 2013.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Courts Service. The appropriation account is in agreement with the books of account.

***Non Compliance with Procurement Rules***

The Accounting Officer has disclosed in the Statement on Internal Financial Control that material instances of non-compliance with national procurement rules occurred in respect of contracts that operated in 2013.

**Seamus McCarthy**

Comptroller and Auditor General

6 August 2014

## Vote 22 Courts Service Appropriation Account 2013

|                              |                                             | 2013                  |                | 2012           |
|------------------------------|---------------------------------------------|-----------------------|----------------|----------------|
|                              |                                             | Estimate<br>provision | Outturn        | Outturn        |
|                              |                                             | €000                  | €000           | €000           |
| <b>Programme expenditure</b> |                                             |                       |                |                |
| A                            | Manage the courts and support the judiciary | 104,959               | 104,647        | 107,697        |
| <b>Gross expenditure</b>     |                                             | <b>104,959</b>        | <b>104,647</b> | <b>107,697</b> |
| <i>Deduct</i>                |                                             |                       |                |                |
| B                            | <b>Appropriations-in-aid</b>                | <b>46,635</b>         | <b>46,838</b>  | <b>48,541</b>  |
| <b>Net expenditure</b>       |                                             | <b>58,324</b>         | <b>57,809</b>  | <b>59,156</b>  |

### Surplus for surrender

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

|                           | 2013    | 2012    |
|---------------------------|---------|---------|
|                           | €       | €       |
| Surplus to be surrendered | 515,170 | 618,810 |

### Analysis of administration expenditure

|     |                                                             | 2013                  |               | 2012          |
|-----|-------------------------------------------------------------|-----------------------|---------------|---------------|
|     |                                                             | Estimate<br>provision | Outturn       | Outturn       |
|     |                                                             | €000                  | €000          | €000          |
| i   | Salaries, wages and allowances                              | 49,173                | 49,012        | 49,188        |
| ii  | Travel and subsistence                                      | 2,663                 | 2,881         | 2,719         |
| iii | Training and development and incidental expenses            | 7,736                 | 5,812         | 6,826         |
| iv  | Postal and telecommunications services                      | 2,291                 | 2,476         | 2,538         |
| v   | Office equipment and external IT services                   | 4,381                 | 6,052         | 5,562         |
| vi  | Office premises expenses                                    | 13,572                | 15,601        | 15,926        |
| vii | Consultancy services and value for money and policy reviews | 100                   | 67            | 192           |
|     |                                                             | <b>79,916</b>         | <b>81,901</b> | <b>82,951</b> |

## Notes to the Appropriation Account

### 1 Operating Cost Statement 2013

|                                            | 2013           | 2012           |
|--------------------------------------------|----------------|----------------|
|                                            | €000           | €000           |
| Programme cost                             | 22,746         | 24,746         |
| Pay                                        | 49,012         | 49,188         |
| Non pay                                    | 32,889         | 33,763         |
| <b>Gross expenditure</b>                   | <b>104,647</b> | <b>107,697</b> |
| <i>Deduct</i>                              |                |                |
| <b>Appropriations-in-aid</b>               | <b>46,838</b>  | <b>48,541</b>  |
| <b>Net expenditure</b>                     | <b>57,809</b>  | <b>59,156</b>  |
| <br>                                       |                |                |
| <b>Changes in capital assets</b>           |                |                |
| Purchases cash                             | (796)          |                |
| Depreciation                               | 7,538          |                |
|                                            | 6,742          | 8,253          |
| <br>                                       |                |                |
| <b>Changes in assets under development</b> |                |                |
| Cash payments                              | (685)          | (599)          |
| <br>                                       |                |                |
| <b>Changes in net current assets</b>       |                |                |
| Increase in closing accruals               | 827            |                |
| Decrease in stock                          | 5              |                |
|                                            | 832            | (1,418)        |
| <b>Direct expenditure</b>                  | <b>64,698</b>  | <b>65,392</b>  |
| <br>                                       |                |                |
| <b>Expenditure borne elsewhere</b>         |                |                |
| Net allied services expenditure (note 1.1) | 39,005         | 41,381         |
| Notional rents                             | 3,331          | 3,314          |
| <b>Net programme cost</b>                  | <b>107,034</b> | <b>110,087</b> |

