

Annual Report and Accounts



12/13

serving the community through the administration of justice

Northern Ireland Courts and Tribunals Service

Annual Report and Accounts For the year ended 31 March 2013

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CONTENTS

Foreword by the Chief Executive	6
Part 1 Chief Executive's Report	10
Who we are	10
Corporate Aims and Values	10
How we are structured	11
Agency Board	11
Part 2 Management Commentary	15
Deliver efficient and effective court, tribunal and enforcement services	15
Deliver high quality services that support an independent Judiciary and meet the needs of our customers	21
Develop and lead our people to achieve our business objectives	24
Deliver a controlled financial and commercial environment achieving value for money	25
Part 3 Remuneration Report	30
Remuneration Policy	30
Part 4 Annual accounts 2012-13	36
Statement of Accounting Officer's Responsibilities	36
NICTS Governance Statement 2012-13	37
The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly	48
Statement of Comprehensive Net Expenditure	50
Other Comprehensive Expenditure	50
Statement of Financial Position	51
Statement of Cash Flows	52
Statement of Changes in Taxpayers' Equity	53
Notes to the Agency Resource Accounts	54
Part 5 Appendices	86
Annex A Northern Ireland Courts and Tribunals Service Organisational Chart 2013	86
Annex B Staffing	87
Annex C Court and Tribunal Performance Standards 2012-13	88
Appendix 1	98
Appendix 2	99
Appendix 3	100

FOREWORD BY THE CHIEF EXECUTIVE

I am pleased to present the Annual Report and Accounts for the Northern Ireland Courts and Tribunals Service (NICTS) for 2012-13.

I was appointed as the Chief Executive of NICTS, Accountant General and Agency Accounting Officer with effect from 1 October 2012. The Agency is sponsored by the Access to Justice Directorate in the Department of Justice (DOJ).

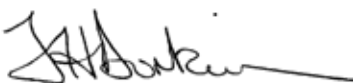
The Organisational Aim of NICTS is “Serving the Community through the Administration of Justice”. We provide administrative support for all of Northern Ireland’s courts and the majority of Northern Ireland’s tribunals. We are also responsible for enforcing the judgments of the civil courts through the Enforcement of Judgments Office (EJO) and for funds in court through the Court Funds Office (CFO). In May 2012 responsibility for the Parole Commission Secretariat transferred to the NICTS.

In the business year covered by this Annual Report, the courts and tribunals in Northern Ireland dealt with approximately 120,000 cases.

The commitment of our staff to delivering the highest possible standard of service for our customers has been recognised by the continued re-accreditation of the Customer Service Excellence Standard for each of our courthouses. In November 2012 we retained our Investor in People Bronze Award underpinning the value that we place on our staff.

The work of NICTS is overseen by a Board which comprises NICTS senior executive team, two independent board members, a DOJ representative and four judicial attendees. An independent member chairs NICTS Audit and Risk Committee and judicial representatives attend both that Committee and NICTS Finance Committee.

We hope that members of the Assembly and the wider public will find the information contained in this Annual Report interesting and informative in explaining the work of NICTS.



JACQUI DURKIN
Chief Executive, NICTS

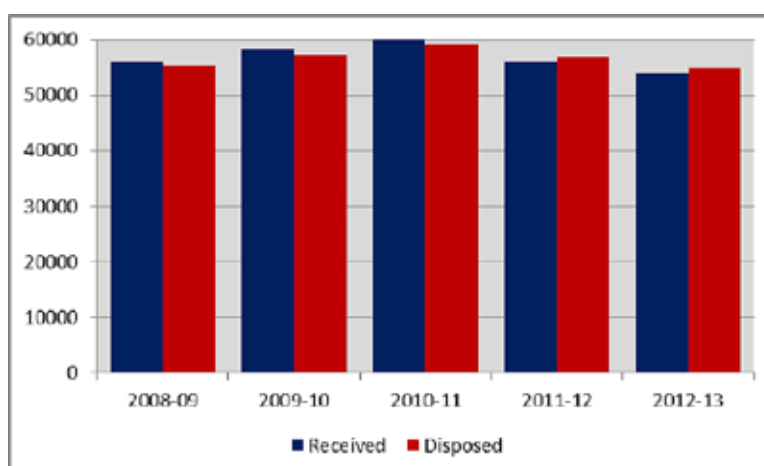
2012-13 HIGHLIGHTS

Deliver efficient and effective court, tribunal and enforcement services

Criminal Court Business

- The Crown Court received 1,786 and disposed of 1,750 cases, increases of 9% and 11% from the previous year.
- The number of adult defendants received in the Magistrates' Courts decreased by 4% to 49,801, with disposals also decreasing by 4% to 50,603.
- There has been a 15% decrease in the number of Youth Court defendants received to 2,303, while the number disposed decreased by 16% to 2,409.
- The total volumes of criminal court business received and disposed both decreased by 4% compared to 2011-12

Criminal Court Business Cases Receipts and Disposals 2008-09 to 2012-13



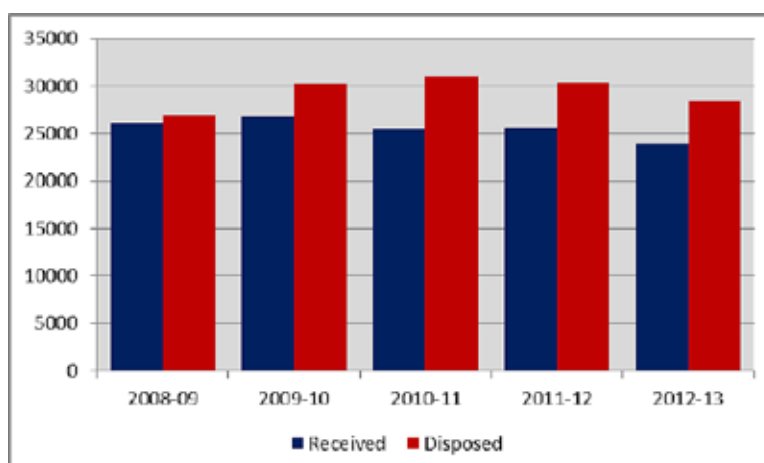
Civil Court Business

- The volume of civil court business received decreased by 7%, with disposals falling by 6%.

Civil Court Business Cases Receipts and Disposals 2008-09 to 2012-13

Family Court Business

- There has been a 2% increase in both the number of Children Order applications received and those disposed.



Tribunal Business

- 24,881 cases were received in 2012-13. 17,441 cases were received in 2011-12 (an increase of 43% on the previous year).
- 19,791 cases were disposed of in 2012-13. 17,234 cases were disposed of in 2011-12 (an increase of 15% on the previous year).

Parole Commissioners Secretariat

- 492 cases were referred to the Parole Commissioners compared to 323 in the previous year.
- A new Parole Commissioners for Northern Ireland website was developed and went live in November with a link to the NICTS website.

Deliver high quality services that support an independent Judiciary and meet the needs of our customers

- All 21 courthouses in Northern Ireland maintained their Customer Service Excellence Standard, the Government standard for Public Service Excellence.
- We continued to deliver interpreting and translation services across all court and tribunal venues.
- We completed a major technology refresh across NICTS estate including courtroom technology, digital audio recording and the introduction of a Skype facility.
- We enhanced our online services to make them available 24 hours a day.
- We published the outcome of the consultation on the future of the five court Hearing Centres. The courthouses at Bangor and Larne closed on 31 March 2013 and business transferred to Newtownards and Ballymena respectively.
- We carried out a review of business processes in court offices and in our centralised service centres and are implementing recommendations for performance improvement.
- We implemented the new offender levy and fixed penalty notices.
- We signed a Data Sharing Agreement with the Driver and Vehicle Agency Northern Ireland to provide courts with accurate information on driving licences in advance of sentencing.

Develop and lead our people to achieve our business objectives

- We maintained our Investors in People (IiP) accreditation and our Bronze Award.
- We implemented a Staff Engagement Plan to address comments arising from the Northern Ireland Civil Service (NICS) Staff Survey and Wellbeing Survey and the IiP assessment.
- We complied with Information Assurance guidelines and reporting requirements.

Deliver a controlled financial and commercial environment achieving value for money

- We received approval to migrate our HR and Payroll Services to HRConnect, the NICS Enterprise Shared Service.
- During 2012-13 NICTS contained its expenditure within the budget set by the DOJ.
- The NICTS met all statutory reporting deadlines.

Full details of business volumes received and disposed of can be found at **Annex C**.

PART 1 CHIEF EXECUTIVE'S REPORT

This is the Annual Report and Accounts for NICTS ("the Agency") for the financial year ended 31 March 2013. These Statements have been prepared in accordance with directions given by the Department of Finance and Personnel (DFP) in pursuance of the Government Resources and Accounts Act (Northern Ireland) 2001.

Who we are

The Agency is an Executive Agency of the DOJ of Northern Ireland. We are accountable to the Northern Ireland Assembly through the Minister of Justice, **David Ford MLA** ("the Minister").

The role of the Agency is to:

- provide administrative support for courts and tribunals in Northern Ireland;
- support an independent judiciary;
- enforce civil court judgments through the EJO; and
- manage funds held in court on behalf of minors and patients.

Corporate Aims and Values

Our corporate 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 standard;

Accountability

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

Fairness

to treat everyone fairly.

How we are structured

There are 21 courthouses and a number of tribunal hearing centres across Northern Ireland, the largest being Laganside Courts and the Royal Courts of Justice in Belfast. 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 Map
Appendix 2	Northern Ireland Courts and Tribunals Service Organisational 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 under review and the current version is available on our website (www.courtsni.gov.uk).

Agency Board

The NICTS Agency Board (“the Board”) provides direction to the Agency in the discharge of its responsibilities.

The Chief Executive, **Jacqui Durkin**, is the Board Chair and the Agency’s Accounting Officer. She is supported by the Head of Court Operations, the Head of Tribunals and Enforcement, the Head of Finance and Estates, two independent Board members, an Access to Justice representative and four judicial attendees. During 2012-13 the Head of Business Support attended as requested.

The Board consists of:

- Chief Executive, **Jacqui Durkin** (who chairs the Board),
- Head of Court Operations, **Peter Luney**,
- Head of Tribunals and Enforcement, **Mandy Kilpatrick**,
- Head of Finance and Estates, **Sharon Hetherington**,
- a DOJ representative, **David Lavery** and
- two independent members, **PJ Fitzpatrick** and **Colm McKenna**.

Mr PJ Fitzpatrick was appointed in April 2009 and re-appointed on 1 April 2013 until March 2016. Mr Fitzpatrick chairs the Agency Audit and Risk Committee.

Mr Colm McKenna joined the Board in May 2011. Mr McKenna is a member of the Agency’s Finance Committee.

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

The Honourable Mr Justice Deeny

His Honour Judge McFarland, Recorder of Belfast and Presiding County Court Judge

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

Mr Conall MacLynn, President of the Appeals Tribunal

The Board meets quarterly and is responsible for oversight of NICTS's performance. It has specific functions in relation to finance, planning and performance which are set out in the Agency **Framework Document**.

Other Committees

The work of the Board is supported by a Finance Committee and the Audit and Risk Committee.

The Chief Executive is supported by four Grade 6 staff who are responsible for the following business areas:

Court Operations (Peter Luney)

Court Operations is responsible for providing administrative support for criminal, civil and family court business and the Coroners Service. The courts deal with approximately 91,000 criminal, civil and family cases each year. Coroners deal with around 3,900 deaths reported to them and hold nearly 130 inquests per year.

Tribunals and Enforcement Operations (Mandy Kilpatrick)

Tribunals and Enforcement Operations is responsible for providing the administrative support for the majority of Northern Ireland's tribunals¹, the Parole Commissioners and the EJO. Tribunals and the Parole Commissioners in Northern Ireland hear more than 24,000 cases each year and approximately 19,000 notices of intention to enforce are lodged with the EJO annually.

The NICTS also provides administrative support for a number of UK-wide tribunals sitting in Northern Ireland, including Tax Tribunal, Immigration and Asylum Tribunal, Information Tribunal and the Upper Tribunal (Administrative Appeals Chamber).

Business Support (Current Vacancy)

Business Support delivers corporate support, corporate communications, information communications technology (ICT) and Human Resource services for NICTS.

¹ including the Appeals Tribunal and Rent Assessment Tribunal, under the terms of an Agency Agreement with the Department for Social Development (DSD)

Finance and Estates (Sharon Hetherington)

Finance and Estates supports court and tribunal business to make efficient use of resources and to deliver open and transparent accounting practices. The Division's remit includes management of NICTS finances, estate maintenance and security, procurement and contract management and the operation of the CFO.

Our People

The number of staff employed by NICTS at the end of the year was 762 with a further 143 employed by the Department of Social Development (DSD) to support The Appeals Service which is administered by NICTS. The majority (80%) of staff are located in frontline service posts in courthouses, tribunal hearing centres, the EJO or in CFO.

On 1 May 2012 NICTS assumed responsibility for the Parole Commissioners Secretariat (with a staff of 17).

Further information on our staff profile can be found at **Annex B**.

NICTS is committed to ensuring that staff have the right skills and knowledge to perform their jobs effectively. In addition to the training opportunities provided to staff through the Agency's Corporate Learning Plan, NICTS continues to offer staff the opportunity to undertake a specific court and tribunal National Vocational Qualification (NVQ).

A review of the Agency induction process has been undertaken to ensure that new entrants and staff transferring from elsewhere within the NICS are fully integrated. A Job Skills Training Strategy aimed specifically at staff working in front-line service delivery has been implemented.

In November 2012 we achieved re-accreditation as an Investors in People (IiP) organisation and retained our Bronze Award. To ensure continuous improvement and to address comments arising from the IiP assessment, as well as the NICS Staff Survey, we have implemented a Staff Engagement Plan. The success of this Plan will be measured against the IiP Standards in Spring 2014.

NICTS values staff involvement in developing and delivering its aims and objectives. Staff have input to the NICTS Corporate Plan and annual Business Plan and are involved in the business planning process at a local level. NICTS has an Agency Whitley Constitution which meets formally twice a year to discuss particular staffing concerns although issues will be raised and discussed informally as they arise. The Staff Panel provides a valuable forum for discussion on matters that affect staff and provides another opportunity for staff to comment on current issues.

NICTS staff are managed in accordance with the NICS Inefficiency Sickness Absence Policy. Absence levels across the Department are managed against indicators which are set for each of the agencies and feed into the overall Departmental target. The indicator agreed for NICTS for 2012-13 was 9.8 days. The DOJ target for 2012-13 was 10.3 days.

The average days lost per whole time equivalent (WTE) member of staff for 2012/13 was 11.0 days. This was an increase on 2011-12 when the figure was 10.0 days.

Support for the Northern Ireland Judiciary

NICTS is responsible for providing administrative support to the Northern Ireland judiciary. There are 71 full-time members of the Courts judiciary across the various judicial tiers, plus 60 deputy and fee paid Courts judicial officers, 185 Lay Magistrates and 310 Judicial Tribunal members. There are also 40 Parole Commissioners.

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 with 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 NICTS website (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.

The Lord Chief Justice, the Rt Hon Sir Declan Morgan, is supported by the Recorder of Belfast and Presiding County Court Judge (His Honour Judge McFarland), 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

The NICTS Business Plan for 2012-13 contained the following strategic objectives:

- to deliver efficient and effective court, tribunal and enforcement services;
- to deliver high quality services that support an independent judiciary and meet the needs of our customers;
- to develop and lead our people to achieve our business objectives; and
- to deliver a controlled financial and commercial environment achieving value for money.

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 2012-13 to achieve these strategic objectives.

Deliver efficient and effective court, tribunal and enforcement services

Our business volumes during 2012-13 were as follows:

	Cases Received	Cases Disposed of
Criminal	53,890	54,762
Civil	23,946	28,425
Family	8,592	7,799
Tribunals	24,881	19,791
Parole Commissioners	492	451

Criminal Business

Criminal business includes criminal cases dealt with in the Crown Court and in Magistrates' Courts.

The Crown Court hears all offences charged on indictment. Offences tried on indictment are the more serious offences. Most Crown Court trials will be heard by a jury although, in certain circumstances, a Judge sitting alone may determine a case.

The majority of criminal cases are dealt with by Magistrates' Courts. These will generally be less serious offences. In addition, Youth Courts are specially constituted Magistrates' Courts where the District Judge will usually sit with two Lay Magistrates to deal with criminal matters in relation to children.

During 2012-13 there was a 4% decrease in the number of criminal cases received to 53,890 (2011-12: 56,147). The number of criminal cases disposed of also decreased by 4% to 54,762 (2011-12: 56,950), although Crown Court disposals increased by 11%.

1,920 new Penalty notices were received since June 2012.

Civil Business

Civil court business is dealt with in the High Court and the County Court.

During 2012-13 there was a 7% decrease in civil business received to 23,946 (2011-12: 25,650). During 2012-13, the disposal rate for civil business decreased by 6% to 28,425 (2011-12: 30,377).

In February 2013 the County Court limits increased from £15,000 to £30,000.

Family Business

Family business is dealt with in the High Court, County Courts (Family Care Centres) and Magistrates' Courts (Family Proceedings Courts). This area of business includes divorces and proceedings under the Children (Northern Ireland) Order 1995 in relation to the care or welfare of children.

During 2012-13 overall family business received decreased by 1% to 8,592 (2011-12: 8,680). Business disposed of during 2012-13 increased by 1% to 7,799 (2011-12: 7,747).

Coroners Service

Coroners inquire into deaths reported to them that appear to be unexpected or unexplained. The Coroner will seek to establish the cause of death and will make whatever inquiries are necessary to do this.

During 2012-13 the number of deaths reported to the coroner increased by 9% to 3,922 (2011-12: 3,589). There was a 27% decrease in the number of inquests heard to 127 (2011-12: 174); a 3% decrease in the number of post-mortems held to 1,054 (2011-12: 1,085); a 9% increase in the number of cases that did not require a post mortem to 1,948 (2011-12: 1,780) and a 27% increase in other disposals to 734 (2011-12: 577).

Tribunals

Northern Ireland Valuation Tribunal (NIVT)

The NIVT hears appeals by home owners against their domestic rates. NIVT also hears appeals from decisions relating to rating rebates. During 2012-13 there was an increase of 128% in the numbers of appeals received, 91 compared to 40 in 2011-12, reflecting the introduction of the new Empty Homes and Unfinished Properties legislation.

Social Security and Child Support Commissioners (OSSC)

The Social Security Commissioners and Child Support Commissioners determine appeals on points of law from the Appeals Tribunal under the Social Security and Child Support legislation. During 2012-13 there was a decrease of 8% in the number of applications and appeals received to 258 (2011-12: 280).

Pensions Appeal Tribunal (PAT)

The PAT hears appeals from ex-servicemen or women who have had their claims for a War Pension rejected by the Secretary of State for Defence. During 2012-13 there was a decrease of 38% in the number of appeals received to 104 (2011-12: 168).

Northern Ireland Traffic Penalty Tribunal (NITPT)

The NITPT hears appeals from Penalty Charge Notices (PCNs) issued by or on behalf of the Roads Service. Business levels remained fairly consistent during 2012-13 (483) when compared with 2011-12 (492) representing a small decrease of 2%.

Criminal Injuries Compensation Appeals Panel Northern Ireland (CICAPNI)

The purpose of CICAPNI is to support the victims of violent crime by determining appeals from decisions made by the Compensation Agency in respect of entitlement to criminal injury and criminal damages payments. During 2012-13 there was a 19% decrease in the number of appeals received to 542 (2011-12: 670).

Special Educational Needs and Disability Tribunal (SENDIST)

SENDIST considers parents' appeals from the decisions of Education and Library Boards about children's special educational needs, where the parents cannot reach agreement with the Board. It also deals with claims of disability discrimination in relation to children at school. During 2012-13 there was an increase of 26% in the number of appeals received to 102 (2011-12: 81).

