



Annual Report

of

Judicial Administration

For the 2004/5 Financial Year

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1. Overview of Performance for the Year

Introduction

This annual report details the performance of the Judicial Administration for the fiscal year ending 30 June 2005.

It includes information about outputs actually delivered during the year as compared to the planned performance documented in the Annual Budget Statement for the Judicial Administration for 2004/5, or as amended through the supplementary appropriation process.

It also reports those aspects of ownership performance that were contained in the Annual Budget Statement for 2004/5 or as amended through the supplementary appropriation process.

Summary of Performance

Output Performance

Summary of Output Performance
\$000

<i>Output</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>
JUD 1	1,051	1,083	32
JUD 2	140	137	(3)
JUD 3	1,374	1,844	470
JUD 5	159	158	(1)
JUD 7	111	106	(5)
JUD 9	459	483	24
JUD 10	94	87	(7)
JUD 12	104	100	(4)
JUD 13	208	212	4

Actual outputs were very close to budget with the exception of JUD 3 where there was a \$470K favorable variance.

The reasons for this variance were lower rental and attendance allowances totaling \$330K. The favorable balance is made up of personnel and other costs.

Ownership Performance

The reason for the variance in Revenue from Cabinet of \$506,917 is as follows: a favourable variance in attendance allowance of \$270,000, because of damaged premises lower rental costs of \$55,000 the remaining balance of \$181,000 is made up of personnel and other operating costs.



Cayman Islands

JUDICIAL ADMINISTRATION DEPARTMENT

CERTIFICATE OF THE AUDITOR GENERAL

**To the Chief Officer of Judicial Administration
And to the Members of the Legislative Assembly of the Cayman Islands**

Report on Statement of Outputs Delivered

I have audited the accompanying Statement of Outputs Delivered of the Judicial Administration for the year ended 30 June 2005 as set out on pages 11 to 20 in accordance with the provisions of Section 44(3) of the *Public Management and Finance Law (2005 Revision)*. The Statements consist of the following outputs:

- JUD 1 – Administrative Support to the Judiciary
- JUD 2 – Collection of Revenue
- JUD 3 – Administrative Support for the Conduct of Civil and Criminal Proceedings
- JUD 5 – Servicing and enforcement of court documents
- JUD 7 – Administration of Legal Aid
- JUD 9 – Court Room Services
- JUD 10 – Administration of the Maintenance and Affiliation Law
- JUD 12 – Listing of cases before the Grand Court
- JUD 13 – Financial Management of Court Funds

Management's Responsibility for the Statement of Outputs Delivered

Management is responsible for the preparation and fair presentation of the Statement of Outputs Delivered in accordance with section 44(2) of the *Public Management and Finance Law (2005 Revision)*. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Statement of Outputs Delivered that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria and measures to the outputs delivered. Management is required to present the following performance indicators for the Department:

- 1) Description of outputs delivered for the year ended 30 June 2005.
- 2) Quantitative measures of the outputs delivered during the year ended 30 June 2005.
- 3) Qualitative measures of the outputs delivered during the year ended 30 June 2005.
- 4) Timeliness measure of the outputs delivered during the year ended 30 June 2005.
- 5) Location of delivery of outputs during the year ended 30 June 2005.
- 6) Financial measures of the actual costs incurred in respect of each output for the year ended 30 June 2005 compared to Budgeted Costs for each output as duly approved in the "Budget 2004/5".

Auditor's Responsibility for the Statement of Outputs Delivered

My responsibility is to express an opinion on the Statement of Outputs Delivered based on our audit. We conducted our audit in accordance with International Standards on Assurance Engagements 3000: Assurance Engagements Other Than Audits of Historical Financial Information. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Statement of Outputs Delivered are free from material misstatement.

Our audit of the Statement of Outputs Delivered was planned and performed to obtain all information and explanations we considered necessary to form an opinion based on a reasonable level of assurance. Our audit procedures included examining, on a test basis, evidence supporting the amounts and other disclosures included in the Statements and making enquiries of key members of management and the staff of the Department.

I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Overall Scope Limitations

The parameters included for each of the output measures included in these statements have been provided to me by Judicial Administration's management and are solely their responsibility. I do not accept responsibility for the determination of these parameters as the basis of measure for each of the outputs, or for their appropriateness or relevance.