**1.1 Net Allied Services**

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 22 borne elsewhere.

|                                                                 |   | <b>2013</b>   | <b>2012</b>   |
|-----------------------------------------------------------------|---|---------------|---------------|
|                                                                 |   | <b>€000</b>   | <b>€000</b>   |
| <b>Vote:</b>                                                    |   |               |               |
| Vote 9 Office of the Revenue Commissioners                      | e | 150           | —             |
| Vote 12 Superannuation and Retired Allowances                   | e | 7,073         | 6,894         |
| Vote 13 Office of Public Works                                  | e | 1,103         | 1,064         |
| Vote 20 Garda Síochána                                          | e | 177           | 186           |
| Vote 24 Justice and Equality - Financial Shared Services Centre | e | 737           | 757           |
| Central Fund – Judicial salaries and pensions                   | e | 29,765        | 32,480        |
|                                                                 |   | <u>39,005</u> | <u>41,381</u> |

“e” indicates that the number is an estimate value or an apportioned cost.



## 2 Balance Sheet as at 31 December 2013

|                                         | Note | 2013<br>€000   | 2012<br>€000   |
|-----------------------------------------|------|----------------|----------------|
| <b>Capital assets</b>                   | 2.2  | 198,883        | 213,867        |
| <b>Capital assets under development</b> | 2.3  | <u>2,655</u>   | <u>2,886</u>   |
|                                         |      | <b>201,538</b> | <b>216,753</b> |
| <b>Current assets</b>                   |      |                |                |
| Bank and cash                           | 2.4  | 102            | 1,015          |
| Stocks                                  | 2.5  | 228            | 233            |
| Prepayments                             |      | 2,861          | 2,845          |
| Accrued income                          |      | 2,764          | 3,304          |
| Other debit balances                    | 2.6  | <u>1,806</u>   | <u>1,074</u>   |
| <b>Total current assets</b>             |      | <b>7,761</b>   | <b>8,471</b>   |
| <b>Less current liabilities</b>         |      |                |                |
| Accrued expenses                        |      | 3,214          | 2,855          |
| Other credit balances                   | 2.7  | 1,384          | 1,461          |
| Net liability to the Exchequer          | 2.8  | <u>524</u>     | <u>628</u>     |
| <b>Total current liabilities</b>        |      | <b>5,122</b>   | <b>4,944</b>   |
| <b>Net current assets</b>               |      | <b>2,639</b>   | <b>3,527</b>   |
| <b>Net assets</b>                       |      | <b>204,177</b> | <b>220,280</b> |
| <b>Represented by:</b>                  |      |                |                |
| <b>State funding account</b>            | 2.1  | <u>204,177</u> | <u>220,280</u> |

| 2.1 State Funding Account            | Note    | 2013<br>€000     | 2012<br>€000     |
|--------------------------------------|---------|------------------|------------------|
| Balance at 1 January                 |         | 220,280          | 226,103          |
| Disbursements from the Vote          |         |                  |                  |
| Estimate provision                   | Account | 58,324           |                  |
| Surplus to be surrendered            | Account | <u>(515)</u>     |                  |
| Net vote                             |         | 57,809           | 59,156           |
| Expenditure (cash) borne elsewhere   | 1       | 39,005           | 41,381           |
| Non cash expenditure – notional rent | 1       | 3,331            | 3,314            |
| Other non-cash items                 |         | (9,002)          | 413              |
| Transfer to local authorities        |         | (212)            | —                |
| Net programme cost                   | 1       | <u>(107,034)</u> | <u>(110,087)</u> |
| <b>Balance at 31 December</b>        |         | <b>204,177</b>   | <b>220,280</b>   |