Mental Health Review Tribunal (MHRT)

MHRT reviews the cases of patients who are compulsorily detained or are subject to guardianship under the Mental Health (Northern Ireland) Order 1986. MHRT's function is to provide mentally disordered patients with a safeguard against unjustified detention in hospital or control under guardianship. During 2012-13 there was a decrease of 18% in the number of applications and referrals to 274 (2011-12: 335).

Northern Ireland Charity Tribunal (NICT)

NICT was established on 1 April 2010 to hear appeals from decisions made by the Charity Commission in respect of the registration of an organisation as a charity. During 2012-13 the Tribunal received 2 appeals. (2011-12 no appeals received).

Care Tribunal

The Care Tribunal hears appeals from decisions prohibiting or restricting the employment of individuals teaching or working with children, working with vulnerable adults, or decisions concerning the registration of social workers. The Tribunal also hears appeals from decisions relating to the regulation of residential care homes, nursing homes, children's homes, nursing agencies and independent health care providers. During 2012-13 the Tribunal received 3 appeals (2011-12: 2).

Lands Tribunal

The Lands Tribunal hears cases concerning the value of land and buildings and about their occupation, use or development. In 2012-13 there was a decrease of 27% in the number of cases received to 158 (2011-12: 216).

The Appeals Tribunal

The Appeals Tribunal is responsible for welfare benefit appeals from decisions of the Social Security Agency, in addition to appeals from decisions made by the Child Support Agency, HM Revenue and Customs, Northern Ireland Housing Executive and the Land and Property Services. In 2012-13 there was an increase of 51% in the number of appeals received to 22,859 (2011-12: 15,140), which is indicative of increasing Employment Support Allowance appeals.

Health and Safety Tribunal (NIHST)

NIHST was established on 1 April 2010 and adjudicates on appeals from decisions made in relation to asbestos or petroleum-spirit licences. During 2012-13 the Tribunal received no appeals (2011-12: one).

Health & Personal Social Services Disqualification Tribunal

The Tribunal enquires into cases where it is represented that continued inclusion of any person in any list of practitioners prepared under Part VI of the Health and Personal Services (Northern Ireland) Order 1972 for the provision of general medical, dental, ophthalmic or pharmaceutical services would be prejudicial to the efficiency of the services. To date, the Tribunal has not received any cases.

Rent Assessment Panel (RAP)

The RAP, through the rent assessment committees, consider, at the request of a landlord or tenant, if the rent determined by the rent officer is appropriate. During 2012-13 there was a decrease of 69% in the number of appeals to 5 (2011-12: 16).

Parole Commissioners Secretariat

Over the past year the number of cases referred to the Parole Commissioners for review, recommendation and consultation have continued to increase in every type of sentence with an overall increase of 52%. Most notably, the recall and subsequent review of both Extended Custodial Sentence (ECS) and Determinate Custodial Sentence (DCS) prisoners has increased to such a degree that these types of cases equate to 70% of the overall workload.

During the year the Secretariat developed two performance targets for inclusion in the NICTS Business Plan for 2013/14.

The DOJ introduced new fee arrangements from September 2012 to support the implementation of revised Terms and Conditions of appointment and following the appointment of nine new Commissioners. The Secretariat supported the Chief Commissioner in the development and delivery of induction for the new Commissioners and preparation of her Annual Report for 2012/13.

During this year NICTS worked with the Secretariat to integrate administrative and governance arrangements. A project to develop an IT solution was initiated to support case management and analysis of management information.

Enforcement of Judgments Office (EJO)

The EJO provides a centralised enforcement service for civil court judgments.

In the reporting year 2012-13 receipts of the initiating document, Notice of Intention to Enforce a Judgment, have decreased by 3% to 18,602 (2011-12: 19,155). The number of applications to enforce has decreased by 16% to 10,529 (2011-12: 12,475).

The economic climate continues to have a very significant impact on the work of the EJO particularly in progressing existing debt cases and the enforcement of possession judgments.

The number of applications for the possession of property has increased by 36% in 2012-13 to 2,143 (2011-12: 1,577). The number of cases ending in the property being repossessed by the EJO, rather than by way of voluntary arrangement, continues to rise, with a total of 1,251 properties being repossessed during 2012-13, compared with 997 in 2011-12, an increase of 25%.

EJO staff have continued to work more closely with advice bodies such as the Housing Rights Service and Advice NI and with creditors' representatives to encourage early and better engagement between creditors and debtors. It has also engaged with the Public Health Authority and the Health and Social Care Board to develop enhanced arrangements for vulnerable debtors.

The total monies recovered through the enforcement process have decreased by 4% in 2012-13 to £7.5m (2011-12: £7.8m).

Other initiatives to improve performance have continued and include:

- arrangements for the interview of all debtors;
- increased flexibility in the listing of repossession cases; and
- use of overtime to address workload.

Supporting an independent judiciary

NICTS works in partnership with the judiciary on a wide range of issues as they affect the courts and tribunals, including the achievement of performance standards (our 2012-13 performance standards can be found at **Annex C**).

During 2012-13 we reviewed our performance standards and in consultation with the judiciary and key stakeholders produced a revised set of performance standards for 2013-14.

Speeding up Justice

NICTS works 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. Court Administrators also work closely with criminal justice agencies on regional Performance Improvement Partnerships to address local issues that are affecting performance.

NICTS participated in the Youth Engagement pilot which commenced in October 2012 in Belfast. The pilot has been introduced as one element of a wider programme of work to improve processing times in criminal cases. Its aim is to provide young people who are suspected of a crime with additional support at an early stage to help them make an informed decision about their case, with a view to preventing cases from progressing to court unnecessarily only to be withdrawn for a diversionary option to be administered. The pilot will be evaluated in 2013-14.

Throughout 2012-13 NICTS have continued to work with the DOJ Jurisdictional Reform Branch to develop operational arrangements to support the implementation of the planned single territorial jurisdiction for County Courts and Magistrates' Courts in Northern Ireland which is being taken forward in the Faster, Fairer Justice Bill.

The introduction of new penalty notices in June 2012 enabled the Police Service of Northern Ireland (PSNI) to deal with certain lower level offences by fixed penalty rather than bringing offenders to court. A total of 1,920 penalty notices were issued by the PSNI to the end of March 2013 for offences such as disorderly behaviour and shoplifting and are issued as an alternative to a court prosecution. If a penalty notice remains unpaid it will be uplifted by 50% and registered as a fine for enforcement.

Court and tribunal orders

NICTS is committed to ensuring that court orders are recorded and prepared accurately and issued in a timely way. In addition, courts have established a team of experienced operational and audit officials to carry out regular independent audits of orders.

A Criminal Justice Inspectorate review of Court Orders was commenced in 2013.

Internal audit reviews of Family and Civil Court Orders were completed in 2012-13. The family report has been issued and recommendations have been completed. The civil report has not yet issued by Internal Audit Branch.

In Tribunals and EJO new procedures have been developed and implemented to ensure the accuracy of orders.

Business processing

NICTS recognises the importance of reviewing business processes to ensure that work is being delivered as efficiently as possible.

During 2012-13 NICTS conducted a review of centralised services (e.g. the Civil Processing Centre and the Customer Service Centre) and recommendations from these two reports are currently being implemented.

We completed our Court Office Review to ensure that we are making best use of resources, skills and ICT. The review recommended a court office target operating model which is being piloted in one County Court Division. In the Royal Courts of Justice we completed a review of the Matrimonial Office and implemented a Business Improvement and Service Delivery Plan during 2012-13.

A tribunal divisional group was established and work will continue on a review of business continuity and financial governance arrangements for the payment of fees. In addition the EJO has implemented additional arrangements to ensure all members of a household are informed of the enforcement of a repossession order.

Tribunal, enforcement and Parole Commissioner staff completed a review of business performance targets and developed technical annexes to inform management information reports. In addition more efficient listing procedures were implemented within the Office of the Social Security Commissioner and Child Support Commissioner and Special Educational Needs and Disability Tribunal.

Fine Collection and Enforcement

During 2012-13 Fine Officer intervention resulted in 28.6% more debtors making payment and a 28% reduction in the number of warrants issued to PSNI.

The use of Supervised Activity Orders as an alternative to imprisonment for default of non-payment of fines was piloted during 2012-13 in Newry (from January 2012 to January 2013) and in Lisburn (from October 2012 to April 2013). Both pilots will be evaluated by DOJ in 2013-14.

NICTS continue to work with colleagues in DOJ on fine default reform being taken forward in the Faster, Fairer Justice Bill which includes deductions from earnings and benefits and the development of a civilianised fine collection and enforcement service.

Following judgment by the Divisional Court in a number of judicial review challenges relating to fine default and enforcement, enforcement of existing fine warrants was suspended. We have introduced interim arrangements pending a more fundamental reconsideration of the processes by the Court Rules Committees.

Criminal Justice Inspection Northern Ireland (CJINI) Engagement

We have engaged with the CJINI on a range of inspections and follow-up reports on topics such as Anti-Social Behaviour, Life and Indeterminate Sentenced Prisoners, Special Measures, the Adequacy of the Court Estate, Cost of the Past and Fine Default. The CJINI also undertook fieldwork for two further inspections, a review of Court Orders and a follow-up of their 2007 inspection into the Handling of Complaints in the Criminal Justice System. We regularly monitor those CJINI recommendations that impact on NICTS to ensure they are addressed and agreed recommendations implemented.

Interpreter Services

We arrange interpreter services for court and tribunal users who do not have English as their first language. The main languages requested in 2012-13 were Lithuanian, Polish and Mandarin. In total, there were 3,698 requests for language interpretation in courts and 353 requests for the translation of documents.

Information Assurance

We are committed to providing users with the assurance that their information is collected, stored, transmitted and disposed of securely and in compliance with the Data Protection Act 1998 and the Freedom of Information Act 2000. Throughout the year we maintained compliance with Information Assurance policies and met the DOJ's accreditation requirements. NICTS will report any breaches of information security, or incidents which we consider may result in a breach, to the Information Commissioner's Office. In 2012-13 we reported two incidents to the Information Commissioner's Office (both incidents were reported voluntarily).

We signed a Data Sharing Agreement giving us access to the Driver and Vehicle Agency System. Access has been operational from 5 November 2012 and is currently running in Laganside for a six month pilot and will then be reviewed with Presiding District Judge Bagnall. This access enables the judiciary to be informed on request to the ICOS team of any previous penalty points or disqualifications made when a defendant does not bring his/her driving licence to court and removes the need for the case to be adjourned.

Deliver high quality services that support an independent Judiciary and meet the needs of our customers

Customer Service

NICTS is committed to continuously improving its services to meet the needs of our customers. In March 2013, all of our courthouses retained the Customer Service Excellence (CSE) standard. Other customer insight focussed work carried out during 2012-13 includes the publication of our Customer Exit Survey results, a satisfaction questionnaire for jurors and a survey of non-English speaking customers attending court and tribunal venues. We are currently planning to roll CSE out to our tribunal hearing centres.

We published a Personal Litigant's Guide for those persons who represent themselves in the High Court. This includes a glossary of regularly used legal terms and basic information about court rules and High Court procedure.

Since January 2009, Housing Rights Service court representatives have provided free independent advice, support and representation to those facing repossession proceedings in the High Court and Laganside Courts. In July 2012 the DOJ agreed to provide an additional £60,000 to fund an extension to the Court Representation Service. The service, which is being piloted for 12 months, is available in the High Court and all County Courts across Northern Ireland where eviction proceedings take place. This will extend the provision of free independent advice and support for those who face losing their homes as a result of mortgage or rent arrears.

Business Improvement

During 2012 work was completed on a major technology refresh programme across the NICTS estate. This included updating courtroom technology across our estate, including the replacement of both permanent and portable digital audio recording equipment used in courtrooms. The use of Skype was also trialled in a number of civil court cases to reduce the need to bring witnesses from outside Northern Ireland to give evidence in court.

We have improved the technology facilities available in a number of courthouses to enable witnesses to give evidence from outside the courtroom.

We have successfully implemented a number of legislative changes that required changes to business processes and our IT systems, including:

- the introduction of an offender levy in June 2012. This levy is imposed on fines and immediate custodial sentences and is collected through the court. All offender levy monies collected will be used by DOJ to fund victims services. In 2012-13 £54,883 was collected in relation to offender levy monies;
- the introduction of new penalty notices in June 2012; and
- since July 2012 all NICTS payments out and account processing and reconciliations are completed by Account NI. This change has brought NICTS in line with DOJ and other NICS Departments by using the services of Account NI, which is part of the DFP Enterprise Shared Services Organisation.

NICTS is a partner in the Causeway Programme which facilitates electronic communication and information sharing between the criminal justice agencies in Northern Ireland. During 2012-13 we continued to work with our Causeway partners to meet our Causeway commitments and achieve our Service Level Agreement (SLA) resulting targets.

During 2012-13 work was completed on drafting an ICT Strategy which will set the direction for ICT investment within NICTS for the next three years. This ICT Strategy will be consulted on further during the Spring of 2013 and an implementation programme commenced during the Summer of 2013.

Court Estate

During the year the main focus of our capital investment programme was on security and improving universal access throughout the court estate. Following recommendations by the Centre for Protection of National Infrastructure (CPNI) security upgrades took place at 13 sites throughout the court estate. 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. Work was completed at Antrim, Coleraine, Craigavon, Dungannon and Newry Courthouses to enhance access into these buildings for disabled persons required to give evidence in court. A major project to improve disabled access in the RCJ is underway and will continue into 2013-14.

On 1 May 2012, following publication of the CJINI report into the Adequacy of the Court Estate, the Minister agreed with the recommendation that an affordable and appropriate estate strategy should be developed.

DOJ is leading the development of a departmental Estate Strategy and NICTS will have a key role and provide input to support the required programme of work.

Following a public consultation exercise the Minister announced his decision to close the Court Hearing Centres at Bangor and Larne by April 2013 and at Limavady and Magherafelt following the reform of court boundaries to establish a single territorial jurisdiction which will be implemented in 2014. The Hearing Centre at Strabane will be retained pending the DOJ Estate Strategy.

The closure of the four Hearing Centres and the transfer of that business to larger court centres will deliver some modest running cost savings, improve utilisation of the remaining court estate and provide a higher standard of accommodation and facilities to court users, including victims and witnesses.

NICTS is committed to the continued integration of court and tribunal business. During 2012-13 we have advanced the rationalisation of tribunal accommodation by relocating the Criminal Injuries Compensation Appeals Panel into the Tribunal Hearing Centre in Belfast city centre. In addition, we have provided improved facilities within the Hearing Centre through the provision of additional hearing rooms, public waiting areas and consultation rooms. The Hearing Centre now accommodates benefit appeal tribunals for The Appeals Service on a daily basis. We have also utilised capacity in the court estate by listing tribunals in courthouses that offer an appropriate level of accommodation.

Improved Services for Victims and Witnesses

During 2012-13 we worked closely with our Criminal Justice partners and others including those in the voluntary sector such as Victim Support, Women's Aid and the NSPCC to continue to support victims, witnesses and young people. Further research into the experiences of victims of domestic violence across the region regarding their interactions with the justice system is being facilitated through Victim Support. A new listing arrangement for domestic violence cases in Londonderry Magistrates' Court is continuing indefinitely. Under this initiative, domestic violence cases are listed at particular court sittings with specifically trained Public Prosecution Service (PPS) prosecutors and in-court access to various victim support services. The initiative is monitored on an on-going basis and various strands of the final evaluation have been identified. These will be taken forward in 2013-14.

NICTS is working with the judiciary and criminal justice partners to extend the use of remote evidence facilities which will allow young or vulnerable witnesses to give evidence without having to be in the court building at all. As a member of the inter-agency Victim and Witness Steering Group, NICTS contributed to the development of a range of pilots during 2012-13 including the Victim and Witness Care Unit in Belfast.

During 2012-13 a revised Victim and Witness Policy was produced and the Agency's Victims Champion was appointed.

During 2012-13 NICTS contributed to the response to the Justice Committee's report on victims and implemented a number of recommendations set out in the DOJ Annual Victim and Witness Action Plan including the recommendation to extend remote link facilities and work to reduce waiting times.

Children and Young People

Last year we introduced complaints information targeted at young people. This was to enable all young court users to make individual complaints and to reinforce that young people's opinions matter and that they should receive the same high quality services as all court users.

During 2012-13 the NICTS contributed to the implementation of recommendations from the Youth Justice Review. This included a review of the Youth Court guidelines which describe arrangements for the operation and layout of the Youth Court. The revised guidelines have been approved by the Office of the Lord Chief Justice and they will be re-launched (along with a guide for children and young people attending the Youth Court, and a separate guide for parents and guardians) during 2013-14.

Service Improvement

We value the quality of service that we provide to our customers. Our complaints procedure enables us to learn from any mistakes that may have occurred. We received 119 complaints across the Agency during 2012-13. This represented an 11% decrease on the previous year. A total of 92% of complaints were responded to within our target of 15 days with 54% of complaints

being upheld. Many of these resulted in follow-up action to improve customer service delivery. A breakdown of complaints received and actions taken is included in the quarterly complaints reports which are published on the Agency's website.

Business Continuity

We have in place business continuity plans to ensure that critical business functions can be maintained. These plans are continually reviewed and updated and are available to staff on the agency intranet. Our ICT Business Continuity and Disaster Recovery Plan was fully tested in three phases over the Summer and Autumn of 2012.

Outreach

We continue to promote knowledge and understanding of the justice system through our Community Outreach Programme. We have commenced work on our relaunch of the Education Online portal which supports classroom and individual learning about the courts and tribunals in Northern Ireland for a range of educational levels. We hosted the National Magistrates' Mock Trial Competition, the All-Ireland Advocacy Competition (which was co-sponsored by the Irish Courts Service) and a number of workshops which formed part of the Common Purpose Programme.

Downpatrick, Armagh and Enniskillen Courthouses participated in the European Heritage Open Day attracting over 400 visitors.

Develop and lead our people to achieve our business objectives

During the year the Learning and Development Committee continued their oversight of the corporate and job skills training learning plans and emerging development needs. The NVQ Level 3 Programme for court and tribunal staff has continued and the pool of internal assessors has increased.

In November 2012 we achieved re-accreditation as an Investors in People organisation and retained our Bronze Award. Less than 2% of organisations in Northern Ireland have achieved this standard.

Staff are now joining NICTS from across the NICS which has placed a greater focus on providing job skills training to staff new to the justice system as well as existing staff. As part of our work towards retaining our Customer Service Excellence standard we reviewed the guidance and training we provide to staff on customer service. We have implemented more robust induction practices and training. We have also developed a Job Skills Training Strategy for court staff which includes the delivery of focussed training programmes, together with the development and review of best practice guidance. This extends to include job shadowing and training opportunities to diversify staff skill sets and the amalgamation of tribunal business.

During 2012-13, we have delivered training in a number of priority areas including dealing with sexual offence cases, appeals processing and service of documents.

We also developed and delivered a series of human resource policy awareness workshops to enable managers to address potential conflict situations at an early stage to prevent complaints from escalating to the formal process. A total of 134 managers were trained in this area throughout the year.

We continue to work with the DOJ to reduce staff sick absence levels. We agreed a NICTS absence indicator for 2012-13 of 9.8 days. The average days lost per WTE member of staff of 2012-13 was 11.0 days. The year-end projection for DOJ overall is 12.8 days against a target of

10.3 days. The NICS end of year figure is 10.1 days against a target of 9.5 days. It is estimated that only two NICS Departments have achieved their target. The NICTS target for 2013-14 is 9.3 days.

Deliver a controlled financial and commercial environment achieving value for money

Funding

The NICTS is funded principally by monies voted from the DOJ and also by income generated from court fees.