Nor do I accept responsibility for the accuracy of the information contained in the "Description" field of each statement or the "Explanation of Variances" commentary following each Statement. The information as documented included there in has been determined by Judicial Administration's management in their best judgement and as such its accuracy and relevance are solely their responsibility.

Basis for Qualified Opinion for the Statement of Outputs Delivered

JUD 1 – Administrative Support to the Judiciary

Quantity – we did not receive supporting documentation to support the number of actual judgements prepared and therefore could not determine if 67 judgements recorded in the 2004/5 actual was accurate. Also, the actual number of correspondence prepared is not presented in the Statement as Judicial had no system in place to track this measure during 2004-05. In addition we did not receive supporting documentation for the number of actual meetings (i.e. budget indicates appointments, but should be meetings) for the Judiciary/Grand Court Rules Committee and therefore could not determine if 2 was the correct number.

Quality and Timeliness – we are not able to conclude whether the 2004/5 actual quality and timeliness measures reported are accurate as the client does not have the systems in place to substantiate the actual figures provided and hence these figures are management's best estimates.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the accuracy of the quantity measures above, and the quality and timeliness measures, the JUD 1 Statement of Outputs presents fairly, in all material respects, the outputs delivered for Judicial Administration as of 30 June 2005.

JUD 2 – Collection of Revenue

Quantity – we were unable to substantiate any of the actual 2004/5 quantity measures presented in the Statement as the Judicial Enforcement Management System was not fully operational in 2004/05 and these are management's best estimates.

Quality and Timeliness – we are not able to conclude whether the 2004/5 actual quality and timeliness measures reported are accurate as the client does not have the systems in place to substantiate the actual figures provided and hence these figures are management's best estimates.

Because of the significance of the matters discussed in the preceding two paragraphs, I do not express an opinion on the JUD 2 Statement of Outputs Delivered for the year ending 30 June 2005.

JUD 3 – Administrative Support for the Conduct of Civil and Criminal Proceedings

Quantity – The actual number of summons to accused and witnesses issued, and the actual number of committal warrants prepared are not presented in the Statement as Judicial had no system in place to track these measures. In addition, we were not able to substantiate the 2004/5 actual quantity measure for the number of coroner's certificates prepared (3) and the actual number of applications for Parent and Child Maintenance Orders processed, summonses issues and attachment of Earnings Orders (102) as a listing was not provided to substantiate the actual quantity.

Quality and Timeliness – we are not able to conclude whether the 2004/5 actual quality and timeliness measures reported are accurate as the client does not have the systems in place to substantiate the actual figures provided and hence these figures are management's best estimates.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the accuracy of the quantity measures above, and the quality and timeliness measures, the JUD 3 Statement of Outputs presents fairly, in all material respects, the outputs delivered for Judicial Administration as of 30 June 2005.

JUD 5 – Servicing and enforcement of court documents

Quality and Timeliness – we are not able to conclude whether the 2004/5 actual quality and timeliness measures reported are accurate as the client does not have the systems in place to substantiate the actual figures provided and hence these figures are management's best estimates.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the accuracy of the quality and timeliness measures, the JUD 5 Statement of Outputs presents fairly, in all material respects, the outputs delivered for Judicial Administration as of 30 June 2005.

JUD 7 – Administration of Legal Aid

Quality and Timeliness – we are not able to conclude whether the 2004/5 actual quality and timeliness measures reported are accurate as the client does not have the systems in place to substantiate the actual figures provided and hence these figures are management's best estimates.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the accuracy of the quality and timeliness measures, the JUD 7 Statement of Outputs presents fairly, in all material respects, the outputs delivered for Judicial Administration as of 30 June 2005.

JUD 9 – Court Room Services

Quality and Timeliness – we are not able to conclude whether the 2004/5 actual quality and timeliness measures reported are accurate as the client does not have the systems in place to substantiate the actual figures provided and hence these figures are management's best estimates.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the accuracy of the quality and timeliness measures, the JUD 9 Statement of Outputs presents fairly, in all material respects, the outputs delivered for Judicial Administration as of 30 June 2005.

JUD 10 – Administration of the Maintenance and Affiliation Law

Quantity – we were unable to substantiate the 2004/5 actual number of applications processed, summonses issued and Court orders processed (243) along with the actual number of Attachment of Earnings Orders issued (34) as adequate systems to support this information were not in place for 2004/5.

Quality and Timeliness – we are not able to conclude whether the 2004/5 actual quality and timeliness measures reported are accurate as the client does not have the systems in place to substantiate the actual figures provided and hence these figures are management's best estimates.