**2.2 Capital Assets**

|                                               | Land and<br>buildings <sup>1</sup><br>€000 | IT and office<br>equipment<br>€000 | Furniture and<br>fittings<br>€000 | Total<br>€000  |
|-----------------------------------------------|--------------------------------------------|------------------------------------|-----------------------------------|----------------|
| <b>Gross Assets</b>                           |                                            |                                    |                                   |                |
| Cost or valuation at 1 January 2013           | 233,559                                    | 38,892                             | 31,594                            | 304,045        |
| Additions                                     | 281                                        | 1,428                              | 59                                | 1,768          |
| Disposals                                     | —                                          | (38)                               | —                                 | (38)           |
| Transferred to local authorities <sup>2</sup> | (240)                                      | —                                  | —                                 | (240)          |
| Adjustment <sup>3</sup>                       | (10,537)                                   | —                                  | —                                 | (10,537)       |
| Cost or valuation at 31 December 2013         | 223,063                                    | 40,282                             | 31,653                            | 294,998        |
| <b>Accumulated depreciation</b>               |                                            |                                    |                                   |                |
| Opening balance at 1 January 2013             | 27,196                                     | 36,224                             | 26,758                            | 90,178         |
| Depreciation for the year                     | 4,465                                      | 1,646                              | 1,427                             | 7,538          |
| Depreciation on disposals                     | —                                          | (38)                               | —                                 | (38)           |
| Transfer to local authorities <sup>2</sup>    | (28)                                       | —                                  | —                                 | (28)           |
| Adjustment <sup>3</sup>                       | (1,535)                                    | —                                  | —                                 | (1,535)        |
| Cumulative depreciation at 31 December 2013   | 30,098                                     | 37,832                             | 28,185                            | 96,115         |
| <b>Net assets at 31 December 2013</b>         | <b>192,965</b>                             | <b>2,450</b>                       | <b>3,468</b>                      | <b>198,883</b> |
| <b>Net assets at 31 December 2012</b>         | <b>206,363</b>                             | <b>2,668</b>                       | <b>4,836</b>                      | <b>213,867</b> |

<sup>1</sup> Section 26 of the Courts Service Act 1998 provides for the transfer to the Courts Service of legal title in respect of certain land and buildings. To date 40 court buildings have been vested in the Courts Service with one building being vested in 2013. Vested buildings are valued by Office of Public Works (OPW). There was one building valued by OPW in 2013. There are currently five buildings awaiting valuation. In the absence of a valuation from the OPW and where a building has been refurbished, such buildings are capitalised at cost, until such time that a valuation is carried out by OPW.

<sup>2</sup> One vested courthouse in Drumkeeran, Co. Leitrim no longer in use was transferred to Leitrim County Council with no exchange of funds.

<sup>3</sup> The adjustment in the 2013 account refers to the revaluation by OPW of six vested courthouses namely Longford, Birr, Youghal, Ballina, Ballyhaunis and Westport that were revalued from a total figure of €13.5 million down to €2.9 million. OPW valuations are based on market value at date of valuation.

**2.3 Capital Assets under Development**

at 31 December 2013

|                                           | Construction<br>projects<br>€000 | Computer<br>applications<br>€000 | Total<br>€000 |
|-------------------------------------------|----------------------------------|----------------------------------|---------------|
| Amounts brought forward at 1 January 2013 | 2,181                            | 705                              | 2,886         |
| Cash payments for the year                | 52                               | 633                              | 685           |
| Transferred to asset register             | —                                | (916)                            | (916)         |
| Balance at 31 December 2013               | 2,233                            | 422                              | 2,655         |

| <b>2.4 Bank and Cash</b> | <b>2013</b> | <b>2012</b> |
|--------------------------|-------------|-------------|
|--------------------------|-------------|-------------|

|                       |             |              |
|-----------------------|-------------|--------------|
| at 31 December        | <b>€000</b> | <b>€000</b>  |
| PMG balances and cash | 102         | 1,094        |
| Orders outstanding    | —           | (79)         |
|                       | <u>102</u>  | <u>1,015</u> |

| <b>2.5 Stocks</b> | <b>2013</b> | <b>2012</b> |
|-------------------|-------------|-------------|
|-------------------|-------------|-------------|

|                |             |             |
|----------------|-------------|-------------|
| at 31 December | <b>€000</b> | <b>€000</b> |
| Stationery     | 171         | 190         |
| Consumables    | 38          | 40          |
| Miscellaneous  | 19          | 3           |
|                | <u>228</u>  | <u>233</u>  |

| <b>2.6 Other Debit Balances</b> | <b>2013</b> | <b>2012</b> |
|---------------------------------|-------------|-------------|
|---------------------------------|-------------|-------------|