Accounting Boundary

The accounting boundary specifically excludes the funds invested by the CFO and third party monies. CFO publishes separate audited financial statements. Details of income (fines, confiscation orders, fixed penalties and other money penalties) collected as an agent for the Northern Ireland Consolidated Fund (NICF) will be disclosed in the Agency's Trust Statement which is published separately from these financial statements.

Key Events

O'Brien (impact on Fee Paid Judicial Office Holders)

There are currently a number of Employment Tribunal cases against NICTS from fee paid judicial office holders claiming retrospective pension rights on the basis of the O'Brien case. A UK Supreme Court hearing on 6 February 2013 ruled that a retired fee paid recorder is entitled to a pension on terms equivalent to those of a salaried circuit judge. The Judicial Pension Scheme (JPS) is the mechanism which provides for the pension entitlements of NICTS salaried Judicial Office Holders. Consistent with the accounting for salaried judicial office holders, and in accordance with Government Financial Reporting Manual (FReM) 12.2.5, NICTS accounts for employer contributions payable to the JPS as they are incurred but does not recognise a liability in respect of back payments or the pension liability arising pursuant to the claim. Accordingly, provision for the fee paid pension entitlement for an amount of £5.6m is recognised in the JPS accounts. Provision has been made in these Accounts for both the liability to fee paid judiciary in respect of the Judicial Service Award and a separate element of the pension liability relating to fee paid judges. Further information about these provisions which total £603k is set out in Note 13.

EJO Income

As part of NICTS Finance Branch continuous improvement, particularly with regard to overseeing improvements to fee income monitoring and reporting systems EJO income has been reviewed during 2012-13. For those fees identified as containing a deferred element, it was determined that the 'mean enforcement activity period' be incorporated into calculations as a suitable deferral period. The 'mean enforcement activity period' refers to the period from the date of case acceptance until the date enforcement activity comes to end.

The overall financial impact was an increase of £2.1m in the deferred income balance. This has been treated as a Prior Period Adjustment (PPA), further details are contained in notes 1, 2 and 25.

Parole Commissioners

On 1 May 2012 The Parole Commissioners transferred from the Reducing Offending Division within the DOJ to NICTS. As part of this machinery of government transfer, fixed assets of £41k, prepayments of £5k, accruals of £87k and provisions of £421k were transferred. In line with the

requirements of DAO (DFP) 05/13, Accounting for business combinations within the public sector, this transfer has been accounted for by an absorption accounting adjustment which did not require a PPA.

Financial Position (Statement of Financial Position)

The NICTS' Statement of Financial Position (SoFP) consists primarily of non-current assets totalling £192.6m (2011-12: £207.4m). Of this, £188.3m (2011-12: £200.2m) represents land and buildings: the remainder being information technology assets, furniture and fittings, plant and machinery, assets under construction 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 £50.5m (2011-12: £49.0m restated);
- Staff Costs of £24.5m (2011-12: £24.2m restated);
- Other Administrative Costs of £3.4m (2011-12: £4.8m restated);
- Gross Expenditure of £53.8m (2011-12: £51.0m restated) relating to the Agency's programme activities; and
- Operating Income of £31.3m (2011-12: £31.0m restated).

The NICTS employed an average of 726 (Full-Time Equivalent) staff during 2012-13, a decrease of 21 from 2011-12. Accommodation rentals, information technology charges, and non-cash asset related charges accounted for the majority of other administration costs.

As required by DAO (DFP) 08/12 Tax Arrangements of Public Sector Appointees, NICTS undertook a review of the arrangements for making payments to individuals engaged by NICTS who are over the £58,200 threshold and are not included in the PAYE system. There have been three 'off payroll' engagements during 2011-12 that are required to be disclosed and which continued during 2012-13 as per existing arrangements.

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 2012-13 the recovery level was 104% (2011-12: 101%)

In 2012-13 NICTS had net operating costs of £50.5m, which were £7.3m less than the net budget allocation of £57.8m. The capital spend of £2.30m was £0.02m more than the budget allocation of £2.28m.

	2012-13 Actual £'000	2012-13 Budget £'000	Variance £'000
Net Operating Costs	50,513	57,774	(7,261)
Capital Expenditure	2,295	2,280	15
Overall Total Expenditure	52,808	60,054	(7,246)

The main expenditure areas contributing to the under-spend in net operating costs were as follows:

- expenditure on staff costs was over spent by £0.1m;
- expenditure on judicial costs was under spent by £0.1m;
- expenditure on other costs was under spent by £0.2m;
- expenditure on non-cash costs was under spent by £6.5m; and
- income was over recovered by £0.5m.

Non-Current Assets

Non-current asset expenditure is detailed within Notes 8 and 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 2012-13 the total Net Book Value has decreased by £14.8m, mainly resulting from the indexation movements arising in the year.

Cash Flow Statement

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

The Cash Flow Statement shows a net cash outflow from operating activities of £38.4m (2011-12: £40.4m restated).

Pensions and Early Departure Costs

Details about NICTS pensions and early departure costs policies are included in Notes 4 and 13 to the accounts. Details of pension benefits and schemes for Board members are included in the Remuneration Report.

Remote Contingent Liabilities

As stated in Note 19 of the accounts there are estimated contingent liabilities of £174k in relation to legal cases pending. There are also unquantifiable contingent liabilities disclosed for fee paid judicial office holders' pension rights, a data breach fine, legacy inquests and judicial reviews on fine enforcement. In accordance with IAS 37 this requires disclosure in the accounts.

Donations to Charity

In the current year there have been no charitable donations (2011-12: £125).

Payment within ten calendar days

NICTS seeks to comply with “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. Under this Code, the policy is to pay bills in accordance with contractual conditions or, where no such conditions exist, within ten days of receipt of goods and services or the presentation of a valid invoice, whichever is the later. The prompt payment results for 2012-13 showed that 91.7% of invoices were paid in accordance with the terms of the standard (2011-12: 98.2%).

Auditors

The financial statements of NICTS are audited by the Comptroller and Auditor General for Northern Ireland (C&AG).

So far as the Accounting Officer is aware, there is no relevant audit information of which the auditors are unaware and the Accounting Officer has taken all the steps that she ought to have taken to make herself 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 2012-13 resulted in an audit fee of £102,500 (2011-12: £103,000), £47,500 of which relates to the year end audit of NICTS (2011-12: £46,000), £32,000 (2011-12: £36,000) relates to the audit of the Trust Statement, £12,000 (2011-12: £12,000) relates to the year end audit of the CFO, £9,000 (2011-12: £7,000) relates to the audit of Investment Accounts and the remaining £2,000 (2011-12: £2,000) relates to Land Purchase Accounts.

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. A Value for Money audit was carried out by Northern Ireland Audit Office (NIAO) in CFO during 2012-2013. The report is expected in early 2013-2014.

Directorships and other Significant Interests

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

Trust Statement

NICTS collects fines on behalf of the NICF and therefore is required, in accordance with the Accounts Direction DAO (DFP) 03/13, to produce a Trust Statement for the financial year 2012-13. The Trust Statement will separately record the revenue collected by the Agency on behalf of the NICF.

Sustainability reporting

NICTS has been participating with other agencies and NICS departments since August 2009 on sustainability matters. NICTS continues to participate in the DOJ Sustainability Working Group as part of the Public Sector Energy Campaign (PSEC) and is aligned to the Office of the First Minister and Deputy First Minister (OFMDFM) Implementation Plan containing high level strategic targets, covering all of the NICS departments, which impact on business supported by the DOJ. The Agency is committed to achieving annual 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

NICTS was included in the most recent Central Procurement Directorate electricity contract which uses a 100% Green Energy source and will be included in this year's renewed contract. NICTS 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

NICTS'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.

Principal Risks and Uncertainties

Risk management is integrated into the activities of NICTS by linking risk directly to the achievement of objectives. NICTS 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 Head of Finance and Estates. Senior management are responsible for the day to day management of risks and the NICTS Board is responsible for the oversight of this. Divisional Heads are responsible for ensuring the management systems in their area are robust in respect of 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 NICTS's business objectives are:

- failure to apply effective controls within front-line services;
- legacy inquests do not progress;
- non achievement of Court, Tribunal and Enforcement performance standards;
- a security incident leading to the destruction, loss or damage of NICTS assets (people, information, materials or infrastructure);

PART 3 REMUNERATION REPORT

Remuneration Policy

The remuneration of Senior Civil Servants (SCS) is set by the Minister for Finance and Personnel. In August 2012 the Minister approved a 1% pay rise backdated to 1 April of that year or to the date of appointment if after 1 April 2012.

Staff in an SCS post at 1 April 2012 either substantively or on temporary promotion were assimilated to the 2012 pay scale for their grade by moving to the point in the pay scale that is of next highest monetary value compared to their existing salary. Following this, staff with more than five and less than or equal to eight years' substantive reckonable service in the grade at 1 April 2012 who had assimilated to the minimum of the new pay scale were moved to point 2 of their pay scale.

Staff who have more than eight years' substantive reckonable service in the grade at 1 April 2012 and had assimilated to either the minimum or point 2 of the new pay scale were moved to point 3.

After assimilation to the new pay scales, staff who had received less than 1% consolidated increase to their salary received a non-consolidated pensionable payment to bring them up to the equivalent value of 1%.

Staff who were above the revised pay scale maximum for their grade retained their salary on a personal pay point and received a non-consolidated pensionable payment of 1% of their current salary.

Service Contracts

Civil service appointments are made in accordance with the Civil Service Commissioners for Northern Ireland's Recruitment Code, which requires appointments 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.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior management of NICTS. The information on the following pages 31 to 35 is covered by the audit opinion.

Remuneration

Officials Name & Title	Audited Information					
	2012-13			2011-12		
	Salary	Bonus Payments	Benefits in Kind (to nearest £100)	Salary	Bonus Payments	Benefits in Kind (to nearest £100)
	£'000	£'000		£'000	£'000	
Mr DA Lavery* Director (01/04/2012 – 30/09/2012)	55-60 (110-115 full year equivalent)	-	-	110-115	-	-
Mrs J Durkin** Head of Business Operations Then CEO from 01/10/2012	65-70	-	-	65-70	-	-
Mr P Luney Head of Court Operations Division	60-65	-	-	25-30 (60-65 full year equivalent)	-	-
Mrs M Kilpatrick Head of Tribunal and Enforcement Division	60-65	-	-	25-30 (60-65 full year equivalent)	-	-
Ms S Hetherington Head of Finance and Estates Division	60-65	-	-	25-30 (60-65 full year equivalent)	-	-
Mrs A Houston Head of Business Support Division (appointed on temporary promotion 11 June 2012 – 10 February 2013)	35-40 (55-60 full year equivalent)	-	-	-	-	-
Mr PJ Fitzpatrick*** Non-Executive Director (Fee per attendance)	0-5	-	-	0-5	-	-
Mr C McKenna **** Non-Executive Director (Fee per attendance)	0-5	-	-	0-5	-	-
Band of Highest Paid Directors' Total Remuneration (£'000)	65-70			110-115		
Median Total Remuneration	24,281			23,336		
Ratio	2.78			4.79		

* DA Lavery transferred to Access to Justice Directorate on 1 October 2012.

** J Durkin became the Chief Executive and Accounting Officer for NICTS on 1 October 2012. From 1 April 2012 – 30 September 2012 J Durkin was Head of Business Operations.

*** PJ Fitzpatrick, Non-Executive Director, supplies his services under the terms of a contract which commenced on 1 April 2009 and re-appointed on 1 April 2013 until 31 March 2016; he is remunerated by way of a daily attendance fee.

**** C McKenna, Non-Executive Director, supplies his services under the terms of a contract which commenced on 1 May 2011; he is remunerated by way of a daily attendance fee.

In line with the SCS pay award arrangements for 2012, staff who, after assimilation to the new pay scales, received less than 1% consolidated increase to their salary received a non-consolidated pensionable payment to bring them up to the equivalent value of 1%. One official received a non-consolidated pensionable payment in the pay band £0 - £5,000.

As Non-Executive Directors, there are no entitlements to pension or other contributions from the Agency.

Median Salary

Reporting bodies are required to disclose the relationship between their remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

At 31 March 2013, the banded remuneration of the highest-paid director in the Agency in the financial year 2012-13 was £65,000 - £70,000 (2011-12: £110,000 - £115,000). This was 2.78 times (2011-12: 4.79) the median remuneration of the workforce, which was £24,281 (2011-12: £23,336).

During 2012-13 the ratio decreased by 2.01. This was due to the transfer out of the highest paid director (Mr DA Lavery) from 2011/12 in October 2012

In 2012-13, one (2011-12: zero) employee received remuneration in excess of the highest-paid director.

Total remuneration includes salary, non-consolidated performance related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

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. There were no bonuses in 2011-12 or 2012-13.

Pension Entitlements

Name and title	Accrued Pension at age 60 at 31 March 2013 and related lump sum £'000	Real increase/ (decrease) in pension and related lump sum at age 60 £'000	CETV at 31 March 2013 £'000	CETV at 31 March 2012 £'000	Real increase/ (decrease) in CETV £'000	Employer contribution to partnership pension account Nearest £100
Mr DA Lavery Director (01/04/2012 – 30/09/2012)	40-45 Plus 130-135 lump sum	0-2.5 plus 0-2.5 lump sum	912	858	54	
Mrs J Durkin Head of Business Operations then CEO from 01/10/2012	20-25 plus 70-75 lump sum	0-2.5 plus 0-2.5 lump sum	379	355	24	-
Mr P Luney Head of Court Operations	15-20 plus 50-55 lump sum	0-2.5 plus 0-2.5 lump sum	233	216	17	-
Mrs M Kilpatrick Head of Tribunals and Enforcement Operations	25-30 plus 80-85 lump sum	0-2.5 plus 0-2.5 lump sum	498	470	28	-
Ms S Hetherington Head of Finance and Estates	0-5 plus 5-10 lump sum	0-2.5 plus 0-2.5 lump sum	36	23	13	-
Mrs A Houston Head of Business Support Division (appointed on temporary promotion 11 June 2012 – 10 February 2013)	10-15 plus 40-45 lump sum	0-2.5 plus 2.5-5 lump sum	255	227	28	-

NICS Pension arrangements

Pension benefits are provided through the NICS pension arrangements which are administrated 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 2013, public service pensions will be increased by 2.2% with effect from 08 April 2013.

Employee contributions are determined by the level of pensionable earnings starting at a rate of 1.5% for classic and a rate of 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 CSP arrangements can be found at the website www.civilservice-pensions.gov.uk.

Cash Equivalent Transfer Values

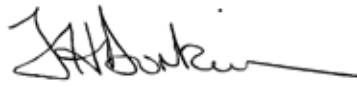
A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment 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 figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. These figures are disclosed to the nearest £1,000. (Note: If the member has a mixture of capped and uncapped service these periods are calculated separately and added together.) CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

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 2012-13.

A handwritten signature in black ink, appearing to read 'Jacqui Durkin', with a long horizontal stroke extending to the right.

Jacqui Durkin
Accounting Officer
25 June 2013

PART 4 ANNUAL ACCOUNTS 2012-13

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act (Northern Ireland) 2001, DFP has directed NICTS 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 NICTS 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 (FReM) 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 FReM 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 Chief Executive of NICTS as the Accounting Officer of NICTS. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, (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' (MPMNI) issued by the DFP.

The Chief Executive of NICTS is responsible for the maintenance and integrity of the information on NICTS website.

NICTS Governance Statement 2012-13

SCOPE OF RESPONSIBILITY

NICTS is an executive Agency of DOJ. As an Agency of the DOJ, NICTS operates under a Framework Document that has been agreed by DOJ and DFP. The Framework Document sets out the arrangements for the effective governance, financing and operation of NICTS.

As Chief Executive I am responsible for the day-to-day operations and administration of NICTS and leadership of its staff. I am accountable to the DOJ Permanent Secretary and ultimately to the Assembly, working under the direction of the Minister and in accordance with the Framework Document. I am also accountable for the NICTS budget and the efficient and effective delivery of NICTS business.

The role of NICTS is to:

- provide administrative support for Northern Ireland's courts and tribunals;
- support an independent Judiciary;
- provide advice to the Minister on matters relating to the operation of the courts and tribunals;
- enforce civil court judgments through the EJO;
- manage funds held in court on behalf of minors and patients;
- provide high quality courthouses and tribunal hearing centres; and
- act as the Central Authority for the registration of judgments under certain international conventions.

Strategic Context

The NICTS Draft Corporate Plan 2012-15 has been developed in the context of the Programme for Government 2011-15 commitments of the Northern Ireland Executive and DOJ Corporate Plan commitments. The main focus is on the DOJ strategic commitment of faster, fairer justice in shaping the delivery of our objectives. The NICTS Corporate Aim 'Serving the Community through the Administration of Justice' is supported by a number of Strategic Objectives, which are:

- to deliver efficient and effective court, tribunal and enforcement services;
- to deliver high quality services that support an independent Judiciary and meet the needs of our customers;
- to develop and lead our people to achieve our business objectives; and
- to deliver a controlled financial and commercial environment achieving value for money.

Each strategic objective is underpinned by a number of priorities. These, in turn, are achieved by setting performance standards which are set out in our Business Plans and are reported on in **Annex C** of this Annual Report.

PURPOSE OF THE GOVERNANCE FRAMEWORK

As Accounting Officer I have established a governance framework and management structure to support me in the management of the key risks for NICTS. I am satisfied that I have the necessary systems and processes in place to maintain an effective system of internal control which supports the achievement of policies, aims and objectives while safeguarding the public funds and assets which I am personally accountable for.

GOVERNANCE FRAMEWORK AND MANAGEMENT STRUCTURE

The significant aspects of the management structure are detailed below.

The Agency Board

The Agency Board provides a vital role in shaping and directing the organisation ensuring it is equipped to deliver high quality and cost effective services to court and tribunal users. The Agency Board operates within the parameters of the Framework Document and the agreed Terms of Reference. Both these documents are published on the NICTS internet. The Access to Justice Directorate was established in the DOJ in November 2011 and I was appointed Chief Executive of NICTS and Chairperson of the Agency Board with effect from 1 October 2012. The Director of the Access to Justice Directorate, David Lavery, acts as Agency sponsor and sits on the Agency Board as the DOJ representative.

There are two formal sub-Committees of the Board which are as follows:

- Finance Committee;
- Audit and Risk Committee.

Full details of the membership and attendance of the Board and its sub Committees are shown in Tables 1-3 on pages 46-47.

Finance Committee

The Finance Committee assists the Agency Board with financial oversight and budgetary control.

The Head of Finance and Estates carries out the role of Finance Director in NICTS. The Finance Director advises the Finance Committee on any material issues concerning financial oversight and budgetary control. After each meeting of the Finance Committee the Finance Director provides a highlight report to the Agency Board covering the main issues discussed by the Finance Committee. The Terms of Reference for the NICTS Finance Committee are included in the NICTS Framework Document.

The Audit and Risk Committee

The Audit and Risk Committee supports the Agency Board and the Accounting Officer in their responsibilities for risk assurance, control and governance. The Committee operates in accordance with the Good Practice Principles Guidance for Audit Committees issued by HM Treasury in March 2007. The Committee reviews the comprehensiveness of assurances provided to the Board and to me as NICTS Accounting Officer and reviews the reliability and integrity of these assurances. The scope of assurance includes all aspects of reporting on, and suggestions for improvement about governance, internal control and risk assurance.

The Committee primarily considers matters within NICTS, however the Committee ensures that the inter-relationships between it and the DOJ Audit and Risk Committee are documented and agreed, particularly where assurance is provided on matters which properly support the DOJ Governance Statement.

The Terms of Reference for the NICTS Audit and Risk Committee are included in the NICTS Framework Document.