Because of the significance of the matters discussed in the preceding two paragraphs, I do not express an opinion on the JUD 10 Statement of Outputs Delivered for the year ending 30 June 2005.

JUD 12 – Listing of cases before the Grand Court

Quality and Timeliness – we are not able to conclude whether the 2004/5 actual quality and timeliness measures reported are accurate as the client does not have the systems in place to substantiate the actual figures provided and hence these figures are management's best estimates.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the accuracy of the quality and timeliness measures, the JUD 12 Statement of Outputs presents fairly, in all material respects, the outputs delivered for Judicial Administration as of 30 June 2005.

JUD 13 – Financial Management of Court Funds

Quality and Timeliness – we are not able to conclude whether the 2004/5 actual quality and timeliness measures reported are accurate as the client does not have the systems in place to substantiate the actual figures provided and hence these figures are management's best estimates.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the accuracy of the quality and timeliness measures, the JUD 13 Statement of Outputs presents fairly, in all material respects, the outputs delivered for Judicial Administration as of 30 June 2005.

Report on the Financial Statements:

I have audited the accompanying financial statements of the Judicial Administration Department (the "Department"), which comprise the balance sheet as at 30 June 2005, and the operating statement, statement of changes in net worth, cash flow statement, statement of commitments and statement of contingent liabilities for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 31 to 43 in accordance with the provisions of Section 44(3) of the *Public Management and Finance Law (2005 Revision)*.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair representation of these financial statements in accordance with International Public Sector Accounting Standards (IPSAS). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility for the Financial Statements

My responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend upon the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing and opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for Qualified Opinion for the Financial Statements

Scope Limitations – no inventory count was performed as at 30 June 2004 and 2005 to determine the opening inventory balance and closing balance. Also, no fixed asset inspection was carried out as at 30 June 2004 & 2005 to determine whether the opening and closing fixed assets existed. As a result I am also unable to determine the accuracy of the opening net worth amount for Judicial as the opening balance sheet accounts for Inventory and Property, plant and equipment could not be supported as no inventory or fixed asset counts were performed.

In addition, there was not sufficient appropriate audit evidence to support the opening value for the library books which was estimated by management to be \$280,000 and the related depreciation \$160,000.

Classification error- under financial statement note 7 Judicial has recorded \$12,000 for buildings (net book value \$4,000), which management does not know what this relates to. I am not aware that Judicial owns any buildings and therefore have considered this a classification error.

I was not able to carry out satisfactory alternative audit procedures to obtain reasonable assurance over the existence and value of inventory and property, plant and equipment at 30 June 2004 & 2005 and the related depreciation expense to property, plant and equipment.

The Financial Statement do not have any related party note disclosure that identifies the nature of the related party relationship, the types of transactions that have occurred and the elements of the transactions necessary to clarify the significance of these transactions to its operations as required under IPSAS 20.

Qualified Opinion for the Financial Statements

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the accuracy of the opening net worth amount, inventory, property, plant and equipment, the related depreciation, and the related party note disclosure, the financial statements present fairly, in all material respects, the financial position of the Judicial Administration as of 30 June 2005, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.



Dan Duguay, MBA, FCGA
Auditor General

Cayman Islands
26 February 2008

Part A
Outputs Delivered During the Year

Statement of Outputs Delivered

For the year 2004/5 all of our data recording systems were manual. Some of these manual recording systems have been in place for twenty years or more. We feel reasonably confident that the Quantity measures in all of the below outputs are materially correct except as where noted. The Quality and Timeliness measures are difficult to substantiate without an inordinate amount of work and in certain instances cannot be substantiated, hence the figures used are an estimate.

Many of these issues will be resolved as we implement the computerized Judicial Enforcement management System. (J.E.M.S.)

