

Vote 22: Courts Service

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 2010 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 2010, including the amount that could be used as appropriations-in-aid of expenditure for the year.

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.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Courts Service.

Depreciation

Capital assets are depreciated on a straight line basis over their estimated useful life. Buildings are depreciated at a rate of 2% per annum on a straight line basis over the estimated useful life starting in the month placed in service.

BRENDAN RYAN
Accounting Officer
The Courts Service
31st March 2011

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of Vote 22: Courts Service for 2010 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

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.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2010.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish at the end.

JOHN BUCKLEY
Comptroller and Auditor General
8 August 2011

Vote 22 The Courts Service Appropriation Account 2010

Service		2010 Estimate Provision	2010 Outturn	2009 Outturn
Administration	€000	€000	€000	€000
A.1. Salaries, wages and allowances				
	<i>Original</i>	52,943		
	<i>Supplementary</i>	<u>(990)</u>	51,953	51,834
A.2. Travel and subsistence				58,181
	<i>Original</i>	3,416		
	<i>Supplementary</i>	<u>(316)</u>	3,100	2,941
A.3. Incidental expenses				3,954
	<i>Original</i>	8,413		
	<i>Supplementary</i>	<u>1,837</u>	10,250	9,245
A.4. Postal and telecommunications services				10,728
	<i>Original</i>	2,417		
	<i>Supplementary</i>	<u>723</u>	3,140	2,825
A.5. Office machinery and other office supplies and related services				2,835
	<i>Original</i>	6,094		
	<i>Supplementary</i>	<u>2,728</u>	8,822	8,525
A.6. Courthouse and office premises expenses				9,239
	<i>Original</i>	17,972		
	<i>Supplementary</i>	<u>(277)</u>	17,695	16,580
A.7. Consultancy services				20,306
	<i>Original</i>	152		
	<i>Supplementary</i>	<u>(12)</u>	140	212
A.8. Payments to the Incorporated Council of Law Reporting for Ireland				102
	<i>Original</i>	57		
	<i>Supplementary</i>	<u>(57)</u>	—	—
A.9. Value for money and policy reviews				—
	<i>Original</i>	95		
	<i>Supplementary</i>	<u>(95)</u>	—	—
Other Services				
B1. Courthouses (capital works)				
	<i>Original</i>	15,000		
	<i>Supplementary</i>	<u>3,608</u>	18,608	17,272
B2. PPP Costs				20,427
	<i>Original</i>	21,163		
	<i>Supplementary</i>	<u>(130)</u>	21,033	21,279
B3. PPP Costs - VAT Payments				—
	<i>Original</i>	21,000		
	<i>Supplementary</i>	<u>(3,118)</u>	17,882	17,881

Gross Expenditure					
	<i>Original</i>	148,722			
	<i>Supplementary</i>	<u>3,901</u>	152,623	148,594	125,772
Deduct					
C. Appropriations-in-aid	<i>Original</i>	46,519			
	<i>Supplementary</i>	<u>3,900</u>			
			50,419	50,447	51,358
Net Expenditure					
	<i>Original</i>	102,203			
	<i>Supplementary</i>	<u>1</u>			
			102,204	98,147	74,414
Surplus to be Surrendered				€4,057,095	€3,205,778

Notes to the Appropriation Account

1 Operating Cost Statement 2010

	Note	€000	2010 €000	2009 €000
Expenditure on administration			92,162	105,345
Expenditure on services and programmes			56,432	20,427
Gross Expenditure			<u>148,594</u>	<u>125,772</u>
Deduct				
Appropriations-in-aid			50,447	51,358
Net expenditure			<u>98,147</u>	<u>74,414</u>
Changes in Capital Assets				
Purchases cash		(2,089)		
Depreciation		<u>12,587</u>	10,498	6,072
Changes in assets under Development				
Cash payments			(13,581)	(68)
Changes in net current assets				
Increase in closing accruals		1,158		
Increase in stock		<u>(25)</u>	1,133	16
Direct Expenditure			<u>96,197</u>	<u>80,434</u>
Net allied services expenditure	1.1		42,642	43,440
Notional rents			5,003	6,253
Total operating cost			<u><u>143,842</u></u>	<u><u>130,127</u></u>

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.