After each meeting of the Audit and Risk Committee the Chair of the Committee provides a highlight report to the Agency Board covering the main issues discussed by the Audit and Risk Committee. Highlights of Agency Board reports by the Chair of the Audit and Risk Committee are:

- **Trust Statement:** NICTS is now required to produce a Trust Statement on fine collection with the first Trust Statement being for the year ended 2011-12. At this point the outcome of the NIAO review of the Trust Statement is in the process of finalisation. I am hopeful that lessons learned in preparing the 2011-12 Statement should equip both NICTS and PSNI in the preparation of the 2012-13 Trust Statement. NICTS is wholly dependent on assurances from the Chief Constable, as PSNI Accounting Officer, for the information provided on the processes and controls under the governance of the PSNI.
- **Procurement and Contract Management:** Good progress has been made in these areas. Actions have been taken to regularise Direct Award Contracts and minimise the need for these going forward.

Strategic Planning Group (SPG)

The SPG forms part of the wider NICTS management structure and contributes to the governance framework of NICTS. The Chief Executive and each Head of Division make up the SPG. The team meets regularly to review performance across the organisation, progress of strategic projects and address all other business that may arise.

RISK MANAGEMENT AND INTERNAL CONTROL

As NICTS Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of NICTS policies, aims and objectives, while safeguarding the public funds and the NICTS assets for which I am personally responsible, in accordance with the responsibilities assigned to me in MPMNI.

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 NICTS 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 NICTS for the year ended 31 March 2013 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

NICTS has in place a range of policies and processes to ensure that it is compliant with MPMNI, policies and guidance issued by the DOJ and financial delegations granted by DOJ and DFP.

Risk Management

Risk management forms a central element of the NICTS corporate governance framework. Risk management is championed by the Head of Finance and Estates with the Agency Board owning the overall risk management framework.

A Risk Management Policy is in operation and Risk Co-ordinators are in place throughout NICTS. They are responsible for promoting, supporting and co-ordinating risk management in their business areas. 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.

Risk management is considered formally by senior management through quarterly reviews of the Corporate Risk Register and Corporate Plan monitoring reports.

Formal branch and divisional risk management meetings take place quarterly and support the corporate risk management process. 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. 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 senior management who review, recommend and pursue actions in place to manage the risks. The corporate risk appetite is set by the NICTS Board and used as a starting point for setting levels of risk tolerance. Managers and Heads of Division escalate risks to the next level of management which have exceeded specific risk appetites.

NICTS operates a process to enable escalation of risks to the DOJ Corporate Risk Register if risks breach the organisation's tolerance level.

Information Assurance

NICTS is committed to ensuring public data is appropriately protected and has a continuing programme of work to ensure it fulfils its obligations to the public. The organisation has Information Assurance (IA) arrangements in place and complies with DOJ policies. The NICTS Information Assurance Team leads and provides guidance on IA related issues and policies. The NICTS Information Risk Policy supplements the corporate approach to risk management. Information Asset Owners maintain an Information Asset Register and an Information Risk Register. In support of that process Information Asset Owners provide an annual written assurance to the Senior Information Risk Owner (SIRO) that all information assets and risks have been identified and evaluated and necessary controls proportionate to the risks are in place. NICTS continues to monitor and review its approach to information risk management.

As part of the ongoing commitment to monitor and review existing IA procedures, several areas have been identified as part of the forward IA programme of work. These include:

- Reviewing existing awareness training for staff and in particular new entrants. On-line IA training for all NICTS staff will be taken forward as part of the DOJ training programme. This will supplement awareness training provided at a local level and ensure all staff are reminded annually of their roles and responsibilities. Similarly, all ICT users will be prompted annually to read and acknowledge the System Operating Procedures.
- Reviewing existing information sharing requirements with key contractors and third party suppliers. Depending on the nature of the contract and the services provided, information assurance is currently covered within contractual terms and conditions. Individual contracts will be assessed and where necessary supplementary information sharing agreements will be considered.

Any data loss is managed in accordance with our internal reporting arrangements, including reporting to the Departmental Records Manager. In 2012-13 we voluntarily reported two data loss incidents to the Information Commissioner's Office. As part of this process existing procedures have been reviewed to ensure appropriate controls are in place to prevent or minimise similar incidents.

REVIEW OF EFFECTIVENESS OF THE GOVERNANCE FRAMEWORK

As Accounting Officer I have responsibility for reviewing the effectiveness of the Governance Framework. The Board and I receive regular reports from the Audit and Risk Committee concerning internal control, risk and governance. At the end of the reporting period, Heads of Division reviewed the stewardship statements completed by Business Managers 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.

Internal Audit operated and continues to operate to the Public Sector Internal Audit Standards. It submitted and will continue to submit regular reports, including an independent opinion by the Head of Internal Audit, on the adequacy and effectiveness of the NICTS 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 NICTS 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 (RTTCWG) and other reports. The 2011-2012 RTTCWG included only one recommendation. This recommendation related to contract management and has been fully accepted by management and was implemented with immediate effect. Therefore, all 2011-12 external audit recommendations have been fully addressed.

The Head of Internal Audit has provided overall **Satisfactory Assurance** based on the work carried out during the year. An audit plan which included ten separate reviews was agreed in March 2012 and progress against the plan was monitored by the Audit and Risk Committee throughout the year. While it is the Head of Internal Audit's overall assessment that the control environment within the NICTS is 'Satisfactory', a number of audits completed during the year, or from previous years has provided limited assurance. The implementation of audit recommendations in these audits is subject to internal audit monitoring and confirmation for all priority 1 recommendations. In the 2012/13 year Limited assurance was given on the audits of Information Assurance, and Court Funds. The main issues identified in these audits were:

- There had been a fragmentation of information and security responsibilities over two teams and this had contributed to delays in progressing internal audit recommendations from the previous report.
- The security audit programme has not been completed, partly due to resourcing problems and lack of agreement on appropriate tests.
- Courts Funds Office is currently operating a bespoke computer system that was introduced some seventeen years ago and has not been significantly updated for some time.

Agency Board Effectiveness

Agency Board members completed a self-assessment questionnaire during July 2011. The exercise indicated that effective corporate governance is operating at the top level with strong commitment from all Agency Board members. There is recognition of the considerable changes

that have been managed effectively, together with the challenges that the organisation has encountered. Key findings are set out below.

- Induction and orientation processes for new members are considered to be working as they should and organisational objectives, performance monitoring, frequency of meetings, management of risk and adherence to best practice is considered generally good.
- A clear majority understand the business targets and the general aims of the organisation. However, 60% of the respondents are not satisfied that the causes rather than the symptoms of emerging problems are addressed.
- A clear majority felt that the Board relied too heavily on the leadership strengths of one person, but all agreed that once corporate decisions had been taken they were supported fully by the team.

An effectiveness assessment of the newly chaired Agency Board will be initiated in April 2013 and the results will be reported to the June 2013 Board meeting.

The Head of Internal Audit completed an assessment of the Audit and Risk Committee's effectiveness in September 2012 based on the National Audit Office (NAO) checklist. The Audit and Risk Committee were found to be in substantial compliance with best practice.

Statement on Acceptability from the Board of the Information Provided

The board are satisfied that the information provided to them is timely and in a form and of a quality that enables them to make informed decisions and judgments in respect of the operation of NICTS.

Corporate Governance in Central Government Departments - Code of Good Practice

The Corporate Governance in Central Government Departments - Code of Good Practice was published by HM Treasury and applies to DOJ. NICTS has adopted key principles as best practice where appropriate. A review of the 2005 code has identified that NICTS is compliant with key principles which are considered applicable.

SIGNIFICANT INTERNAL CONTROL ISSUES

The following issues have been identified as significant to the organisation during 2012-13 as a result of the assurance activity. Each of the control issues has been subjected to rigorous review and plans are in place to address identified weaknesses.

Issues resulting from the judgment in fine default Judicial Reviews

Five judicial review applications have been lodged challenging the arrangements for imposing and enforcing fines and other monetary penalties which will potentially impact the collectability of debt. On 22 March 2013 the Divisional Court found that a number of long established processes failed to comply fully with the legislative provisions. In particular, the court held that there should be a further court hearing at which the defendant can attend and make representations before a decision is made as to how any outstanding fine should be enforced. The Magistrates' Courts Rules Committee is working to introduce interim arrangements which are consistent with the judgment. There are currently more than 36,000 warrants outstanding in respect of 20,000 defendants with a value of £7.5m and no further enforcement action can be taken by PSNI in respect of these fines until the defects in the process have been remedied. These warrants have been recalled from the PSNI and will be brought back before the court for review.

A further court hearing on 3 May 2013 in the Divisional Court decided that the five cases would be converted into High Court writs and will be considered before the Queen's Bench Division. The Queen's Bench judge will be required to consider preliminary issues around liability and in particular potential immunity under the Crown Proceedings Act 1947. If the judge proceeds to consider an award of damages we would invite the Court to use these five test cases to establish some sort of scale which could be applied to future claims thereby avoiding the need for unnecessary litigation. It is not anticipated that the test cases will be concluded before the Autumn.

The Minister has a priority to reform fine collection. Therefore a Fine Collection and Enforcement Programme Board has been established by DOJ to take forward three projects in relation to Fine Enforcement.

Trust Statement

The C&AG has issued his draft report on the 2011-12 Trust Statement. This report has indicated a limitation of scope on the collection of cash warrants which is currently the responsibility of the PSNI. While the NICTS Accounting Officer is required to sign the Trust Statement the information contained within the Trust Statement is sourced from both PSNI and NICTS systems. NICTS is dependent on the accuracy of, and assurances from, PSNI on information provided regarding processes and controls operated. As a result the following actions are being progressed:

- The Fine Collection and Enforcement Programme Board includes NICTS, PSNI, DOJ and Northern Ireland Prison Service (NIPS) representation and reports to the Criminal Justice Board. Of the three projects established by DOJ in relation to Fine Enforcement, the Fine Default and Warrant Enforcement Project is to address the out workings of the recent fines judgment and, as NICTS Accounting Officer, I am the Senior Responsible Officer of this project.
- a Service Level Agreement between NICTS and PSNI has been drafted and will be agreed with PSNI. This incorporates information required to produce monthly financial information and the year-end Trust Statement; and
- monthly reconciliation of data.

Inaccurate Court Orders

Inaccurate court orders due to administrative errors may give rise to public protection or individual liberty issues. Errors have the potential to lead to litigation, negative media, loss of public confidence and Ministerial embarrassment.

Compliance reviews of Courts Offices across Northern Ireland have been conducted to provide independent assurance over the accuracy of court resulting. Accuracy levels are subject to detailed checking and will continue to be closely monitored.

Three audits were conducted of Criminal Orders and one audit of Family Orders. Benchmarking exercises looking at controls and error rates in other jurisdictions have also been carried out. All of these have provided assurance over existing NICTS controls. Extensive training has been carried out for relevant staff on the appeals process, resulting court cases, bails, and completing the document service register. Good work has been completed to date in this area and error rates are comparable to other jurisdictions.

Legacy Inquests

The number of Legacy inquests continues to increase with a potential for further increase as the Attorney General continues to refer cases. The Lord Chief Justice, the Minister and the Permanent Secretary have agreed the need to establish a Legacy Inquest Unit. NICTS is in the

process of developing a Strategic Outline Case to take forward the legacy inquests which will require approval by DOJ and DFP. At this time there is no funding in place to specifically take forward legacy work.

Non achievement of Court, Tribunal and Enforcement Performance Standards

During 2012-13 NICTS has monitored the risk of non-achievement of Court, Tribunal and Enforcement Performance Standards. The risk of non-achievement of the targets is as a result of increases in and/or complexity of enforcement activity, ineffective staff contingency arrangements, lack of sufficiently trained staff, failure to fill vacancies quickly and avoidable delay. The 2012-13 NICTS Business Plan committed NICTS to meeting the business performance standards as set out in Annex C. These standards represent a mixture of administrative targets which are wholly within the control of the NICTS and court performance standards where control sits primarily with the judiciary (e.g. listing and disposal of business). Throughout this year a number of steps have been taken to ensure continual improvement in performance is achieved including:

- quarterly monitoring of standards;
- engagement with Tribunal Presidents, stakeholders and Users Forum;
- business case submitted for resources in EJO and Tribunal Appeals Service;
- overtime in EJO and Tribunal Appeals Service; and
- process efficiency changes.

Court Funds Office

CFO is currently operating an outdated bespoke computer system. Given that CFO uses the system to administer funds totalling over £280m on behalf of vulnerable individuals, the continuity of critical CFO functions must be ensured. A Strategic Outline business case to replace the system has been approved by the DOJ. An Outline Business Case is now being taken forward. Local contingency arrangements are in place to ensure that payments can continue to be made in the event of a partial or short-term failure of the system. However, in the event of an irrecoverable failure in the system, CFO would be required to revert to manual systems, which would have a significant impact on the ability of the office to meet its business requirements.

A High Court judgment has indicated that some historical deductions of stockbroker fees from CFO client accounts may have been unlawful. The Accountant General appealed the judgment and currently awaits the Court of Appeal judgment. It is anticipated that this will be delivered in the next three months.

CFO legislation does not permit investment in stocks and shares ISAs. CFO is currently approaching the end of a process which will see the removal of all ISA investments currently held in court. Out of a total of 126 ISA holders, only three remain. These relate to deceased cases awaiting the administration of the estate, or cases which are due to be transferred out of court.

Audit Recommendations

There are four priority 1 Internal Audit recommendations that have not yet been fully implemented. Internal Audit continues to monitor progress towards full implementation of three outstanding priority 1 recommendations relating to a 2010/11 Internal Audit review of the Official Solicitors Office. One relates to letting a property services contract for patients properties which is in hand but was not finalised at the time of the last review in February. The remaining two relate to case

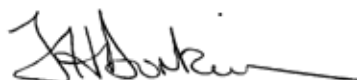
reviews which internal audit have been testing and although progress has been made, internal audit are not yet able to state that these have been fully implemented. Additionally there is one outstanding priority 1 recommendation in relation to the audit of CFO regarding the replacement of the existing computer systems and putting contingency arrangements in place. This is on-going. All outstanding recommendations are monitored by the Audit Committee every six months and Internal Audit is satisfied that appropriate action is being taken on all outstanding priority 1 recommendations.

A Value for Money audit is currently being carried out by NIAO in CFO. The final report is expected in late 2013.

The Head of Internal Audit reviews all CJINI reports and these help to inform his overall opinion on the system of internal control. Two reports issued during 2012/13 that are relevant to NICTS. The first relates to the need to develop an estates strategy and this is being led by DOJ. As NICTS Accounting Officer I represent NICTS on the DOJ Estates Strategy Board. The second relates to the potential benefits from early guilty pleas in criminal cases and this is a policy matter that is being considered by the DOJ. A CJINI review of Court Orders commenced in 2013 however the draft report has not yet issued.

ACCOUNTING OFFICER STATEMENT ON ASSURANCE

NICTS has established a robust assurance framework that includes primary assurance through line management structures on the achievement of objectives. This primary assurance is supplemented by secondary assurances provided through oversight of management activity and by an Independent Internal Audit team operating to Government Internal Audit Standards. They deliver an agreed prioritised programme of systems based audits covering all NICTS systems over time. The Head of Internal Audit provides me with an Annual Report and his professional opinion on the level of assurance that he can provide based on the work done. For the 2012-13 year he has provided overall satisfactory assurance.



J Durkin
Accounting Officer
25 June 2013

Table 1 Membership and attendance at Agency Board for 2012-2013 is as follows:

Officials Name and Title	Date of Meeting			
	Mar 2012	Jun 2012	Oct 2012	Mar 2013
Mr D A Lavery Chairperson & NICTS Director (01/04/2012 – 30/09/2012) DOJ rep from 01/10/2012	✓	✓	✓	✓
Mrs J Durkin Head of Business Operations (01/04/2012 – 30/09/2012) NICTS CEO and Chairperson from 01/10/2012	✓	✓	✓	✓
Mr P Luney Head of Court Operations Division (appointed 01/10/2012)	Not appointed	Not appointed	✓	✓
Mrs M Kilpatrick Head of Tribunal and Enforcement Division (appointed 01/10/2012)	Not appointed	Not appointed	✓	✓
Ms S Hetherington Head of Finance and Estates Division (appointed 01/03/12)	✓	✓	✓	✓
Mr P J Fitzpatrick Non-Executive Director	✓	✓	✓	✓
Mr C McKenna Non-Executive Director	✓	✓	✓	✓
Mr Justice Burgess / Judge McFarland (Recorder of Belfast) Judicial Representative	✓	✓	✓	✓
Mrs Bagnall Presiding District Judge Judicial Representative	✓	✓	✓	✓
Mr MacLynn, President, Appeals Tribunal Judicial Representative	✓	✓	✓	✓
The Honourable Mr Justice Deeny Judicial Representative	✓	✓	✓	✓

Table 2 Membership and attendance at Finance Committee for 2012-2013 is as follows:

Officials Name and Title	Date of Meeting			
	Jun 2012	Sept 2012	Nov 2012	Feb 2013
Mr D A Lavery Chairperson & NICTS Director (01/04/2012 – 30/09/2012)	✓	✓	Not appointed	Not appointed
Mrs J Durkin Head of Business Operations (01/04/2012 – 30/09/2012)	✓	✓	✓	✓
NICTS CEO and Chairperson from 01/10/2012				
Mr P Luney Head of Court Operations Division (appointed 01/10/2012)	Not appointed	Not appointed	✓	✓
Mrs M Kilpatrick Head of Tribunal and Enforcement Division (appointed 01/10/2012)	Not appointed	Not appointed	✓	✓
Ms S Hetherington Head of Finance and Estates Division	✓	✓	✓	✓
Mr C McKenna Non-Executive Director	✓	✓	✓	✓
The Honourable Mr Justice Deeny Judicial Representative	✓	✓	✓	✓

Table 3 Membership and attendance of the NICTS Audit and Risk Committee for 2012-2013 is as follows:

Officials Name & Title	Date of Meeting			
	Jun 2012	Sept 2012	Nov 2012	Feb 2013
Mr PJ Fitzpatrick Non-Executive Director	✓	✓	✓	✓
Mr Justice Burgess (Judicial Representative)	✓	✓	✓	✓
Graeme Wilkinson Non-Executive member (Appointed August 2012)	Not appointed	X	X	✓

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 2013 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 Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer 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 examine, certify and report on 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 Financial Reporting Council'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 Northern Ireland Court and Tribunal Service's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Ireland Court and Tribunal Service; 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 recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on Regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Northern Ireland Court and Tribunal Service's affairs as at 31 March 2013 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 the Chief Executive's Report and 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; or
- the Governance Statement 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 2013

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2013

	Note	Staff Costs £'000	Other Costs £'000	2012-13 Income £'000	Restated 2011-12* Total £'000
Administration Costs					
Staff costs	4	3,704			4,337
Other administration costs	5		3,446		4,837
Income	7			(620)	(559)
Programme Costs					
Staff costs	4	20,845			19,848
Programme costs	6		53,786		50,965
Income	7			(30,648)	(30,394)
Totals		24,549	57,232	(31,268)	49,034
Net Operating Cost	3			50,513	49,034

Other Comprehensive Expenditure

for the year ended 31 March 2013

	Note	2012-13 £'000	Restated 2011-12 £'000
Net Operating Cost		50,513	49,034
Net loss/(gain) on revaluation of Property Plant and Equipment	8	8,491	(2,149)
Net gain on revaluation of Intangibles	9	(33)	(1)
Actuarial loss on pension liability	13	400	500
Machinery of government**		459	-
Total Comprehensive Expenditure for the year ended 31 March 2013		59,830	47,384

The Notes on pages 54 to 85 form part of these accounts.

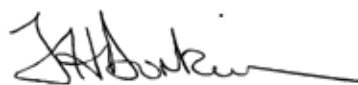
* 2011-12 restated to reflect a prior period adjustment as detailed in note 25.

** Intra-Departmental transfer of the Parole Commissioners which is only required to be reflected as a Machinery of Government transfer from 01 April 2012.