JUD 1	Administrative Support to the Judiciary			
Description				
Administrative Support to the Judiciary, involving:				
• Secretarial and administrative support to the Chief Justice and the Judiciary • Administrative support relating to the Mutual Legal Assistance Treaty activities • Secretarial and advisory support to the Grand Court Rules Committee • Provision of a comprehensive legal library to be used by Judges, Magistrates, Attorneys and Public				
Measures	2004/5 Actual	2004/5 Budget	Annual Variance	
Quantity				
• Number of judgments prepared	67	50-100	33	
• Number of responses to parliamentary questions	0	1-5	1	
• Number of correspondence prepared	see note	2,000-2,500		
• Number of statistical reports	1	1-2		
• Number of Summary Court transcripts for appeals	36	20-50	14	
• Number of appointments for Judiciary/Grand Court Rules Committee	2	5-10	3	
• Number of periodicals and bound volumes in library	3800	4,000	200	
Quality				
• Judgments prepared accurately in accordance with Judge's directions	98%	100%	2%	
• Parliamentary questions are prepared with due professional care using analytical and robust data	100%	100%		
• Correspondence and Statistical Reports are accurate and subject to peer review	95%	100%	5%	
Transcripts prepared accurately and based on Judges/Magistrates directions	98%	100%	2%	
Appointments are made in accordance with Judges directions	100%	100%		
Library requests for additional books to be met	100%	100%		
• Library staffed by qualified library staff	100%	100%		

Timeliness			
Judgments are prepared in accordance with Judges request	98%	100%	2%
• Parliamentary questions are submitted by deadline set by the Legislative Assembly	98%	100%	2%
• Response to correspondence within five (5) working days of receipt	see note	95%	
Transcripts are prepared within 1-3 months of appeals being lodged	80%	95%	15%
Appointments are made immediately of request	95%	95%	
• Notices are published within 24 hours of request.	90%	90%	
• Library open 9am to 4-30pm on business days	100%	100%	
Location			
Courts Office, Grand Cayman	100%	100%	
Cost (of producing the output)			
	1,050,980	1,082,670	31,690
Price (paid by Cabinet for the output)			
	1,050,980		

Unable to measure number of correspondence prepared no longer used as a quantity measure.

JUD 2		Collection of Revenue		
Description				
Collection of traffic tickets, court imposed fines, warrants and fees.				
Measures		2004/5 Actual	2004/5 Budget	Annual Variance
Quantity				
Collection of traffic tickets, court imposed fines, and fees.				
• Number of tickets and fines processed		2,000-5,000	2,000-5,000	
• Number of warrants issued		150-250	150-250	
• Preparation of lists of default tickets		2 per week	2 per week	
• Number of fees transactions		2,000-3,000	2,000-3,000	
Quality				
• Amount collected equates to amount ticketed or fined or amount of fee		100%	100%	
• All monies collected recorded accurately and in accordance with government accounting regulations		100%	100%	
• Warrant accurate, and issued in accordance with relevant laws and signed by Judge/Magistrate		100%	100%	
• Lists of default tickets accurate and complete		100%	100%	
Timeliness				
• Money received deposited to the bank within one working day:		100%	100%	
		60%	60%	
• Warrants issued on outstanding fines within one month of default:		100%	100%	
• List of unpaid tickets: same day as due date				
Location				
Courts Office Grand Cayman, Government Administration Building Cayman Brac		100%	100%	
Cost (of producing the output)		139,981	137,295	(2,686)
Price (paid by Cabinet for the output)		139,981		

The actual quantity measures are an estimate as Judicial Enforcement Management System (JEMS) was not fully operational in 2004/5
The above statistics are now available for 2006/7.

JUD 3		Administrative Support for the Conduct of Civil and Criminal Proceedings		
Description Administrative Support for the Conduct of Civil and Criminal proceedings, involving: • Receiving and filing legal documents relating to cases • Preparing and issuing of summonses to accused and witnesses • Selecting, summons and empanel jurors • Preparing Indictment and Appeal Bundles and notification of results of hearings • Preparation of committal warrants and Coroner's Certificates • Signing charges/summonses and bail bonds • Maintenance of the registers of Attorneys, Notary Public and Justices of Peace • Administration of the Grand Court parent and child Maintenance Orders				
Measures	2004/5 Actual	2004/5 Budget	Annual Variance	
Quantity • Number of charges and legal documents received and filed5,9328,000-10,0002,068 • Number of summons to accused and witnesses issuedcannot measure5,000-8,00028 • Number of jurors summoned and empanelled272300-40010 • Number of Indictments and Appeal Bundles prepared90100-15014 • Number of notifications of results of hearings3150-7519 • Number of committal warrants preparedcannot measure250-50048 • Number of Coroner's Certificates prepared310-20 • Number of applications for Parent and Child Maintenance Orders processed, summonses issued and Attachment of Earnings Orders102150				
Quality • Charges and Legal documents filed accurately95%95% • Summonses issued in accordance with the provisions of the relevant law and in-house procedures100%100% • Indictment and Appeal bundles prepared in accordance with the relevant Law and Judge/Magistrates instructions100%100% • Charges and summonses signed in accordance with the relevant laws and procedures100%100% • Attachment of Earnings Orders prepared and issued in accordance with the relevant laws and Court Rulings100%100%				
Timeliness • Documents filed within 2-5 working days based on need95%100%5% • Summonses issued at least 7 workings before the relevant court hearing95%100%5% • Bundles prepared before the relevant court session • Notification of results of hearings and appeals within a week of hearing98%100%2% • Committal warrants issued same day as sentencing:95%100%2% • Coroner's certificates issued within 5 working days • Attachment of Earnings Orders processed within five (5) days98%100%2% 95%95%10% 90%100%				
Location Courts Office Grand Cayman, Ashton Rutty Building Cayman Brac100%100%				
Cost (of producing the output)		1,374,496	1,843,971	469,475
Price (paid by Cabinet for the output)		1,374,496		