|                                    |              |              |
|------------------------------------|--------------|--------------|
| at 31 December                     | <b>€000</b>  | <b>€000</b>  |
| Advances to OPW                    | 919          | 810          |
| Payroll suspense account (Paypath) | 737          | 2            |
| Recoupment of salaries             | 98           | 97           |
| Other debit suspense items         | 44           | 146          |
| Imprests                           | 8            | 19           |
|                                    | <u>1,806</u> | <u>1,074</u> |

| <b>2.7 Other Credit Balances</b> | <b>2013</b> | <b>2012</b> |
|----------------------------------|-------------|-------------|
|----------------------------------|-------------|-------------|

|                                       |              |              |
|---------------------------------------|--------------|--------------|
| at 31 December                        | <b>€000</b>  | <b>€000</b>  |
| Amounts due to the State              |              |              |
| Income Tax                            | 715          | 782          |
| Professional Services Withholding Tax | 43           | 44           |
| Value Added Tax                       | 31           | 29           |
| Pay Related Social Insurance          | 271          | 271          |
|                                       | <u>1,060</u> | <u>1,126</u> |
| Payroll deductions held in suspense   | 322          | 326          |
| Other credit suspense items           | 2            | 9            |
|                                       | <u>1,384</u> | <u>1,461</u> |

|                                           |             |             |
|-------------------------------------------|-------------|-------------|
| <b>2.8 Net Liability to the Exchequer</b> | <b>2013</b> | <b>2012</b> |
| at 31 December                            | €000        | €000        |
| Surplus to be surrendered                 | 515         | 619         |
| Exchequer grant overdrawn                 | 9           | 9           |
| Net liability to the Exchequer            | 524         | 628         |

**Represented by:****Debtors**

|                          |       |       |
|--------------------------|-------|-------|
| Bank and cash            | 102   | 1,015 |
| Debit balances: suspense | 1,806 | 1,074 |
|                          | 1,908 | 2,089 |

**Creditors**

|                           |         |         |
|---------------------------|---------|---------|
| Due to State              | (1,060) | (1,126) |
| Credit balances: suspense | (324)   | (335)   |
|                           | (1,384) | (1,461) |
|                           | 524     | 628     |

|                        |             |             |
|------------------------|-------------|-------------|
| <b>2.9 Commitments</b> | <b>2013</b> | <b>2012</b> |
| at 31 December         | €000        | €000        |

**(a) Global commitments**

|                                          |        |        |
|------------------------------------------|--------|--------|
| Total of legally enforceable commitments | 41,077 | 53,229 |
|------------------------------------------|--------|--------|

**(b) Multi-annual capital commitments**

|                              | <b>Expenditure to<br/>31 December<br/>2012</b> | <b>Expenditure<br/>in 2013</b> | <b>Subsequent<br/>years</b> | <b>Total<br/>2013</b> | <b>Total<br/>2012</b> |
|------------------------------|------------------------------------------------|--------------------------------|-----------------------------|-----------------------|-----------------------|
| <b>Project</b>               | <b>€000</b>                                    | <b>€000</b>                    | <b>€000</b>                 | <b>€000</b>           | <b>€000</b>           |
| Refurbishment of courthouses | 8,717                                          | 1,380                          | 14,903                      | 25,000                | 44,057                |

Four of the projects included in the commitments figure for 2012 have been removed in 2013. These include Monaghan, Gorey and Blanchardstown, which were substantially completed and have been capitalised and Wexford courthouse which is included in capital assets under development.

**(c) Capital cost of Public Private Partnership project**

|                            | Expenditure to<br>31 December<br>2012 | Expenditure<br>in 2013 | Legally<br>enforceable<br>commitments<br>to be met in<br>subsequent<br>years | Total<br>2013 | Total<br>2012 |
|----------------------------|---------------------------------------|------------------------|------------------------------------------------------------------------------|---------------|---------------|
|                            | €000                                  | €000                   | €000                                                                         | €000          | €000          |
| <b>Name of PPP Project</b> |                                       |                        |                                                                              |               |               |
| Criminal Courts<br>Complex | 29,184                                | 3,982                  | 143,931                                                                      | 177,097       | 177,097       |

**2.10 Matured Liabilities**

There were no matured liabilities undischarged at year end (2012 - zero).