Statement of Financial Position

as at 31 March 2013

	Note	2012-13 £'000	Restated 2011-12* £'000	Restated 1 April 2011 £'000
Non-current assets:				
Property, plant and equipment	8	191,414	206,137	209,490
Intangible assets	9	1,164	1,236	1,289
Total non-current assets		192,578	207,373	210,779
Current assets:				
Trade and other receivables	10	7,206	6,241	5,465
Cash and cash equivalents	11	1,355	633	120
Total current assets		8,561	6,874	5,585
Total assets		201,139	214,247	216,364
Current liabilities:				
Cash and cash equivalents	11	(1,332)	-	(755)
Trade and other payables	12	(15,418)	(12,353)	(12,833)
Provisions	13	(4,903)	(4,828)	(4,642)
Total current liabilities		(21,653)	(17,181)	(18,230)
Non-current assets less net current liabilities		179,486	197,066	198,134
Non-current liabilities:				
Provisions	13	(4,989)	(3,727)	(3,572)
Other payables	12	(18,405)	(19,275)	(20,090)
Total non-current liabilities		(23,394)	(23,002)	(23,662)
Assets less liabilities		156,092	174,064	174,472
Taxpayers' equity:				
General fund		51,186	57,802	59,331
Revaluation reserve		104,906	116,262	115,141
Total taxpayers' equity		156,092	174,064	174,472



J Durkin
Accounting Officer
25 June 2013

The Notes on pages 54 to 85 form part of these accounts.

* 2011-12 restated to reflect a prior period adjustment as detailed in note 25.

Statement of Cash Flows

for the year ended 31 March 2013

	Note	2012-13 £'000	Restated 2011-12* £'000
Cash flows from operating activities			
Net operating cost		(50,513)	(49,034)
Adjustment for non-cash transactions	5, 6	10,187	10,268
Increase in trade and other receivables	10	(965)	(776)
Add/(less) movements in receivables relating to items not passing through the SoCNE		275	(40)
Increase/(decrease) in trade payables	12	2,194	(1,295)
Add movements in payables relating to items not passing through the SoCNE		1,221	1,297
Use of provisions	13	(731)	(860)
Machinery of Government adjustments		(81)	-
Net cash outflow from operating activities		(38,413)	(40,440)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(2,539)	(3,748)
Purchase of intangible assets	9	(460)	(673)
Proceeds of disposal of property, plant and equipment	8	31	-
Net cash outflow from investing activities		(2,968)	(4,421)
Cash flows from financing activities			
From the Consolidated Fund (Supply) – current year		33,485	38,787
From the Consolidated Fund (non-supply)		8,077	8,085
Capital element of payments in respect of finance leases and PFI contracts	16	(792)	(743)
Net financing		40,770	46,129
Net (decrease)/increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(611)	1,268
Receipts due to the Consolidated Fund which are outside the scope of the Agency's activities		2	15
Payments of amounts due to the Consolidated Fund		(1)	(15)
Net (decrease)/increase in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(610)	1,268
Cash and cash equivalents at the beginning of the period	11	633	(635)
Cash and cash equivalents at the end of the period	11	23	633

The Notes on pages 54 to 85 form part of these accounts.

* 2011-12 restated to reflect a prior period adjustment as detailed in note 25.

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2013

	Note	General Fund £'000	Revaluation Reserve £'000	Total Reserves £'000
Balance at 31 March 2011		61,060	115,141	176,201
Prior period adjustment	25	(1,729)	-	(1,729)
Restated balance at 1 April 2011		59,331	115,141	174,472
Changes in taxpayers' equity for 2011-12				
Funding from Parent		38,787	-	38,787
Consolidated Fund Standing Services	6,13	8,085	-	8,085
Comprehensive Expenditure for the Year		(49,034)	-	(49,034)
Non-cash charges – auditor's remuneration	5, 6	103	-	103
Non-cash charges – actuarial loss	13	(500)	-	(500)
Net gain on revaluation of property, plant and equipment	8	-	2,151	2,151
Transfers between reserves		1,030	(1,030)	-
Balance at 31 March 2012		57,802	116,262	174,064
Changes in taxpayers' equity for 2012-13				
Funding from Parent		33,485	-	33,485
Consolidated Fund Standing Services	6,13	8,077	-	8,077
Comprehensive Expenditure for the Year		(50,513)	-	(50,513)
Non-cash charges – auditor's remuneration	5, 6	103	-	103
Non-cash charges – actuarial loss	13	(400)	-	(400)
Non-cash charges – notional costs	5	193	-	193
Net loss on revaluation of property, plant and equipment	8	-	(8,458)	(8,458)
Machinery of government		(463)	4	(459)
Transfers between reserves	*	2,902	(2,902)	-
Balance at 31 March 2013		51,186	104,906	156,092

*The transfer between reserves of £2.9m relates to the movement of realised depreciation resulting from the revaluation of assets.

The Notes on pages 54 to 85 form part of these accounts.

Notes to the Agency Resource Accounts

1.0 Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2012-13 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 NICTS 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 NICTS 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 NICTS.

The funds invested by the CFO (Funds in Court) are specifically excluded from NICTS 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 CFO may be obtained from their separately published annual accounts.

Details of income collected as an agent for NICF will be disclosed in the Agency's Trust Statement which is published separately from these financial statements.

1.3 Property, Plant and Equipment

NICTS 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 MM22 Price Index Numbers for Current Cost Accounting as at March 2013.

NICTS capitalisation threshold is £1,000 and individual assets below this amount are expensed through the SoCNE.

1.4 Intangible Assets

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 NICTS are not considered material and are written off in the SoCNE as they are purchased.

There was no inventory held in 2012-13.

Assets seized by the EJO are not included in inventories on the basis that they are not owned by NICTS, 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 inventory assets.

1.7 Operating Income

Operating income is income that relates directly to the operating activities of NICTS. 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.

Fine Income is not treated as Accruing resources for the purposes of these accounts. All fine income is recorded in the Trust Statement and paid to the NICF via DOJ as Consolidated Fund Extra Receipts (CFER's). 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 NICTS 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 operating, managing and 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, multi-employer defined benefit schemes. NICTS 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, NICTS recognises the contributions payable for the year.

1.11 Early Departure Costs

NICTS 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. NICTS provides for this in full, when the early retirement programme becomes binding on the organisation, by establishing a provision for the estimated payments discounted by the Treasury discount rate of 2.8% 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 the International Financial Reporting Standards Interpretations Committee Update (IFRIC 12). NICTS 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 on-going agreements are shown in Note 16 to the accounts.

1.14 Provisions

NICTS 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 2.2%).

Further details on provisions are contained in Note 13.

1.15 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, NICTS 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 MPMNI.

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.

1.16 Third Party Assets

Third Party assets are assets for which NICTS acts as custodian or trustee, but in which neither NICTS 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 NICTS third party assets are provided in Note 22.

1.17 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 NICTS' 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

NICTS 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.

(iv) Deferred income

NICTS accounts for deferred income in accordance with IAS 18. Fee income or revenue is recognised in the accounting period in which services are rendered. Any fee income which is received prior to delivery of the service is treated as deferred income within the accounts. The calculation of deferred income is based on estimates of the time taken to dispose of cases (within High Court, County Court and Magistrates Court) and the duration of enforcement activity (within EJO). Average time statistics for the different case types are obtained annually.

1.18 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

NICTS 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.

NICTS 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

NICTS 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.

1.19 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 2013. It is not anticipated that the level of untaken leave will vary significantly from year to year.

NICTS 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 NICTS.

Note 4 Staff numbers and related costs includes information on employee benefits associated with pensions.

1.20 Segmental Reporting

Under the requirement of IFRS 8 ‘Operating Segments’-Disclosures (amendment) NICTS 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 (currently defined as Jacqui Durkin) NICTS has adopted this amendment. The amendment does not have a material impact on NICTS financial statements. Details of the reporting segments are contained within Note 3.

1.21 Prior Period Adjustment

As part of NICTS Finance Branch continuous improvement, particularly with regard to overseeing improvements to fee income monitoring and reporting systems EJO income has been reviewed during 2012-13. For those fees identified as containing a deferred element, it was determined that the ‘mean enforcement activity period’ be incorporated into calculations as a suitable deferral period. The ‘mean enforcement activity period’ refers to the period from the date of case acceptance until the date enforcement activity comes to end.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the adjustment associated with the review has arisen due to an error in the application of the NICTS accounting policy. On that basis the accounting adjustment has been treated as a prior period adjustment (PPA) as set out below. The overall financial impact was an increase of £2.1m in the deferred income balance. Further details are contained in notes 2 and 25

1.22 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2013

Chapter in FReM 2012-13	Area affected	Description of revision
	IFRS 3 – Business Combinations under Common Control	<p>The rise in public sector restructuring has brought to light practical, and in some cases, legal obstacles to applying merger accounting. These changes amend the current application of merger accounting, to improve user understanding of service performance and rationalise reporting requirements.</p> <p>The ‘transfer by merger’ accounting treatment should be applied for transfers of function between departmental-groups within central government, but not between a Westminster Department and the Welsh Government, Northern Ireland Assembly or Scottish Government. That is, for transfers at the group-level, whose income and expenditure is controlled directly by Parliamentary Supply processes (departmental group accounts), or the devolved equivalent Supply process.</p> <p>The accounting for all other public sector business combinations should be as a ‘transfer by absorption’, whereby transferor and transferee financial statements are adjusted at carrying value from the date of transfer. This adjustment represents a non-operating gain or loss on transfer.</p>
5	Requirement to produce a Governance Statement	All Northern Ireland Departments are required to produce a Governance Statement rather than a Statement on Internal Control for the 2012-13 accounts onwards.
	FRAB (113) 04 Accounting for the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme)	Reporting entities participating in the CRC Energy Efficiency Scheme will need to account for assets, liabilities and expenses related to the scheme. This is initially at cost. If there is evidence of an active market, scheme assets should be measured at fair value.
9	IFRS 7 - Financial Instruments: Disclosures (annual improvements)	Where entities have transferred financial assets outside of the legal body, disclosures are required to reflect the impact of this, particularly where the entity retains some form of interest in those assets. The FReM applies IFRS 7 in full, and the expectation is that it will continue to do so. This will incorporate these increased disclosures.

NICTS has reviewed the remaining standards, interpretations and amendments to published standards that became effective during 2012-13 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 NICTS.

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

NICTS has reviewed the additional or revised accounting standards and new (or amendments to) interpretations contained within the FReM 2012-13 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 2013 or later periods, but which NICTS has not adopted early. Other than as outlined in the table below, NICTS considers that these standards are not relevant to its operations.

Standard	Description of revision	Application date	Comments
IAS 1 – Presentation of financial statements (Other Comprehensive Income (OCI))	Requiring items of OCI to be grouped on the basis of whether they might at some point be reclassified ('recycled') from OCI to profit (e.g. cash flow hedges) or where they will not (e.g. gains on property revaluation). This will make it clearer to users what their potential effect on profit or loss will be in future periods, notably in light of improved disclosure of financial instruments and pensions, and where there will be no impact.	Accounting periods beginning on or after 1 July 2012	The FReM application of the IAS 1 amendments (interpreted for terminology) and adapted for the public sector context is effective from 1 April 2013.

2. Prior Year Adjustment (impact on the accounts)

2.1 Reconciliation of reported taxpayers' equity for the year ended 31 March 2012 as a result of a prior year adjustment

	General Fund £'000	Revaluation Reserve £'000	Total £'000
Taxpayers' equity at 1 April 2012 (as originally stated)	59,957	116,262	176,219
Adjustments:			
Deferred Income	(2,155)	-	(2,155)
Taxpayers' equity at 1 April 2012 (as restated)	57,802	116,262	174,064

2.2 Reconciliation of reported net operating cost for year ended 31 March 2012 as a result of a prior year adjustment

	Note	£'000
Net operating cost for 2011-12 (as originally stated)	25	48,608
Adjustments:		
Deferred Income	25	426
Net operating cost for 2011-12 (as restated)		49,034

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

During the period the following changes took place;

1) Deferred Income

The need for deferral of income in the EJO was identified during the year resulting in a prior year adjustment to the comparative figures.

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

NICTS operating segments are determined by the services provided both to external and internal customers.

	2012-13 £'000			Restated 2011-12 £'000		
Aim	Gross	Income	Net	Gross	Income	Net
Segment 1	58,660	(30,643)	28,017	57,735	(30,920)	26,815
Segment 2	8,670	(625)	8,045	8,774	(28)	8,746
Segment 3	14,451	-	14,451	13,478	(5)	13,473
Net Operating Costs	81,781	(31,268)	50,513	79,987	(30,953)	49,034

Segment 1	Operations
Segment 2	Business Support
Segment 3	Office of the Lord Chief Justice

4. Staff numbers and related costs

Staff costs comprise:

	2012-13 £'000			Restated 2011-12 £'000
	Total	Permanently employed staff	Others	Total
Wages and salaries	19,575	19,031	544	19,112
Social security costs	1,329	1,327	2	1,217
Other pension costs	3,645	3,645	-	3,856
Sub Total	24,549	24,003	546	24,185
Less recoveries in respect of Outward secondments	(604)	(604)	-	(800)
Total net costs *	23,945	23,399	546	23,385

* 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:

	2012-13 Number			Restated 2011-12 Number
Segment	Total	Permanent staff	Others	Total
1 – Operations	582	558	24	610
2 – Business Support	107	99	8	102
3 – Office of the Lord Chief Justice	37	37	-	35
Total	726	694	32	747

In 2012-13 all pension contributions were to the PCSPS (NI). PCSPS (NI) is an unfunded multi-employer defined benefit scheme but NICTS is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2010 and details of this valuation are available in the PCSPS (NI) resource accounts.

For 2012-13, employers' contributions of £3,945k were paid to PCSPS (NI) (2011-12: £4,084k) at one of four rates in the range 18.0% to 25.0% (2011-12: 18.0% to 25.0%) of pensionable pay, based on salary bands. The scheme's actuary reviews employer contributions every four years following a full scheme valuation. However HM Treasury has instructed the scheme to cease further work on the March 2010 valuation. A new valuation scheme based on data as at 31 March 2012 is currently being undertaken by the Actuary to review employer contribution rates for the introduction of a new career average earning scheme from April 2015. From 2013-14, the rates will remain in the range 18% to 25%. The contribution rates are set to meet the cost of the benefits accruing during 2012-13 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

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 (2011-12: 3% to 12.5%). Employers also match employee contributions up to 3% (2011-12: 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 2013, no employees of NICTS opted for a partnership pension account. Employer's contributions were therefore £Nil (2011-12: £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	2012-13			2011-12
	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	-	1	1	-
£10,000 - £25,000	-	1	1	-
£25,000 - £50,000	-	-	-	-
£50,000 - £100,000	-	-	-	-
£100,000 - £150,000	-	-	-	-
£150,000 - £200,000	-	-	-	-
Total number of exit packages	-	2	2	-
Total Resource Cost £	-	16,438	16,438	-

During 2012-13 two members of staff (2011-12: none) opted to leave under an early departure scheme. The resource impact was £16,438 (2011-12: Nil).

III-Health retirement

Three individuals retired on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £4,981.

Judicial Office Holders

Judicial office holders are mainly covered by the provisions of the 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. The cost of benefits accruing for each year of service is shared between the Appointing Bodies and the judicial office-holders.

For the Appointing Bodies their contributions rate was 32.15% of pensionable pay for 2012-13 and 2011-12, this includes an element of 0.25% (2011-12: 0.25%) as a contribution towards the administration costs of the scheme. For judicial office-holders their share was 1.8% or 2.4% of pensionable pay for 2012-13 and 2011-12. Judicial office holders in the 1981 scheme pay contributions of 2.4% for a maximum of 15 years or 1.8% for 20 years and those in the 1993 scheme pay contributions of 1.8% for a maximum of 20 years (subject to the earnings cap).

The Pensions Act 2011 amended the judicial pension legislation to allow the taking of contributions towards the cost of the personal pension for those judicial office holders who have not yet accrued full service. The Judicial Pensions (Contributions) Regulations 2012 determined the rate of the personal pension contribution (PPC), which is 1.28% of gross salary (the pension cap does not apply to the PPC). The contributions commenced from 1 April 2012 in line with other public service pension schemes. Those members who had accrued full service prior to 1 April 2012 did not have PPC. The PPC increased to 2.56% from 1 April 2013 in accordance with Statutory Instrument 2013 no.484 The Judicial Pensions (Contributions) (Amendment) Regulations 2013.

Although the JPS is a defined benefit scheme, in accordance with FReM 12.2.5, NICTS accounts for the scheme as a defined contribution scheme and recognises employer contributions payable as an expense in the year they are incurred.

A UK Supreme Court hearing on 6 February 2013 ruled that a retired fee paid recorder is entitled to a pension on terms equivalent to those of a salaried circuit judge. Consistent with the accounting for salaried judicial office holders, and in accordance with FReM 12.2.5, NICTS accounts for employer contributions payable to the JPS as they are incurred but does not recognise a liability in respect of back payments or the pension liability arising pursuant to the claim. Accordingly, provision for the fee paid pension entitlement is recognised in the JPS accounts.

However, provision has been made in these Accounts for both the liability to fee paid judiciary in respect of the Judicial Service Award and a separate element of the pension liability relating to fee paid judges, as neither of these is a liability covered by the JPS and its governing Acts. Further information about these provisions is set out in Note 13.

5. Other Administration Costs

	Note	2012-13		Restated 2011-12	
		£'000	£'000	£'000	£'000
Rentals under operating leases:					
Hire of plant and machinery		11		23	
Rentals for accommodation		250		389	
			261		412
Non-cash items					
Depreciation	8	343		1,877	
Amortisation	9	62		44	
Loss on disposal of property, plant and equipment		-		64	
Increase in bad debt provision		-		39	
Auditors' remuneration and expenses		91		85	
Notional charges		193		-	
			689		2,109
Other expenditure					
Court Security		139		79	
Staff Related costs		191		158	
Accommodation costs		728		448	
Services		1,036		1,117	
Professional costs		376		442	
Other Costs		26		72	
			2,496		2,316
Total			3,446		4,837

6. Programme Costs

	Note	2012-13		Restated 2011-12	Restated
		£'000	£'000	£'000	£'000
Rentals under operating leases					
Hire of plant and machinery		62		62	
Rentals for accommodation		597		518	
			659		580
PFI service charges:					
Service element of PFI contracts		2,504		2,500	
Interest charges: Finance leases		1,227		1,299	
			3,731		3,799
Non-cash items					
Depreciation	8	7,205		6,652	
Amortisation	9	845		787	
Loss on disposal of property, plant and equipment		80		-	
Loss on disposal of Intangible Assets		-		-	
Auditors remuneration and expenses		12		18	
Provision provided in the year	13	1,270		677	
Provision not required written back	13	(242)		(191)	
Borrowing costs	13	219		215	
Impairment losses		102			
			9,491		8,158
Other expenditure					
Court Security		5,178		5,575	
Staff Related costs		328		360	
Accommodation costs		4,949		4,937	
Services		6,262		6,181	
Professional costs		732		187	
Tribunals costs		7,550		6,143	
Other		509		195	
			25,508		23,578
Judicial costs (Non-consolidated fund)					
Judicial costs		3,968		4,392	
Judicial pensions		2,724		2,705	
			6,692		7,097
Consolidated Fund standing services					
Judicial wages and salaries		6,830		6,872	
Judicial social security costs		875		881	
			7,705		7,753
Total			53,786		50,965

7. Income

	2012-13 £'000 Total	Restated 2011-12 £'000 Total
Court Fees	24,873	25,105
Recovery of Tribunals	3,720	2,830
Other Income	2,675	3,018
	31,268	30,953

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:

	2012-13			2011-12		
	Income £'000	Full Cost £'000	Surplus/ (deficit) £'000	Income £'000	Full Cost £'000	Surplus/ (deficit) £'000
Court Service	24,759	23,806	953	24,819	24,457	362
- Civil Business						
	24,759	23,806	953	24,819	24,457	362

Income shown is in respect of civil fee earning business and has been accounted for in accordance with MPMNI.