Cannot measure = Unable to measure quantity, no longer used as a quantity measure.

JUD 5	Servicing and enforcement of court documents		
Description			
Servicing and enforcement of court documents: jury summons, writs, petitions, originating summonses, foreign process, warrants of execution.			
Measures	2004/5 Actual	2004/5 Budget	Annual Variance
Quantity			
• Number of documents served	1271	1,000-1,500	229
• Number of document enforced	14	10-20	6
Quality			
• Relevant documents to be served in accordance with rules of the relevant court	100%	100%	
• Relevant documents to be served in accordance with the Hague Convention	100%	100%	
• Writs of execution dealt with in accordance with the rules of the Grand Court	100%	100%	
Timeliness			
• Service of documents within 14 days	90%	90%	
• Completion of affidavit of service within 3 days of service	90%	90%	
• Writs of execution dealt with within 14 days	75%	75%	
Location			
Courts Office Grand Cayman	100%	100%	
Cost (of producing the output)	159,478	157,667	(1,811)
Price (paid by Cabinet for the output)	159,478		

JUD 7	Administration of Legal Aid		
Description Administration of legal aid involving: • Processing applications • Assign Attorneys • Processing and issuing legal aid certificates • Monitor performance of Attorneys			
Measures	2004/5 Actual	2004/5 Budget	Annual Variance
Quantity • Civil legal aid applications processed • Criminal legal aid applications processed • Legal aid certificates issued	113 126 164	150-170 120-150 250-300	37 24 86
Quality • Applications processed in accordance with the Legal Aid Law • Attorney's assigned and certificates issued in accordance with Judge's/Magistrates decisions, and based on Attorney expertise in the relevant field • Assessment of bills to be in accordance with the Legal Aid Law and with the Chief Justice practice direction	100% 80% 95%	100% 100% 90%	 20% (5%)
Timeliness • Applications processed within 2 days • Attorney assigned and legal aid certificate issued within 5 days after being granted • Court files reviewed: when requested by Attorney or Judge or applicant • Number of days from receipt Certified bills processed for payment	80% 90% 90% 10	90% 100% 100% 5	10% 10% 10% (5%)
Location Courts Office, Grand Cayman	100%	100%	
Cost (of producing the output)	110,620	106,026	(4,594)
Price (paid by Cabinet for the output)	110,620		

JUD 9	Court Room Services		
Description Management of courts including: • Swearing in witnesses • Recording exhibits • Keeping order in court • Liaising with jurors • Court reporting • Checking the court list and making sure files are available for that particular court			
Measures	2004/5 Actual	2004/5 Budget	Annual Variance
Quantity • Number of cases listed for hearing before the Court of Appeal, Grand Court and Magistrate Court	3,767	10,000-11,000	See note
Quality • Court room personnel to be prepared and in attendance before the start of court each day • Prepare courtrooms to ensure that everything is ready before the court commences • Correct files available for the relevant courts	95%	100%	95%
	95%	100%	5%
	95%	95%	
Timeliness • Files delivered to courtroom at least ½ hour before court sitting • Case files to Judiciary at least 1 day before hearing • Courtroom prepared at least 1 hour before court sits	95%	100%	5%
	98%	100%	2%
	100%	100%	
Location Courts Office Grand Cayman, Ashton Rutty Building Cayman Brac	100%	100%	
Cost (of producing the output)	459,424	482,920	23,496
Price (paid by Cabinet for the output)	459,424		

Quantity in the budget was incorrect.