Vote:		2010 €000	2009 €000
7	Superannuation and Retired Allowances	7,160	7,485
10	Office of Public Works	1,910	2,257 ¹
20	Garda Síochána	201	173
19	Justice and Law Reform-Financial Shared Services Centre	790	794
	Central Fund - Judicial salaries and pensions	32,581	32,731
		<u>42,642</u>	<u>43,440</u>

¹ This figure has been amended to exclude the capital element.

2 Statement of Assets and Liabilities as at 31 December 2010

		2010	2009
	Note	€000	€000
Capital Assets	2.1	170,707	165,178
Capital Assets under Development	2.2	62,200	64,676 ¹
		232,907	229,854
Current Assets			
Bank and cash	2.3	198	307
Stocks	2.4	239	214
Prepayments		3,091	3,168
Accrued income		3,295	4,912
Other debit balances	2.5	6,275	6,959
Total Current Assets		13,098	15,560
Less Current Liabilities			
Accrued expenses		3,751	4,317
Other credit balances	2.6	5,816	6,561
Net Liability to the Exchequer	2.7	657	705
Total Current Liabilities		10,224	11,583
Net Current Assets		2,874	3,977
Net Assets		235,781	233,831

¹ 2009 figures have been adjusted to include construction projects under development.

2.1 Statement of Capital Assets

	Land and Buildings €000	IT and Equipment €000	Furniture and Fittings €000	Total €000
Gross Assets				
Cost or valuation at 1 January 2010	158,971	33,355	30,956	223,282
Additions	12,953	4,797	366	18,116
Disposals	—	(87)	—	(87)
Cost or valuation at 31 December 2010	171,924	38,065	31,322	241,311
Accumulated Depreciation				
Opening Balance at 1 January 2010	13,397	25,011	19,696	58,104
Depreciation for the year	3,330	6,549	2,708	12,587
Depreciation on disposals	—	(87)	—	(87)
Cumulative depreciation at 31 December 2010	16,727	31,473	22,404	70,604
Net Assets at 31 December 2010	155,197	6,592	8,918	170,707
Net Assets at 31 December 2009	145,574	8,344	11,260	165,178

Note: The Courts Service Act 1998 provides for the transfer of legal title in respect of certain land and buildings that are used for the purposes of the functions of the Service. In accordance with Section 26(3) of the Act, the Minister for Justice and Law Reform may by order appoint a day on which such land and buildings will be vested in the Service. Valuations of vested properties are provided by the Office of Public Works (OPW). The vested properties are capitalised when the OPW valuation has been received. There were no buildings vested in 2010. Valuations are outstanding for six buildings at year end and therefore have not been included in the above figures.

2.2 Capital Assets Under Development

	Construction Projects €000	Computer Applications €000	Total €000
Amounts brought forward at 1 January 2010	61,131	3,545	64,676
Cash payments for the year	13,426	155	13,581
Transferred to asset register	(12,512)	(3,545) ¹	(16,057)
Amounts carried forward at 31 December 2010	62,045	155	62,200

Note : In addition to Computer Applications, this note now includes disclosure in respect of Construction Projects under development.

¹ As part of a review of Capital Assets under Development it was decided to transfer legacy assets which had previously been included in the above figure, to the asset register, all of which were fully depreciated resulting in no increase in the overall value of our asset register.