NICTS is committed to achieving full cost recovery for the services it provides in respect of civil court business. The income for 2012-13 represents 104% of cost recovery (2011-12: 101%).

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. Total fee exemptions during 2012-13 amounted to £59k (2011-12: £69k). Remission of fees is considered on an individual basis and is granted in cases of hardship. Total fees remitted during 2012-13 amounted to £14k (2011-12: £10k).

8. Property, Plant and Equipment

	Land £'000	Buildings £'000	Information Technology £'000	Plant & Machinery £'000	Furniture & Fittings £'000	Payments on Account & Assets under Construction £'000	Total £'000
Cost or valuation							
At 1 April 2012	29,064	187,284	5,064	2,276	762	355	224,805
Additions	-	2,019	(63)	-	-	-	1,956
Disposals	(111)	(6)	-	(6)	-	-	(123)
Transfers	-	106	35	3	26	-	170
Reclassifications	-	549	(659)	(146)	(30)	(355)	(641)
Indexation	(2,895)	(6,579)	434	24	19	-	(8,997)
Impairment	-	(102)	-	-	-	-	(102)
At 31 March 2013	26,058	183,271	4,811	2,151	777	-	217,068
Depreciation							
At 1 April 2012	-	16,182	1,152	1,011	323	-	18,668
Charged in year	-	5,544	1,529	400	75	-	7,548
Disposals	-	-	-	(6)	-	-	(6)
Transfers	-	82	19	1	2	-	104
Reclassifications	-	(32)	(109)	(3)	(10)	-	(154)
Indexation	-	(767)	237	15	9	-	(506)
At 31 March 2013	-	21,009	2,828	1,418	399	-	25,654
Net book value at 31 March 2013	26,058	162,262	1,983	733	378	-	191,414
Net book value at 31 March 2012	29,064	171,102	3,912	1,265	439	355	206,137
Asset financing:							
Owned	26,058	125,097	1,983	733	378	-	154,249
On balance sheet -PFI contracts	-	37,165	-	-	-	-	37,165
Net book value at 31 March 2013	26,058	162,262	1,983	733	378	-	191,414

	Land £'000	Buildings £'000	Information Technology £'000	Plant & Machinery £'000	Furniture & Fittings £'000	Payments on Account & Assets under Construction £'000	Total £'000
Cost or valuation							
At 1 April 2011	33,027	181,293	3,244	2,908	3,397	-	223,869
Additions	-	835	1,810	82	8	355	3,090
Disposals	-	(1,405)	7	(603)	(2,652)	-	(4,653)
Transfers	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Indexation	(3,963)	6,561	3	(111)	9	-	2,499
At 31 March 2012	29,064	187,284	5,064	2,276	762	355	224,805
Depreciation							
At 1 April 2011	-	10,723	333	969	2,354	-	14,379
Charged in year	-	6,473	811	626	618	-	8,528
Disposals	-	(1,389)	8	(556)	(2,652)	-	(4,589)
Transfers	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Indexation	-	375	-	(28)	3	-	350
At 31 March 2012	-	16,182	1,152	1,011	323	-	18,668
Net book value at 31 March 2012	29,064	171,102	3,912	1,265	439	355	206,137
Net book value at 31 March 2011	33,027	170,570	2,911	1,939	1,043	-	209,490
Asset financing:							
Owned	29,064	131,833	3,912	1,265	439	355	166,868
On balance sheet -PFI contracts	-	39,269	-	-	-	-	39,269
Net book value at 31 March 2012	29,064	171,102	3,912	1,265	439	355	206,137

Notes

IAS 16 requires measurement of assets at fair value.

Land and buildings were valued as at 31 March 2009 by the LPS. The valuation was carried out by the LPS in accordance with the Royal Institution of Chartered Surveyors 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 MM22 Price Index Numbers for Current Cost Accounting as at March 2013.

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 £74k.

Asset Disposals - During the financial year, Clogher Courthouse was sold for a consideration of £35k. The resulting impact was a loss on disposal of both land and buildings of £80k which has been reflected within notes 5 and 6.

Asset Transfers - On 1 May 2012 the Parole Commissioners transferred into NICTS. This transfer resulted in assets with a net book value of £41k being transferred.

Asset Reclassification – During the financial year the fixed assets system used by NICTS was transferred to the Real Asset Management (RAM) system. This transfer resulted in a number of reclassifications both between tangible and intangible assets and between asset categories. RAM has a larger numbers of asset categories available which has allowed the NICTS to better classify assets.

There are no donated assets to report.

9. Intangible Assets

Intangible assets comprise purchased computer software for NICTS.

	Software Licences £'000	IT £'000	Total £'000
Cost or valuation			
At 1 April 2012	-	8,917	8,917
Additions	214	125	339
Disposals	-	-	-
Transfers	-	(24)	(24)
Reclassification	84	557	641
Indexation	7	57	64
At 31 March 2013	305	9,632	9,937
Amortisation			
At 1 April 2012	-	7,681	7,681
Charged in year	60	847	907
Disposals	-	-	-
Transfers	-	-	-
Reclassifications	66	88	154
Indexation	2	29	31
At 31 March 2013	128	8,645	8,773
Net Book Value at 31 March 2013	177	987	1,164
Net Book Value at 31 March 2012	-	1,236	1,236
Asset Financing			
Owned	177	987	1,164
On balance sheet -PFI contracts	-	-	-
Net book value at 31 March 2013	177	987	1,164

	Software Licences £'000	IT £'000	Total £'000
Cost or valuation			
At 1 April 2011	-	8,183	8,183
Additions	-	777	777
Disposals	-	(51)	(51)
Transfers	-	-	-
Reclassification	-	-	-
Indexation	-	8	8
At 31 March 2012	-	8,917	8,917
Amortisation			
At 1 April 2011	-	6,894	6,894
Charged in year	-	831	831
Disposals	-	(51)	(51)
Transfers	-	-	-
Reclassifications	-	-	-
Indexation	-	7	7
At 31 March 2012	-	7,681	7,681
Net Book Value at 31 March 2012	-	1,236	1,236
Net Book Value at 31 March 2011	-	1,289	1,289
Asset Financing			
Owned	-	1,236	1,236
On balance sheet -PFI contracts	-	-	-
Net book value at 31 March 2012	-	1,236	1,236

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

	2012-13 £'000	2011-12 £'000	1 April 2011 £'000
Amounts falling due within one year:			
Trade receivables	275	-	-
Deposits and advances	-	-	-
Value Added Tax	825	872	1,483
Other receivables	1,743	2,101	1,037
Prepayments and accrued income	4,363	3,268	2,945
Total	7,206	6,241	5,465

Within other receivables there is a provision for bad debt of £39k. 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. (2011-12: £39k).

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

10.2 Intra-Government Balances

	Amounts falling due within one year			Amounts falling due after more than one year		
	2012-13 £'000	2011-12 £'000	1 April 2011 £'000	2012-13 £'000	2011-12 £'000	1 April 2011 £'000
Balances with other central government bodies	5,873	5,199	3,568	-	-	-
Balances with local authorities	-	-	-	-	-	-
Subtotal: intra-government balances	5,873	5,199	3,568	-	-	-
Balances with bodies external to government	1,333	1,042	1,897	-	-	-
Total receivables at 31 March	7,206	6,241	5,465	-	-	-

11. Cash and cash equivalents

	2012-13 £'000	2011-12 £'000	2010-11 £'000
Balance at 1 April	633	(635)	2,841
Net change in cash and cash equivalent balances	(610)	1,268	(3,476)
Balance at 31 March	23	633	(635)
The following balances at 31 March were held at:			
Office of HM Paymaster General	-	-	-
Commercial banks and cash in hand	23	633	(635)
Balance at 31 March	23	633	(635)

12. Trade payables and other current liabilities

12.1 Analysis by type

	2012-13 £'000	Restated 2011-12 £'000	Restated 1 April 2011 £'000
Amounts falling due within one year			
Trade payables	374	85	60
Other payables	1,364	1,067	1,083
Accruals and deferred income	12,537	10,410	10,972
Current part of imputed finance lease element of PFI contracts	868	791	718
Amounts issued from the Consolidated Fund for supply but not spent at year end	-	-	-
Consolidated Fund extra receipts due to be paid to the Consolidated Fund receivable	275	-	-
	15,418	12,353	12,833
Amounts falling due after more than one year			
Imputed finance lease element of PFI contracts	18,405	19,275	20,090
	33,823	31,628	32,923

Other payables includes amounts fines payable to the NICF of £860k (2011-12: £812k), which are to be reflected in the 2012-13 Trust Statement.

Refer to Note 12.3 which provides detail on fines collected, paid and payable to the NICF.

Within accruals and deferred income are accruals for non-current assets of £485k (2011-12: £1,189k)

12.2 Intra-Government Balances

	Amounts falling due within one year			Amounts falling due after more than one year		
	2012-13 £'000	Restated 2011-12 £'000	Restated 1 April 2011 £'000	2012-13 £'000	Restated 2011-12 £'000	Restated 1 April 2011 £'000
Balances with other central government bodies	1,881	1,880	5,308	-	-	-
Balances with local authorities	3	6	28	-	-	-
Balances with NHS Trusts	1	5	-	-	-	-
Subtotal: intra-government balances	1,885	1,891	5,336	-	-	-
Balances with bodies external to government	13,533	10,463	7,497	18,405	19,275	20,090
Total payables at 31 March	15,418	12,354	12,833	18,405	19,275	20,090

2011-12 balances with bodies external to government have been restated to take account of the PPA for EJO deferred income. Details of the adjustment have been included in Note 25.

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

The following details the income collected by the NICTS acting as an agent for the NICF. These amounts will be disclosed in the NICTS Trust Statement which is published separately from these financial statements. Due to the timing of the Trust Statement, NICTS has continued to disclose these details for the current year.

NICTS accepts payment for amounts imposed in the Magistrates and Crown courts for onward transmission to the NICF via the DOJ. Amounts imposed in court can be cleared either by payment or by means other than payment, including committal to prison and supervised activity orders.

NICTS also receives payment for penalties that are imposed externally to the courts including fixed penalties imposed for motoring offences. These penalties are accounted for as NICF income from date of imposition.

On collection of fines the receipts are held on trust and accounted for as amounts due to the NICF until paid over (see note 12.1)

The net revenue payable to the consolidated fund consists of the following elements:

	2012-13 £'000	2011-12 £'000
Trust Statement Revenue		
Fixed Penalties	2,415	2,411
Court Imposed fines	6,188	6,357
Offender Levy	128	-
Extra Costs	41	64
Confiscation Orders	1,911	3,361
Other Party Criminal	2,276	1,572
	12,959	13,765
Expenditure		
Credit Losses	(1,311)	(2,219)
Revenue retained by the NICTS under statute	(104)	(99)
Disbursements		
Amounts paid to Other Parties	(1,708)	(1,450)
Amounts paid to Safety Camera Scheme	(928)	(877)
	(4,051)	(4,645)
Net Revenue for the Consolidated Fund	8,908	9,120

The amounts that have been received and are due to be paid over to the NICF consists of the following elements:

	2012-13 £'000	2011-12 £'000
Amounts Held On Trust		
Balance held on trust at 1 April	812	1,890
Fines cleared by receipt of payment	9,957	10,087
Payments to Consolidated Fund	(8,877)	(10,189)
Payments to others	(1,032)	(976)
Balance held on Trust at 31 March	860	812

The receivables balance at year end was £12.6m (2011-12: £13.0m), this includes those receivables which are not payable to the NICF, for example compensation.

	2012-13 £'000	2011-12 £'000
Balance receivable at 1 April	12,786	12,853
Amounts Imposed	12,959	13,765
Fines Cleared by receipt of Payment	(12,254)	(11,613)
Fines Cleared by Competent Authority	(1,310)	(897)
(Increase) in impairment provision	-	(1,322)
Balance receivable at 31 March	12,181	12,786

The 2011-12 balances have been restated within this note to reflect the contents of the Trust Statement for 2011-12 and in line with the requirements of Chapter 13 of FReM, Accounting for consolidated fund revenue. We note that within the DOJ Consolidated accounts Comparative figures have not been restated as these are included in Statement of Assembly Supply and Note 2 in these accounts and, for the purposes of Assembly Control, these figures are indelible.

13. Provisions

	Early departure costs £'000	Legal Claims £'000	Other £'000	Court Funds Office £'000	Fee Paid Officer Holders Pension £'000	Total £'000
Balance at 1 April 2012	588	313	3,900	3,754	-	8,555
Machinery of Government transfer	-	421	-	-	-	421
Provided in the year	31	245	372	19	603	1,270
Provisions not required written back	(13)	(229)	-	-	-	(242)
Provisions utilised in the year	(268)	(91)	-	-	-	(359)
Provisions settled from Consolidated Fund	-	-	(372)	-	-	(372)
Borrowing costs	19	-	200	-	-	219
Actuarial loss	-	-	400	-	-	400
Balance at 31 March 2013	357	659	4,500	3,773	603	9,892

Analysis of expected timing of discounted flows:

	Early departure costs £'000	Legal Claims £'000	Other £'000	Court Funds Office £'000	Fee Paid Officer Holders Pension £'000	Total £'000
Not later than one year	106	660	364	3,773	178	5,081
Later than one year and not later than five years	250	-	494	-	79	823
Later than five years	-	-	3,642	-	346	3,988
Balance at 31 March 2013	356	660	4,500	3,773	603	9,892

	Early departure costs £'000	Legal Claims £'000	Other £'000	Court Funds Office £'000	Total £'000
Balance at 1 April 2011	848	337	3,300	3,729	8,214
Provided in the year	15	238	398	25	676
Provisions not required written back	(10)	(180)	-	-	(190)
Provisions utilised in the year	(280)	(82)	(166)	-	(528)
Provisions settled from Consolidated Fund	-	-	(332)	-	(332)
Borrowing costs	15	-	200	-	215
Actuarial loss	-	-	500	-	500
Balance at 31 March 2012	588	313	3,900	3,754	8,555

Analysis of expected timing of discounted flows:

	Early departure costs £'000	Legal Claims £'000	Other £'000	Court Funds Office £'000	Total £'000
Not later than one year	250	313	510	3,754	4,827
Later than one year and not later than five years	289	-	1,700	-	1,989
Later than five years	49	-	1,690	-	1,739
Balance at 31 March 2012	588	313	3,900	3,754	8,555

13.1 Early departure costs

NICTS 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. NICTS 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 2.8% in real terms.

13.2 Legal Claims

Provision has been made for various legal claims against NICTS. 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 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.

13.4 Courts Funds Office: Stockbroker Management Fees

Provision has been made for reimbursement of stockbroker management fees which were charged to CFO client accounts in error between 1996 and 2010. This is estimated based on the amounts actually billed by the stockbroker plus an estimate of the additional cost of the interest foregone.

A High Court judgment has indicated that some historical deductions of stockbroker fees from CFO client accounts may have been unlawful. The Accountant General appealed the judgment and currently awaits the Court of Appeal judgment. It is anticipated that this will be delivered in the next few weeks and before the accounts are signed.

13.5 Fee Paid Office Holders Pension – Judicial Service Award

Following a ruling against MOJ by the UK Supreme Court on 6 February 2013 that a retired fee paid recorder is entitled to a pension on terms equivalent to those of a salaried circuit judge, a provision has been recognised for the Judicial Service Award, which compensates retirees for the tax paid on pension lump sums paid on retirement, that will become payable in future years to fee paid judicial office holders claiming pension entitlements.

As the UK Supreme Court has remitted the case to the Employment Tribunal, there is a degree of uncertainty surrounding the quantum of the pension to which eligible judges are entitled. As such, the Judicial Service Award provision has been calculated based on the most likely Employment Tribunal outcome as informed by current legal opinion.

Owing to the absence of detailed individual member data for fee paid judicial office holders, the provision has been determined by calculating the ratio of the salaried Judicial Service Award to the salaried pension liability in respect of active members and applying this ratio to the fee paid judges' pension liability recognised in the JPS accounts.

13.6 Fee Paid Office Holders Pension– Separate JPS element

Following the UK Supreme Court ruling against MOJ on 6 February 2013 that a retired fee paid recorder is entitled to a pension on terms equivalent to those of a salaried circuit judge, a provision has also been made for a separate JPS derived element payable in respect of outstanding pension entitlements due to fee paid judicial officers.

While the pension payments will be made through the JPS, the JPS does not have the authority to make certain payments derived from the pension liability. Therefore, the responsibility to make these payments falls to NICTS. This provision has been calculated by GAD by applying a 3.5% assumed interest rate to the approximate arrears of pension and lump sum due to the member.

14. Capital commitments

	2012-13 £'000	2011-12 £'000
IT Hardware and Software	-	4,891
Property Plant and Equipment	370	923
Contracted capital commitments at 31 March 2013	370	5,814

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.

	2012-13 £'000	2011-12 £'000
Obligations under operating leases comprise:		
Land :		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
	-	-
Buildings:		
Not later than one year	800	839
Later than one year and not later than five years	1,899	2,319
Later than five years	1,484	1,871
	4,183	5,029
Other:		
Not later than one year	4	25
Later than one year and not later than five years	-	4
Later than five years	-	-
	4	29

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, NICTS entered into a 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 NICTS.

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

	2012-13 £'000	2011-12 £'000
Not later than one year	2,012	2,007
Later than one year and not later than five years	8,059	8,035
Later than five years	17,633	19,591
	27,704	29,633
Less interest element	(8,431)	(9,568)
Total	19,273	20,065

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

	2012-13 £'000	2011-12 £'000
Not later than one year	868	791
Later than one year and not later than five years	4,316	3,997
Later than five years	14,089	15,277
Total	19,273	20,065

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 £2,504k (2011-12: £2,500k); and the payments to which NICTS is committed is as follows.

	2012-13 £'000	2011-12 £'000
Not later than one year	2,306	2,260
Later than one year and not later than five years	7,430	7,353
Later than five years	18,513	20,173
Total	28,249	29,786

17. Other financial commitments

NICTS has entered into a five year contract with Fujitsu Services for the provision of ICT services. The future commitments in revenue terms are approximately £12.5m. There are no other contracted non-capital commitments at 31 March 2013.

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 NICTS financial position and performance, the nature and extent of risks arising from financial instruments to which NICTS is exposed during the period and at the reporting date, and how NICTS manages those risks. As a result of the non-trading nature of its activities and the way in which Agencies are financed, NICTS is not exposed to the degree of financial risk faced by business entities.

NICTS 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 NICTS in undertaking its activities.

Classification of financial instruments

NICTS financial instruments are measured at amortised cost. NICTS financial assets are classified as receivables and comprise trade and other receivables (Note 10) and cash and cash equivalent (Note 11). NICTS 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. NICTS 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. NICTS 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 NICTS 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

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

NICTS financial assets of £23k (2011-12: £633k), 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.

NICTS 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 NICTS financial assets and liabilities carry nil or fixed rates of interest. NICTS is therefore not exposed to any interest rate risk.

Embedded Derivatives

In accordance with IAS 39, Financial Instruments: Recognition and Measurement, NICTS 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 NICTS Laganside PFI contract there is a payment mechanism that determines the charge the organisation 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 NICTS operates.

19. Contingent liabilities disclosed under IAS 37

NICTS has contingent liabilities where the possibility of the liability crystallising is judged to be possible. Unless otherwise stated, the quantum of the liability can either not be determined with reasonable certainty or to quantify it would jeopardise the outcome of the case.

19.1 Legal Claims and Costs

There is an estimated contingent liability of £174k (2011-12: £395k) in relation to legal claims and costs; further information is disclosed within note 13.2.