JUD 10	Administration of the Maintenance and Affiliation Law		
Description Administration of the Maintenance and Affiliation Law involving: • Processing of applications • Issuing summonses • Processing Court Orders • Following-up delinquent payers • Processing and issuing Attachment of Earnings Orders			
Measures	2004/5 Actual	2004/5 Budget	Annual Variance
Quantity • Number of applications processed, summonses issued and Court orders processed • Number of summonses to delinquent payers • Number of Attachment of Earnings Orders issued	243 101 34	100-120 25-35 40-60	(123) (66) 6
Quality • Applications and summonses processed accurately and in accordance with the relevant Laws • Arrears calculated accurately; Summonses for arrears issued in accordance with the relevant Laws and Court judgement	95% 90%	100% 90%	5%
Timeliness • Applications processed and summonses issued within 1 week • Case files to Magistrate 1 day before hearing • Enforcement follow-up 1 week from notification by applicant	90% 95% 90%	90% 100% 90%	5%
Location Courts Office Grand Cayman, Ashton Rutty Centre Cayman Brac	100%	100%	
Cost	94,178	\$86,884	(7,294)
Price (paid by Cabinet for the output)	94,178		

The 243 above is an estimate. Accurate figures will be available when the Judicial Enforcement Management system is fully implemented.

JUD 12	Listing of cases before the Grand Court			
Description				
Listing of Cases for hearing and issuing of summonses for listed cases.				
Measures	2004/5 Actual	2004/5 Budget	Annual Variance	
Quantity			Budget error	
• Number of lists produced	48	1,000-1,500		
• Number of summonses issued	1,081	1000-1,500	419	
Quality			5%	
• Listings reflect a balance between all cases filed and dates available	95%	100%		
• Cases to be set for hearing in accordance with the relevant Laws and Practice Directions	95%	100%	5%	
• Summonses issued in accordance with the provisions of the relevant law and in-house procedures	95%	100%	5%	
Timeliness				
• Listings circulated by the Friday before each business week	95%	95%		
• Summonses for dates processed within five (5) days	95%	95%		
Location				
Courts Office Grand Cayman	100%	100%		
Cost (of producing the output)	104,136	99,557	(4,579)	
Price (paid by Cabinet for the output)	104,136			

JUD 13	Financial Management of Court Funds		
Description			
Financial management of Court Funds for the Grand Court of the Cayman Islands			
Measures	2004/5 Actual	2004/5 Budget	Annual Variance
Quantity			
• Number of Nominated Accounts	65	40-60	(5)
• Number of General Accounts	1,123	800-1,000	(123)
• Number of Financial Statements	0	1	1
Quality			
• Receipts and payments are in accordance with Court Order	100%	100%	
• Account balances reconciled to General Ledger monthly	90%	90%	
Timeliness			
• Disbursement of cheques three (3) times per week	95%-100%	95%-100%	
• Batches posted to General Ledger daily	95%-100%	95%-100%	
• Financial Statements to be prepared according to Statutory deadline	0%	100%	100%
Location			
Courts Office Grand Cayman	100%	100%	
Cost (of producing the output)	208,460	211,680	3,220
Price (paid by Cabinet for the output)	208,460		

Part B

Ownership Performance Achieved During the Year

3 Nature and Scope of Activities

Approved Nature and Scope of Activities

General Nature of Activities

To provide administrative support for the dispensation of Justice in the Cayman Islands and for Judicial and Mutual Legal assistance to foreign Courts and Governments and for the resolution of disputes that come before the Courts.

Scope of Activities

Case Management – Criminal and Civil

- Provision of services to support the work of the Judiciary in determining and managing criminal and civil cases.
- Services include:
 - Register all actions, ensure their custody and progress through the Judicial system.
 - Scheduling cases and rostering judges
 - Managing documents and exhibits
 - Recording and transcribing evidence
 - Undertaking functions prescribed by statute (for example granting bails, issuing summonses etc. in Criminal cases and dissolutions and probate etc. in Civil cases).
 - Dealing with enquiries from parties and their lawyers.

Financial Management

- Collection or enforcement of monetary penalties, and the enforcement of judgments of the Courts on behalf of Judgment creditors.
- Administration of Legal Aid services.
- Collection of forfeited funds.