2.3 Bank and Cash	2010	2009
at 31 December	€000	€000
PMG balance and cash	1,456	3,206
Orders outstanding	(1,258)	(2,899)
	198	307
2.4 Stocks	2010	2009
at 31 December	€000	€000
Stock	239	214
2.5 Other Debit Balances	2010	2009
at 31 December	€000	€000
Advances to OPW	4,852	6,451
Suspense	1,406	480
Imprest	17	28
	6,275	6,959
2.6 Other Credit Balances	2010	2009
at 31 December	€000	€000
Amounts due to the State		
Income Tax	656	757
Professional Services Withholding Tax	100	96
Value Added Tax	65	74
Pay Related Social Insurance	421	452
Fines	3,786	4,109
Excise Duty	103	162
	5,131	5,650
Payroll deductions held in suspense	378	426
Other credit suspense items	307	485
	5,816	6,561
2.7 Net Liability to the Exchequer	2010	2009
at 31 December	€000	€000
Surplus to be surrendered	4,057	3,206
Exchequer grant undrawn	(3,400)	(2,501)
Net Liability to the Exchequer	657	705
Represented by:		
Debtors		
Bank and cash	198	307
Debit balances: suspense	6,275	6,959
	6,473	7,266
Creditors		
Due to State	(5,131)	(5,650)
Credit balances: suspense	(685)	(911)
	(5,816)	(6,561)
	657	705

2.8 Commitments

(a) Global Commitments

Contracted commitments at 31 December 2010 amounted to €13.6m (2009 - €19.1m)

(b) Multi-Annual Capital Commitments

Project	Expenditure to 31 December 2009¹ €000	Expenditure in 2010 €000	Subsequent Years €000	Total €000
Refurbishment of courthouses	27,173	13,623	22,086	62,882
Information Technology Projects	2,883	1,048	1,027	4,958

¹ Excludes projects completed by the end of 2009

(c) Capital Cost of Public Private Partnership Projects

Name of PPP Project	Expenditure to 31 December 2009 €000	Expenditure in 2010 €000	Legally enforceable commitments to be met in subsequent years €000	Total €000
Criminal Courts Complex	—	20,621	156,461	177,082

2.9 Matured Liabilities

The estimate of matured liabilities not discharged at year end amounted to €8,260.

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided by more than €100,000 and by more than 5% (25% in the case of administration subheads).

Sub-head	Less/(more) than provided €000	Explanation
B.1.	1,336	The underspend was due to a delay in the commencement of a capital project.

4 Receipts

4.1 Appropriations-in-aid	2010 Estimated €000	2010 Realised €000	2009 Realised €000
1. Fees	45,991	46,025	47,429
2. Miscellaneous	1,294	1,328	1,235
3. Receipts from pension-related deduction on public service remuneration	3,134	3,094	2,694
Total	50,419	50,447	51,358

4.2 Extra receipts payable to the Exchequer

	2010 Estimated €000	2010 Realised €000	2009 Realised €000
Road Traffic Act fines	16,000	11,372	15,665
Other fines	8,700	9,312	8,507
	24,700	20,684	24,172

Note: Other fines includes Revenue and Fisheries fines

5 Employee Numbers and Pay

	2010	2009
Number of staff at year end (full time equivalents)	990	1,015
	€000	€000
Pay	47,697	53,511
Higher, special or additional duties allowances	65	138
Other allowances	1,219	1,045
Overtime	443	849
Employer's PRSI	2,410	2,638
Total pay	51,834	58,181

5.1 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment	Maximum individual payment
			2010 €	2009 €
Higher, special or additional duties	23	1	10,117	21,921
Overtime	212	12	27,647	26,703
Miscellaneous	335	22	19,581	21,012

Note: Certain individuals received extra remuneration in more than one category.

5.2 Other Remuneration Arrangements

A total of €41,412 was paid to 6 retired civil servants in receipt of civil service pensions who were engaged for short periods during 2010.

5.3 Recouped Costs

Salary costs of €1,076,031 were recouped from Tribunals and Government Departments in respect of staff on secondment.

6 Miscellaneous Items

6.1 Compensation and Third Party legal costs

Total payments in respect of compensation and legal costs amounted to €504,173. Of this amount €313,232 relates to third party legal costs primarily associated with Judicial Review proceedings where the Courts Service was a party to such proceedings. Payments in respect of actions dealt with by the State Claims Agency amounted to €130,432. Also compensation and third party costs of €56,500 were paid in respect of three cases of wrongful arrest and detention.