	2012-13 £'000
Legal cases pending	174
	174

There are further contingent liabilities upon which it is not possible to put a value. It is NICTS assertion that these claims are unsubstantiated.

19.2 Fee paid judicial office holder claims

Pension entitlements are provided to salaried judges under the JPS. In September 2005, a retired fee paid recorder brought a claim against MOJ in the Employment Tribunal seeking retrospective parity of treatment with salaried judges by claiming pension entitlements under the Part Time Workers Regulations.

The UK Supreme Court ruled on 6 February 2013 that a retired fee paid recorder was entitled to a pension on terms equivalent to those applicable to a salaried circuit judge. The case has been remitted to the Employment Tribunal to determine the quantum of the pension to which the recorder is entitled.

Based on the UK Supreme Court ruling and the potential outcome of the Employment Tribunal, an estimate of the liability to the group of fee paid judges to which the claimant belongs has been prepared. The liability has two main elements: a pension liability, with a separate element of the pension liability relating to fee paid judges, and a Judicial Service Award which compensates retirees for the tax paid on pension lump sums paid on retirement. Although the JPS is a defined benefit scheme, NICTS accounts for this scheme as a defined contribution scheme in accordance with FReM 12.2.5. The effect of this adaptation is that, although NICTS must account only for employer contributions payable to the JPS going forward, no contractual or other obligations arise for NICTS in respect of back payments or the pension liability arising pursuant to the claim. Accordingly, provision for the fee paid pension entitlement up to 31 March 2013 is recognised in the JPS accounts. In future years this amount will have to be funded by NICTS. The funding method has yet to be determined but this may result in deficit funding or a one off contribution.

Neither the Judicial Service Award, nor the separate element of the pension liability relating to fee paid judges, are benefits covered by the JPS and its governing Acts, namely the Judicial Pensions Act 1981 and the Judicial Pensions and Retirement Act 1993. As such, they are accounted for by NICTS in these Accounts. Further information on these provisions is set out in Note 13.

A number of Northern Ireland cases are stayed behind the UK lead case which was the subject of the UK Supreme Court ruling. In addition to a pension entitlement, the claims covered by the stayed cases extend to non-pension entitlements such as holiday and sick pay, payments in respect of training and writing up fees, increases in daily fees and cancellation fees where bookings are not honoured. The UK Supreme Court ruling on 6 February 2013 did not deal with these claims and therefore liability for these claims has not been established.

19.3 Data Breach Fine

In 2012-13 we voluntarily reported two data loss incidents to the Information Commissioner's Office. An investigation into the circumstances which lead to the breaches is on-going and could result in a fine imposed on NICTS.

19.4 Legacy Inquests

The programme of legacy inquests will create a budgetary pressure in future years. The number of legacy inquests continues to increase with a potential for further increase as the Attorney General continues to refer cases. The Lord Chief Justice, the Minister and the Permanent Secretary have agreed the need to establish a Legacy Inquest Unit. NICTS is in the process of developing a Strategic Outline Case to take forward the legacy inquests which will require approval by the DOJ and DFP. At this time there is no funding in place to specifically take forward legacy work.

19.5 Judicial Reviews on Fine Enforcement

The recent court hearing to consider five judicial review applications challenging imposing and enforcing fines has resulted in the court finding many of the processes to be flawed. One of the significant points to be found was that the court should not consider how to deal with default at the point of sentence but should only do so after the default has occurred. The implications of this judgement for NICTS are that there could be potential claims against NICTS for unlawful imprisonment for unpaid fines.

20. Losses and special payments

During the year, there were seven cases totalling £10,803 (2011-12: 15 cases totalling £8,380).

21. Related-party transactions

NICTS is an executive Agency of the DOJ. The DOJ is regarded as a related party. During the year, NICTS has had various material transactions with the Department, and with other entities for which the DOJ is regarded as the parent Department, namely the PSNI, NIPS, the Compensation Agency, the Youth Justice Agency and the Northern Ireland Legal Services Commission. In addition, NICTS 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 NICTS.

David Lavery was on the board of SLS Legal Publications. SLS Legal Publications received payments in the 2012-13 financial year totalling £12,500 (2011-12: £37,142). His wife is a fee paid office holder of the Mental Health Review Tribunal and the Appeals Tribunals. She received fees totalling £37,446 (2011-12: £48,948).

Sharon Hetherington's husband is employed by PricewaterhouseCoopers. PricewaterhouseCoopers received no payments in the 2012-13 financial year (2011-12: £36,000).

22. Third-party assets

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

Third Party Monetary Assets

NICTS, 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, 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.

There are third party bank accounts maintained by the various court offices and the Office of the Official Solicitor.

These are not NICTS 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:

	31 March 2012 £'000	Gross inflows £'000	Gross outflows £'000	31 March 2013 £'000
Monetary assets such as bank balances and monies on deposit	87,622	128,344	(127,808)	88,158
Listed securities	200,388	69,004	(63,577)	205,815
Total Third Party Assets	288,010	197,348	(191,385)	293,973

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 for bails in relation to legal actions.

The EJO provides a centralised enforcement service for civil court judgments. A number of cases result in property repossession.

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

	31 March 2013 Number	31 March 2012 Number
Property assets	1,604	794

23. Entities within the accounting boundary

Entities within the accounting boundary

The accounting boundary incorporates only the core Agency.

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

Details of income collected as an agent for NICF will be disclosed in NICTS Trust Statement which is published separately from these financial statements.

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 in the NICTS 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 2013

	2012-13		2011-12	
	£	£	£	£
Income		-		-
Staff Costs				
Staff Payroll costs	(206,733)		(200,257)	
Judicial Payroll costs	(251,265)		(251,539)	
Total Payroll costs		(457,998)		(451,796)
Other operating costs		(201,609)		(163,340)
Net cost of operations		(659,607)		(615,136)

25. Other Adjustments/Prior Year Adjustment to Primary Statements

During the financial year 2012-13, the following changes took place;

- 1) Other Adjustments – are the result of the move to Account NI which changed the mapping of ‘seconded staff’ from net accounting to gross accounting.
- 2) Prior Period Adjustment – EJO Deferred Income.

Impact on Financial Statements

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

	2011-12 Published Resource Accounts £'000	Other Adjustments £'000	Deferred Income £'000	Restated 2011-12 £'000
Administration costs				
Staff costs	3,557	780	-	4,337
Other administration costs	4,812	25	-	4,837
Operating Income	(27)	(532)	-	(559)
Programme costs				
Staff costs	19,638	210	-	19,848
Programme costs	51,181	(216)	-	50,965
Operating Income	(30,553)	(267)	426	(30,394)
Net Operating Cost	48,608	-	426	49,034

	2011-12 Published Resource Accounts £'000	Deferred Income £'000	Restated 2011-12 £'000
Non-current assets:			
Property, plant and equipment	206,138	-	206,138
Intangible assets	1,236	-	1,236
Current assets:			
Trade and other receivables	6,241	-	6,241
Cash and cash equivalents	633	-	633
Liabilities:			
Trade and other payables	(10,199)	(2,155)	(12,354)
Provisions	(8,555)	-	(8,555)
Other payables	(19,275)	-	(19,275)
	176,219	(2,155)	174,064
Taxpayer's Equity:			
General Fund	59,957	(2,155)	57,802
Revaluation Reserve	116,262	-	116,262
	176,219	(2,155)	174,064

	2010-11 Published Resource Accounts £'000	Deferred Income £'000	Restated 2010-11 £'000
Non-current assets:			
Property, plant and equipment	209,490	-	209,490
Intangible assets	1,289	-	1,289
Current assets:			
Trade and other receivables	5,465	-	5,465
Liabilities:			
Cash and cash equivalents	(635)	-	(635)
Trade and other payables	(11,104)	(1,729)	(12,833)
Provisions	(8,214)	-	(8,214)
Other payables	(20,090)	-	(20,090)
	176,201	(1,729)	174,472
Taxpayer's Equity:			
General Fund	61,060	(1,729)	59,331
Revaluation Reserve	115,141	-	115,141
	176,201	(1,729)	174,472

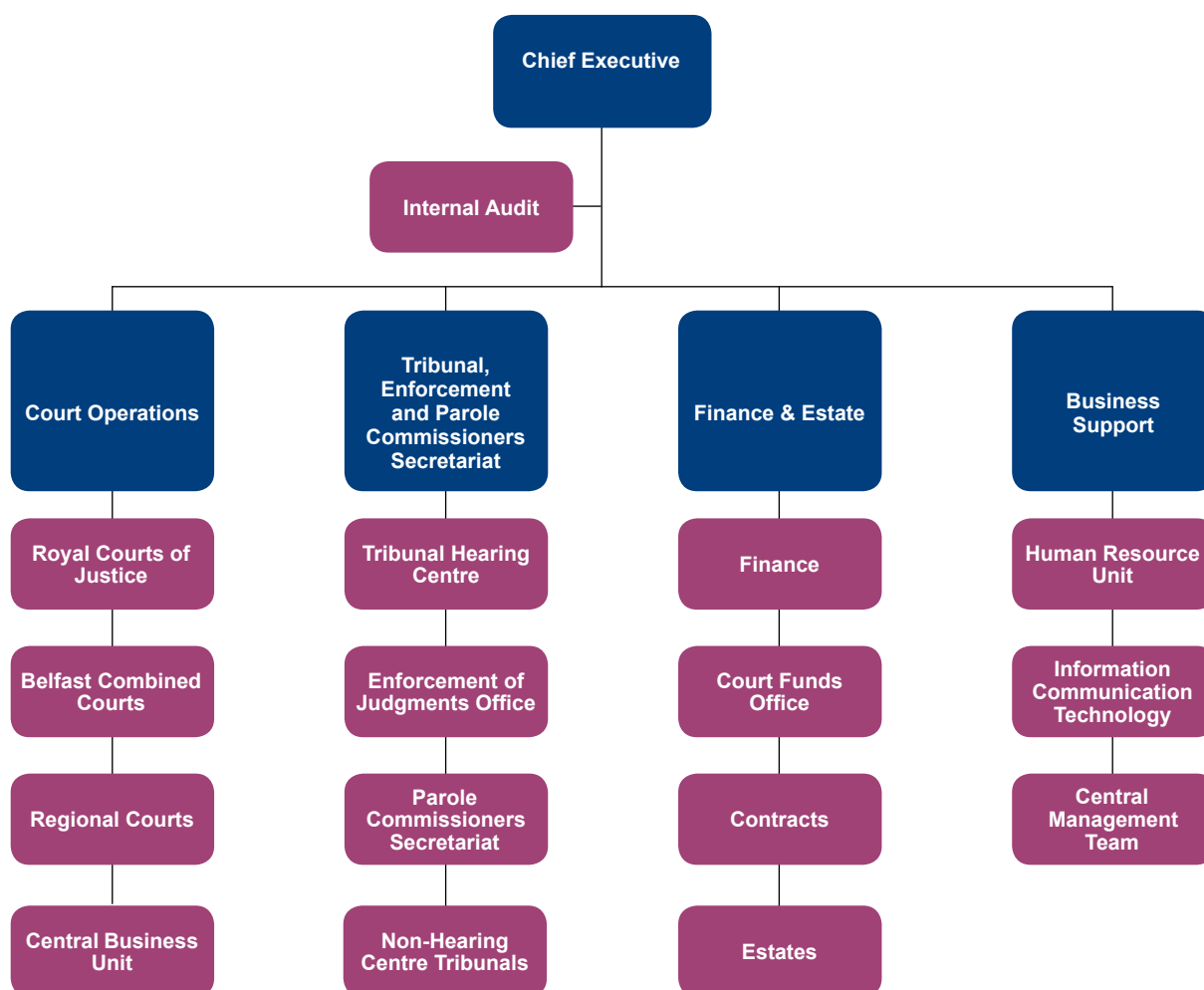
26. Events after the reporting period

There were no material events post the SoFP, for the year ended 31 March 2013.

The Accounting Officer authorised these financial statements for issue on 27 June 2013.

PART 5 APPENDICES

Annex A Northern Ireland Courts and Tribunals Service Organisational Chart 2013



Annex B Staffing

At the end of March 2013, the number of staff employed by the Agency was 762. A breakdown is provided below.

Staff Headcount	
Tribunals and Enforcement Operations Division	127
Court Operations Division	478
Finance and Estates	61
Business Support	49
Office of the Lord Chief Justice	43
Chief Executive's Office	4
Total	762

Staff Headcount by Grade	
Administrative Assistant	10
Administrative Officer	328
Executive Officer 2	57
Executive Officer 1	212
Staff Officer	78
Deputy Principal	40
Principal Officer	30
Grade 6	5
Grade 5	2
Total	762

Annex C Court and Tribunal Performance Standards 2012-13

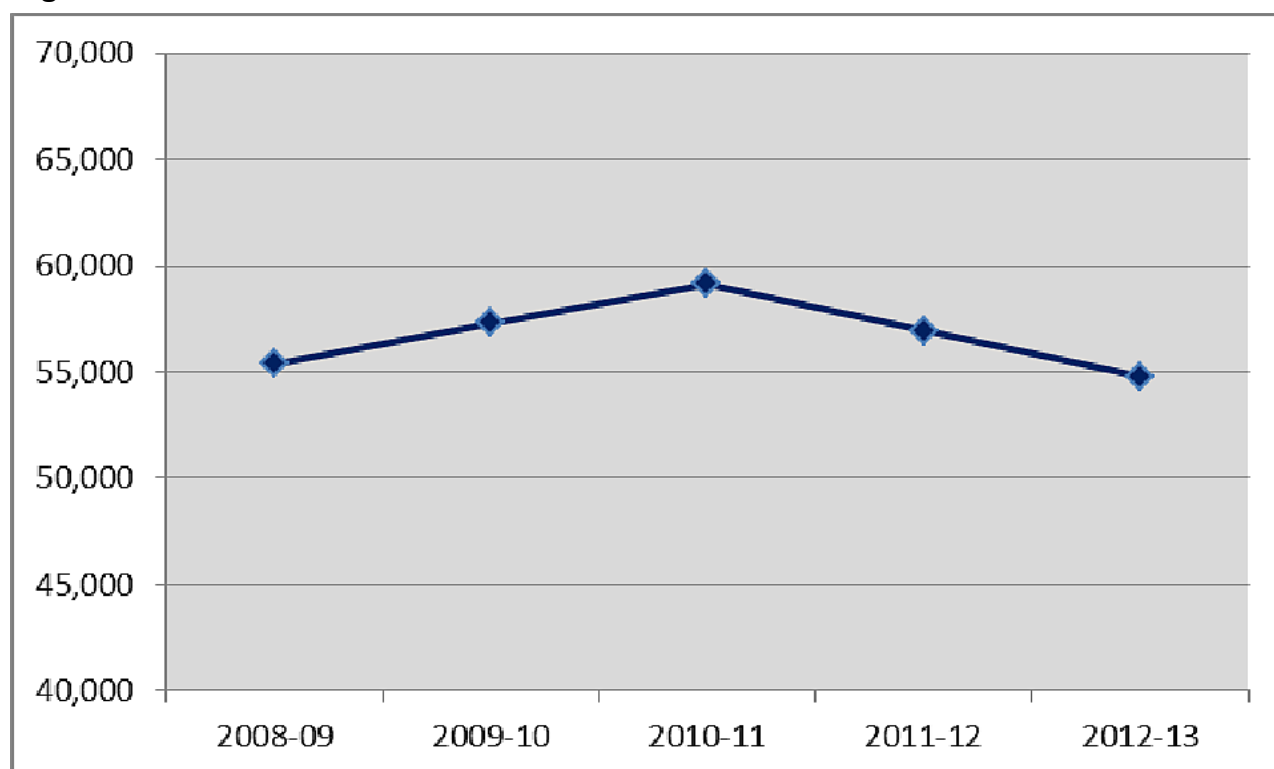
Criminal Business

To facilitate the efficient disposal of criminal business²

- 80% of Crown Court defendants will be arraigned within six weeks of committal;
(In 2012-13 we achieved 93%)
- 80% of Crown Court defendants will start their trial within 18 weeks of committal;
(In 2012-13 we achieved 75%)
- 80% of Crown Court defendants will be sentenced within six weeks of a plea or finding of guilt;
(In 2012-13 we achieved 81%)
- 80% of Magistrates' Courts adult defendants will have their case disposed of within nine weeks of first listing;
(In 2012-13 we achieved 84%)
- a finding will be reached within 12 weeks from first listing for 80% of Youth Court defendants;
(In 2012-13 we achieved 85%)
- 90% of Court of Appeal defendants will have their case listed within three weeks;
(In 2012-13 we achieved 100%)
- 98% of Causeway Service Level Agreement resulting targets will be achieved:
- Criminal court results (SLA 1) – 98% of criminal court results will be confirmed in target;
(In 2013-13 we achieved 99%)
- Criminal custody results (SLA 2) – 98% of custody results will be confirmed in target;
(In 2012-13 we achieved 99%)
- Criminal bail results (SLA 3) – 98% of bail results will be confirmed in target;
(In 2012-13 we achieved 99%)
- 98% of Court of Appeal, Crown Court, Magistrates' Court and Youth Court orders will be produced and issued within five working days.
(In 2012-13 we achieved 98%)

The chart overleaf shows the levels of criminal business received over the past five years.

² These Standards, with the exception of the Court of Appeal, Causeway and Court Order Standards, are set by the Lord Chief Justice.