### 3 Programme Expenditure by Subhead

|          |                                                    | 2013               |                | 2012           |
|----------|----------------------------------------------------|--------------------|----------------|----------------|
|          |                                                    | Estimate provision | Outturn        | Outturn        |
|          |                                                    | €000               | €000           | €000           |
| <b>A</b> | <b>Manage the Courts and Support the Judiciary</b> |                    |                |                |
| A.1      | Administration - pay                               | 49,173             | 49,012         | 49,188         |
| A.2      | Administration - non pay                           | 30,743             | 32,889         | 33,763         |
| A.3      | Courthouses (capital works)                        | 3,880              | 2,506          | 2,309          |
| A.4      | PPP costs                                          | 21,163             | 20,240         | 22,437         |
|          |                                                    | <b>104,959</b>     | <b>104,647</b> | <b>107,697</b> |

#### Significant variations

Overall, the gross expenditure in relation to the programme was €312,000 less than provided. This was mainly due to the following.

| Description                 | Less/(more) than provided<br>€000 | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Administration - non pay    | (2,146)                           | The excess arose largely due to expenditure necessary to support the introduction of new legislation i.e. the Personal Insolvency Act 2012 and the Fines Act 2010 in addition to replacing and updating the infrastructure for the eSmall claims system leading to an overspend in office equipment and external IT services of €1.7 million. Other factors included non-discretionary spend for courthouse maintenance and an increase in utilities costs leading to an overspend in office premises expenses of €2 million. These overspends were partially off-set by savings achieved in incidental expenses of €1.9 million, mainly due to savings arising from a new contract in relation to interpretation services and efficiencies achieved in relation to Digital Audio Recording. |
| Courthouses (capital works) | 1,374                             | The underspend was driven largely by the dependency on the OPW to commence works on a number of courthouses in 2013. In addition, there was a delay in commencing preparatory works in relation to the PPP Bundle.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| PPP costs                   | 923                               | While the PPP costs are relatively fixed and subject to indexation there are a number of contractual provisions, including those relating to insurance and unavailability, as well as costs arising from contractual changes that impact on actual unitary charge payments. In 2013, there was a saving achieved of €566,000 due to an insurance rebate.                                                                                                                                                                                                                                                                                                                                                                                                                                     |

## 4 Receipts

| 4.1 Appropriations-in-aid |                                                                        | 2013          |               | 2012          |
|---------------------------|------------------------------------------------------------------------|---------------|---------------|---------------|
|                           |                                                                        | Estimated     | Realised      | Realised      |
|                           |                                                                        | €000          | €000          | €000          |
| 1                         | Fees                                                                   | 42,493        | 42,165        | 43,720        |
| 2                         | Miscellaneous                                                          | 1,542         | 1,809         | 1,892         |
| 3                         | Receipts from pension-related deduction on public service remuneration | 2,600         | 2,864         | 2,929         |
| <b>Total</b>              |                                                                        | <b>46,635</b> | <b>46,838</b> | <b>48,541</b> |

### Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated by more than €100,000, and by more than 5%

| Heading                                                                | Less/(more)<br>than provided<br>€000 | Explanation                                                                                                                                                                                                      |
|------------------------------------------------------------------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Miscellaneous                                                          | (267)                                | The increase is due to receipts of €230,000 received from the OPW in relation to the refunding of unused funds in legacy capital suspense accounts.                                                              |
| Receipts from pension-related deduction on public service remuneration | (264)                                | The excess arose due to the general difficulty in accurately forecasting staff movement, including age related retirements, early retirements, and the recruitment of staff to fill a number of these vacancies. |

**4.2 Extra receipts payable to the Exchequer**

|                                     | <b>2013</b>      |                 | <b>2012</b>     |
|-------------------------------------|------------------|-----------------|-----------------|
|                                     | <b>Estimated</b> | <b>Realised</b> | <b>Realised</b> |
|                                     | <b>€000</b>      | <b>€000</b>     | <b>€000</b>     |
| Road Traffic Act fines <sup>1</sup> | 8,000            | 6,807           | 7,626           |
| Other fines <sup>2</sup>            | 3,960            | 4,879           | 4,144           |
| Other receipts <sup>3</sup>         | —                | 88              | 33              |
|                                     | <b>11,960</b>    | <b>11,774</b>   | <b>11,803</b>   |

<sup>1</sup> Fines receipts are dependent on the number of fines imposed, which has fallen overall by 8,746 or 9% in 2013 compared to the prior year.