Customers and Location of Activities

The services provided by the Judicial Administration are provided to members of the Legal Profession, the Police, other Government Agencies and the public in the Cayman Islands and abroad. Customers: Chief Justice, other government agencies and the general public.

Compliance during the Year

Judicial Administration complied with the activities listed above.

4 Strategic Ownership Goals

Approved Strategic Ownership Goals

The key strategic ownership goals for the Judicial Administration in 2004/5 and the subsequent two years are as follows:

- Court to house the summary court.
- Train and prepare for servicing the new Drug Court.
- Implement a dedicated web site to access: Court lists, Registers, file documents electronically, and ultimately to include the collection of fines and fees, research Law Reports and other library materials.
- Revise and upgrade the present Case Management system to improve the Department's capacity in the collection and enforcement of fines.
- As a requirement to increase productivity there will be an upgrade to a Judicial Enforcement Solutions System (JEMS).
- Staff skills will be increased through various training initiatives to use this system.

Achievement during Year

Achievement of the above ownership Goals

- Court to house the summary court. **Scheduled to be built in 2007/8 & 2008/9**
- Train and prepare for servicing the new Drug Court. **Scheduled for 2006/7 & 2007/8**
- Implement a dedicated web site to access: Court lists, Registers, file documents electronically, and ultimately to include the collection of fines and fees, research Law Reports and other library materials. **Partially implemented in 2006/7**
- Revise and upgrade the present Case Management system to improve the Department's capacity in the collection and enforcement of fines. **Started upgrades in 2004/5 still ongoing**
- As a requirement to increase productivity there will be an upgrade to a Judicial Enforcement Solutions System (JEMS). **Started in 2004/5 still ongoing**
- Staff skills will be increased through various training initiatives to use this system. **ongoing**

5 Ownership Performance Targets

5.1 Financial Performance

Financial Performance Measures	Annual Actual \$	Annual Budget \$	Annual Variance \$
Revenue from Cabinet	3,701,753	4,208,670	506,917
Revenue from ministries, portfolios, statutory authorities, government companies		30,000	30,000
Revenue from others	5,071	16,800	11,729
Surplus/deficit from outputs			
Ownership expenses			
Operating Surplus/Deficit	0	0	0
Net Worth	815,938	423,797	(392,141)
Cash flows from operating activities	(234,387)	(15,826)	218,561
Cash flows from investing activities	(48,767)	(40,424)	8,343
Cash flows from financing activities	364,196	56,250	(307,946)
Change in cash balances	81,041	0	(81,041)

Explanation of Variances:

The reason for the variance in Revenue from Cabinet of \$506,917 is as follows: a favourable variance in attendance allowance of \$270,000, because of damaged premises lower rental costs of \$55,000 the remaining balance of \$181,000 is made up of personnel and other operating costs savings.

The variances for cash flow from operating activities and cash flow from financing activities are due to budget under estimates.

Financial Performance Ratios	Annual Actual	Annual Budget	Annual Variance
Current Assets: Current Liabilities (Working Capital)	3.02	1.88	(1.14)
Total Assets: Total Liabilities	4.29	2.5	(1.79)

Explanation of Variances:

The variance is a result of the actual figures for Fixed Assets being higher than the budget and Substantial increase in Receivables.

5.2 Maintenance of Capability

Human Capital Measures	Annual Actual	Annual Budget	Annual Variance
Total full time equivalent staff employed	51	53	2
Staff turnover (%)			
Managers			
Professional and technical staff	5%	5%	
Clerical and labourer staff	5%	5%	
Average length of service (number of years in current position)			
Managers	5	5	
Professional and technical staff	8.2	8.2	
Clerical and labourer staff	8.2	8.2	
Changes to personnel management system:			

Explanation of Variances:

Physical Capital Measures	Annual Actual \$	Annual Budget \$	Annual Variance \$
Value of total assets	1,063,374	704,797	(358,577)
Asset replacements: total assets	4.6%	10.4%	5.8%
Book value of assets: initial cost of those assets	46.2%	50%	3.8%
Depreciation: cash flow on asset purchases	131%	40%	(91%)
Changes to asset management policies			

Explanation of Variances:

Budget incorrect fixed assets and receivables higher than budget.

Major <u>New</u> Entity Capital Expenditures for the Year	Annual Actual \$	Annual Budget \$	Annual Variance \$
Furniture, Office Equipment and Computers	48,767	74,174	25,407

Explanation of Variances:

Purchases below budget.