Figure 1: Criminal Business Received**Criminal Court Business – Volumes, Disposals and Performance**

Business Volumes Received		2012-13	% difference*
Total Criminal business		53,890	-4%
Crown Court cases		1,786	9%
Magistrates' adult defendants		49,801	-4%
Magistrates' youth defendants		2,303	-15%
Business Volumes disposed			
Total criminal business		54,762	-4%
Crown Court cases		1,750	11%
Magistrates' adult defendants		50,603	-4%
Magistrates' youth defendants		2,409	-16%
Sittings			
Total criminal sittings		6,445	-2%
Crown Court		2,517	-1%
Magistrates' adult		3,404	-3%
Magistrates' youth		524	-2%
Performance against a target of 80% compliance			
Crown Court ³		75%	0pp
Magistrates' adult		84%	3pp
Magistrates' youth		85%	3pp

* compared with equivalent data for the 2011-12 period

pp – percentage point

³ Committal to hearing target

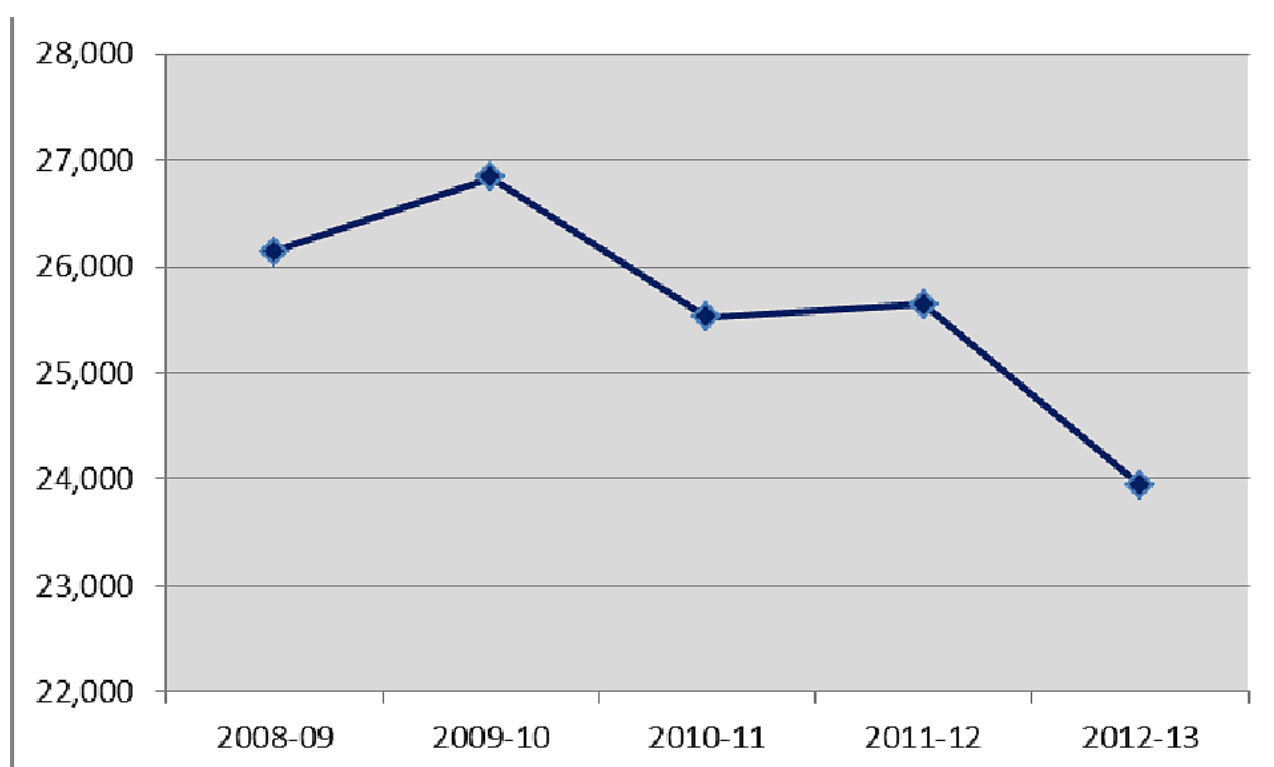
Civil Business

To facilitate the efficient disposal of civil business

- 98% of Queens Bench writs set down will be listed within three months of being set down;
(In 2012-13 we achieved 99%)
- 98% of Personal Injury and Clinical Negligence writs will be listed within three months of receipt of the Certificate of Readiness;
(In 2012-13 we achieved 98%)
- 98% of civil bills will be listed for hearing within 16 weeks of receiving a Certificate of Readiness;
(In 2012-13 we achieved 99%)
- 95% of all default decrees (including small claims, County Court and High Court) will be issued within five working days of applicant's request;
(In 2012-13 we achieved 91%)
- 97% of mortgage applications will be listed for hearing within six weeks;
(In 2012-13 we achieved 98%)
- 97% of creditors' petitions will be listed for hearing within six weeks;
(In 2012-13 we achieved 100%)
- 95% of High Court and County Court Orders will be produced and issued within five working days of request or requisition.
(In 2012-13 we achieved 97%)

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

Figure 2: Civil Business Received



Civil Court Business – Volumes, Disposals and Performance

Business Volumes Received	2012-13	% difference*
Total civil business	23,946	-7%
Civil Bills (Notice of Intentions to Defend)	6,490	-8%
Small Claims	11,898	-9%
Writs set down	1,704	-14%
Mortgages received	3,854	8%
Business Volumes disposed		
Total civil business	28,425	-6%
Ordinary Civil Bills	9,563	-13%
Small Claims	10,826	2%
Writs disposed	4,987	-18%
Mortgages disposed	3,049	13%
Sittings		
Total civil sittings	2,672	-7%
County Court	1,896	-9%
Queen's Bench	575	1%
Chancery	201	-3%
Performance against a target of compliance		
Civil Bills (98%)	99%	-1pp
Small Claims (97%)	91%	-4pp
Writs set down (98%)	99%	1pp
Mortgages received (97%)	98%	-2pp

* compared with equivalent data for the 2011-12 period

pp – percentage point

Family Business

To facilitate the efficient disposal of family business⁴

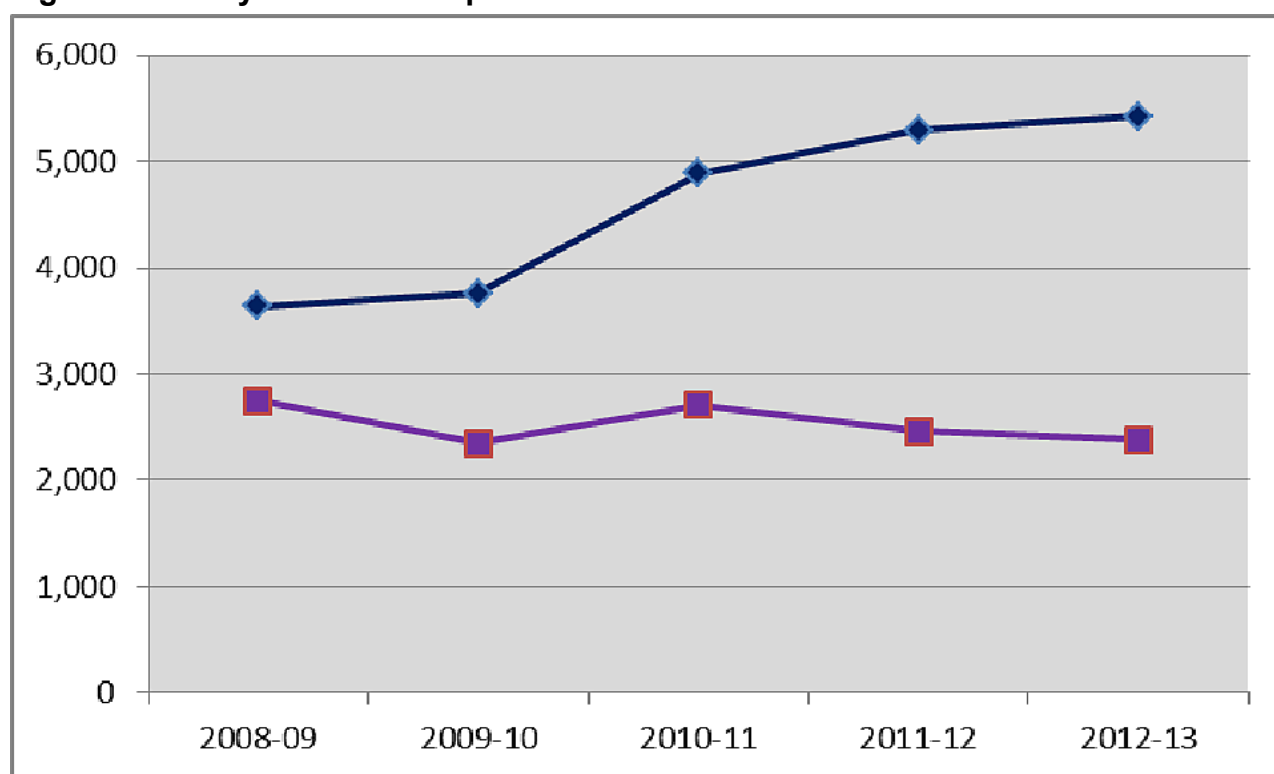
- 90% of Children Order applications will be listed for hearing within six weeks of receipt of correct papers;
(In 2012-13 we achieved 98%)
- 95% of Office of Care and Protection annual case reviews will be carried out within six weeks of receipt of complete Controllers' accounts;
(In 2012-13 we achieved 99%)
- 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 2012-13 we achieved 98%)
- 95% of applications for Enduring Power of Attorney (where no objection has been lodged) will be registered within 14 days of receipt of all required paperwork;
(In 2012-13 we achieved 99%)

⁴ The courts seek to attain the requirement prescribed in the Children (Northern Ireland) Order 1995 that any matter relating to children will be dealt with expeditiously. Any steps in the process will be informed by that statutory imperative and by the provisions of the Case Management Protocol for Public Law cases.

- 97% of undefended divorces will be listed for hearing within six weeks of receipt of certificate of readiness;
(In 2012-13 we achieved 99%)
- 95% of High Court Orders (Children Orders) will be produced and issued with 15 working days of the court hearing;
(In 2012-13 we achieved 97%)
- 95% of Family Care Centre and Family Proceedings Court Orders will be produced and issued within five working days of the court hearing.
(In 2012-13 we achieved 100%)

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

Figure 3: Family Business Disposed



Family Court Business – Volumes, Disposals and Performance

Business Volumes Received	2012-13	% difference*
Children Order applications	5,967	2%
Divorces received	2,625	-6%
Business Volumes disposed		
Children Order applications	5,422	2%
Divorces disposed	2,377	-3%
Sittings		
Children Order	1,624	-9%
Performance against a target of 90% compliance		
Children Order	98%	-1pp

* compared with equivalent data for the 2011-12 period

pp – percentage point

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 2012-13 we achieved 99%)
- 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 2012-13 we achieved 97%)
- 90% of inquests will have a hearing fixed within 28 days of the Coroner's direction to list.
(In 2012-13 we achieved 96%)

Enforcement of Judgments Office (EJO) Business Performance

Our targets for the EJO were to:

- issue 90% of notices of intention within two weeks of receipt;
(In 2012-13 we achieved 96%)
- accept 90% of enforcement applications within two weeks of receipt;
(In 2012-13 we achieved 92%)
- complete 85% of repossessions within 26 weeks of acceptance;
(In 2012-13 we achieved 80%)
- issue summonses for interview in 90% of all debt cases within five weeks of acceptance;
(In 2012-13 we achieved 70%)
- process 95% of priority casework within two weeks;
(In 2012-13 we achieved 68%)
- accept 90% of taxation applications within four weeks;
(In 2012-13 we achieved 98%) and
- issue 95% of taxation assessments within three weeks.
(In 2012-13 we achieved 92%)

Enforcement of Judgments Office Business Volumes

Business Volumes	2012-13	2011-12	% difference
Total money recovered by the Enforcement process	£7.5m	£7.8m	-4%
Notices of Intent to Enforce a Judgment	18,602	19,155	-3%
Applications to Enforce a Judgment	10,529	12,475	-16%
Applications for Repossession	2,143	1,577	+36%
Repossessions Completed	1,251	997	+25%

Court of Judicature of Northern Ireland Taxing Office Business

Business Volumes	2012-13	2011-12	% difference
Taxing Applications Lodged	1,680	1,585	+6%
Taxing Assessments Completed	1,803	1,981	-9%
Taxing Certificates Issued	1,994	1,884	+6%

Parole Commissioners Secretariat - Volumes

Business Volumes	2012-13	2011-12	% difference
Lifers	77	75	+3%
ICS/ECS	101	69	+47%
DCS	314	179	+75%

Tribunal Business Performance

To facilitate the efficient disposal of tribunal business.

Northern Ireland Valuation Tribunal (NIVT)

- 98% of NIVT cases will be listed within eight weeks of agreed papers being received.
(In 2012-13 we achieved 100%)

Social Security and Child Support Commissioner (OSSC)

- 98% of applications for leave to appeal to the Social Security Commissioner will be listed for hearing within seven weeks of a Commissioner's direction.
(In 2012-13 we achieved 65%)
- 98% of appeals to the Social Security Commissioner will be listed within seven weeks of a direction.
(In 2012-13 we achieved 79%)

Pension Appeals Tribunal (PAT)

- 90% of pension appeals will be listed for hearing within twelve weeks of agreed papers being received.
(In 2012-13 we achieved 98%)

Northern Ireland Traffic Penalty Tribunal (NITPT)

- 90% of NITPT postal/in person applications will be listed for hearing within six weeks of agreed papers being received.
(In 2012-13 we achieved 100%)

Criminal Injuries Compensation Appeals Panel NI (CICAPNI)

- 98% of CICAPNI cases will be listed within sixteen weeks of agreed evidence bundle being received.
(In 2012-13 we achieved 99%)

Special Educational Needs and Disability Tribunal (SENDIST)

- 90% of SENDIST appeals will be listed within seven weeks from the end of the case statement period.
(In 2012-13 we achieved 91%)

Mental Health Review Tribunal (MHRT)

- 83% of MHRT appeals will be disposed of within eight weeks of receipt*
(In 2012-13 we achieved 90%)

Northern Ireland Charity Tribunal (NICT)

- 95% of Charity appeals will be listed for hearing within six weeks of agreed evidence being received.
(In 2012-13 we achieved 100%)

Health and Safety Tribunal (NIHST)

- 95% of Health and Safety Appeals will be listed within six weeks of agreed papers being received.
(In 2012-13 no cases were received)

Care Tribunal

- 97% of Care appeals will be listed for preliminary hearing within six weeks of agreed papers being received.
(In 2012-13 we achieved 100%)

Lands Tribunal

- 95% of notifications of cases submitted to the Tribunal will issue within three working days of registration.
(In 2012-13 we achieved 100%)
- 95% of referrals will have the date of first mention/review fixed within three working days of the Lands Tribunal's direction to list.
(In 2012-13 we achieved 100%)

The Appeals Tribunal*

- The first hearing for Disability Living Allowance and Attendance Allowance appeals will be within nine weeks of receipt of appeal by the Appeals Tribunal.*
(In 2012-13 the average time taken was 11.52 weeks)
- The first hearing for Employment and Support Allowance appeals will be within eight weeks of receipt of appeal by the Appeals Tribunal.*
(In 2012-13 the average time taken was 9.61 weeks)
- The first hearing for Income Support; Job Seekers Allowance; Social Fund and Incapacity Benefit appeals will be within eight weeks of receipt of appeal by the Appeals Tribunal.*
(In 2012-13 the average time taken was 6.52 weeks)

- The first hearing for all jurisdictions will be within nine weeks of receipt of appeal by the Appeals Tribunal.
(In 2012-13 the average time taken was 9.85 weeks)

* reporting against the standards is based on averages

Tribunal Business – Volumes

Business Volumes Received	2012-13	2011-12	% difference
Total Tribunal Business	24,881	17,441	43%
Care Tribunal	3	2	50%
Charity Tribunal	2	0	0%
Criminal Injuries Compensation Appeals Panel	542	670	-19%
The Health and Personal Social Services Disqualification Tribunal**	0	0	0
Health and Safety Tribunal	0	1	-100%
Lands Tribunal	158	216	-27%
Mental Health Review Tribunal	274	335	-18%
Northern Ireland Traffic Penalty Tribunal	483	492	-2%
Northern Ireland Valuation Tribunal	91	40	127%
Office of the Social Security and Child Support Commissioner	258	280	-8%
Pensions Appeal Tribunal	104	168	-38%
Rent Assessment Panel	5	16	-69%
Special Educational Needs and Disability Tribunal	102	81	26%
The Appeals Tribunal	22,859	15,140	51%

* This standard is set by the Tribunal President.

** No cases have been received in 12-13. Standard is subject to review.

Court Funds Office

To facilitate the efficient disposal of Court Funds business:

CFO Receipts

- 90% lodged with the bank within two days of receipt. (Achieved 95.7%)
- 97% lodged with the bank within three days of receipt. (Achieved 98.6%)

Direct Lodgements

- 99% posted within two days of receipt of Appropriate Authority. (Achieved 99.1%)

Payments

- 95% made within three days of receipt of authority. (Achieved 99.3%)
- 98% made within five days of receipt of authority. (Achieved 99.8%)

Sales

- 95% initiated within three days of receipt of authority. (Achieved 99.8%)
- 98% made within five days of receipt of authority. (Achieved 100.0%)

Investments

- 98% initiated within two days of receipt of authority. (Achieved 99.8%)
- 100% made within three days of receipt of authority. (Achieved 100.0%)

Provision of Tax Information

- 100% completed within 15 days of receipt of request. (Achieved 100.0%)

Appendix 1

Court Divisions & Map



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

Health & Personal Social Services Disqualification Tribunal

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

Parole Commissioners Secretariat

Make a risk assessment about the release and recall of prisoners

Appendix 3

Judicial Complement in Northern Ireland

Judicial complement of salaried and fee paid judicial officers in Northern Ireland as at 31 March 2013:

Lord Chief Justice	1
Lord Justices of Appeal	3
High Court Judges*	10
County Court Judges	17
District Judges (Magistrates' Courts)**	21
District Judges (County Court)	4
High Court Masters	7
Social Security and Child Support Commissioners	2
Coroners	3
Lands Tribunal Member	1
Appeal Tribunal Commissioners	2
Total	71
Lay Magistrates	185
Fee Paid Tribunal members	310
Number of Deputy and fee paid Judicial Officers	60
Parole Commissioners	40

* One vacancy

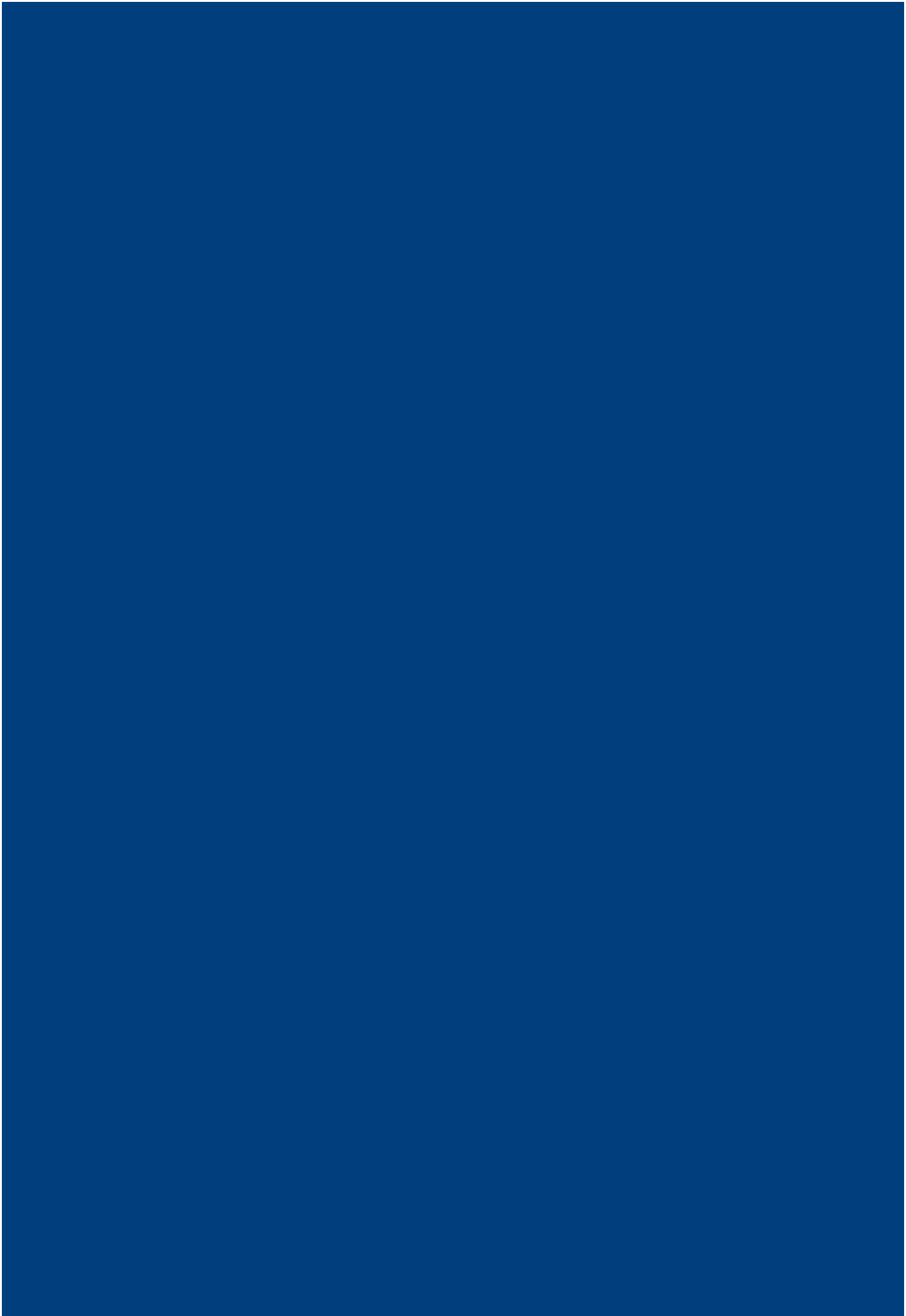
** Includes two part-time



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