<sup>2</sup> The increase in relation to other fines is primarily due to work undertaken by the Courts Service to centralise Circuit Court accounts, resulting in the transfer of legacy monies to the Exchequer in 2013.

<sup>3</sup> The Office of the Accountant of the Courts of Justice holds funds from the Companies Liquidation Account for seven years before they are paid over to the Department of Finance. The 2013 receipts relate to funds lodged in 2005.

**4.3 Fines and fees collected on behalf of other Departments**

Direct payments were made to the following departments in respect of fines and fees collected by the Court Service on its behalf in 2013.

|                                                            | <b>2013</b>  | <b>2012</b>  |
|------------------------------------------------------------|--------------|--------------|
|                                                            | <b>€000</b>  | <b>€000</b>  |
| Revenue Commissioners                                      |              |              |
| Revenue fines <sup>1</sup>                                 | 1,761        | 2,175        |
| Excise Duty <sup>2</sup>                                   | 5,500        | 4,900        |
| Department of Communications, Energy and Natural Resources | 97           | 36           |
| Department of Agriculture, Fisheries and Food              | 210          | 196          |
|                                                            | <b>7,568</b> | <b>7,307</b> |

<sup>1</sup> Monies collected relate to court fines imposed where the prosecutor is the Revenue Commissioner.

<sup>2</sup> Monies collected relate to fees for certain licensing applications such as extension of opening hours and special exemption orders which are received by the Court Service on behalf of the Revenue Commissioners.



## 5 Employee Numbers and Pay

|                                                            | <b>2013</b>   | <b>2012</b>   |
|------------------------------------------------------------|---------------|---------------|
| <b>Number of staff at year end</b> (full time equivalents) | 927           | 945           |
|                                                            | <b>2013</b>   | <b>2012</b>   |
|                                                            | <b>€000</b>   | <b>€000</b>   |
| Pay                                                        | 45,133        | 45,129        |
| Higher, special or additional duties allowance             | 27            | 30            |
| Other allowances                                           | 1,035         | 1,124         |
| Overtime                                                   | 289           | 403           |
| Employer's PRSI                                            | 2,528         | 2,502         |
| <b>Total Pay</b>                                           | <b>49,012</b> | <b>49,188</b> |

### 5.1 Allowances and Overtime Payments

|                                      | Number<br>of<br>recipients | Recipients<br>of €10,000<br>or more | Maximum<br>individual<br>payment<br>2013<br>€ | Maximum<br>individual<br>payment<br>2012<br>€ |
|--------------------------------------|----------------------------|-------------------------------------|-----------------------------------------------|-----------------------------------------------|
| Higher, special or additional duties | 13                         | —                                   | 5,275                                         | 7,574                                         |
| Other allowances                     | 289                        | 14                                  | 19,585                                        | 20,091                                        |
| Overtime                             | 152                        | 6                                   | 22,108                                        | 25,390                                        |

Certain individuals received extra remuneration in more than one category.

### 5.2 Other Remuneration Arrangements

A total of €27,317 was paid in 2013 to three retired civil servants in receipt of civil service pensions who were engaged for a short period during 2012 and 2013. This amount is made up of €14,974 in payroll and €12,343 in travel and subsistence expenses. The pension abatement rule was applied in these instances.

### 5.3 Recouped Costs

Salary costs of €52,460 were recouped from Tribunals and Government Departments in respect of staff on secondment.

## 6 Miscellaneous

### 6.1 Compensation and Third Party Legal Costs

Total payments in respect of third party legal costs amounted to €177,422. These included costs associated with judicial review proceedings where the Courts Service was a party to such proceedings and payments totalling €103,368 in respect of actions dealt with by the State Claims Agency.

#### Legal Costs

Legal costs paid during the year as follows

|                         | <b>2013</b> | <b>2012</b> |
|-------------------------|-------------|-------------|
|                         | <b>€000</b> | <b>€000</b> |
| Third party legal costs | 177         | 308         |
| Compensation costs      | 23          | —           |
|                         | <b>200</b>  | <b>308</b>  |