Major Entity Capital Expenditures continuing from previous years	Annual Actual \$	Annual Budget \$	Annual Variance \$

Explanation of Variances:

5.3 Risk Management

Risk	Status of Risk	Action Taken During 2004/5 to Manage Risk	Financial Value of Risk
Loss of key personnel	unchanged	Regular performance feedback. Salaries reviewed in 2005/6 & appropriate changes made.	
Case Management IT System not up and running properly for both civil and criminal. This impacts productivity	unchanged	A new server was purchased & Software upgrades were implemented.	
Hurricane or other damage and/or loss of confidential documents/exhibits	unchanged	No action required as there is a limited risk as was shown by Ivan.	
Insufficient security of buildings and grounds	unchanged	Some work was undertaken in 2004/5. Substantial improvements are scheduled for 2006/7	

Explanation of Variances:

6 Equity Investments and Withdrawals

Equity Movement	Annual Actual \$	Annual Budget \$	Annual Variance \$
Equity Investment from Cabinet into the Judicial Administration	364,196	56,250	(307,946)
Capital (Equity) Withdrawal by Cabinet from Judicial Administration			

Explanation of Variances:

Budget did not take into account working capital injection.

Appendix: Financial Statements for the Year

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Statement of Responsibility
Operating Statement
Statement of Changes in Net Worth
Balance Sheet
Statement of Cash Flows
Statement of Accounting Policies
Notes to the Financial Statements

Judicial Administration

STATEMENT OF RESPONSIBILITY FOR FINANCIAL STATEMENTS

These financial statements have been prepared by *Judicial Administration* in accordance with the provisions of the Public Management and Finance Law (2005 Revision)

I accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the Public Management and Finance Law (2005 Revision).

To the best of my knowledge the financial statements are:

- (a) complete and reliable;
- (b) fairly reflect the financial position as at 30 June 2005 and the financial performance for the 2004/5 financial year; and
- (c) comply with generally accepted accounting practice.

Delene Cacho
Chief Officer
Judicial
February 26th 2008

John Regan
Chief Financial Officer
Legal Affairs
February 26th 2008

For Delene Cacho
Valdis Foldats

**JUDICIAL ADMINISTRATION
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2005**

	Note	Annual Actual \$000	Annual Budget \$000
Revenue			
Outputs to Cabinet		3,701	4,208
Outputs to other government agencies			30
Outputs to others		4	17
Interest Revenue		2	
Total Operating Revenue		<u>3,707</u>	<u>4,255</u>
Operating Expenses			
Personnel costs	1	2,014	2,496
Supplies and consumables	2	1,547	1,702
Depreciation	3	64	29
Capital charge		28	28
Other operating expenses			
Total Operating Expenses		<u>3,653</u>	<u>4,255</u>
Surplus from operating activities		<u>54</u>	<u>0</u>
Gains/losses on foreign exchange transactions			
Gains/losses on disposal or revaluation of non-current assets			19
Surplus before extraordinary items			
Extraordinary items	13	(54)	(45)
Net Surplus		<u>0</u>	<u>(26)</u>

The accounting policies and notes on pages 37-43 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 JUNE 2005**

	Annual Actual \$000	Annual Budget \$000
Opening balance net worth	452	394
Net surplus		(26)
Property revaluations		
Investment revaluations		
Net revaluations during the period		
Total recognised revenues and expenses	452	368
Equity investment from Cabinet	364	56
Repayment of surplus to Cabinet		
Capital withdrawal by Cabinet		
Closing balance net worth	816	424

The accounting policies and notes on pages 37-43 form part of these financial statements.

**JUDICIAL ADMINISTRATION
BALANCE SHEET
AS AT 30 JUNE 2005**

	Note	Annual Actual \$000	Annual Budget \$000
Current Assets			
Cash and cash equivalents	4	82	201
Accounts receivable	5	594	327
Inventories	6	75	
Total Current Assets		<u>751</u>	<u>528</u>
Non-Current Assets			
Property, plant and equipment	7	319	172
Other non-current assets		(6)	5
Total Non-Current Assets		<u>313</u>	<u>177</u>
Total Assets		<u>1,064</u>	<u>705</u>
Current Liabilities			
Accounts payable	8	98	170
Unearned revenue			
Employee entitlements	9	30	110
Other current liabilities		120	
Total Current Liabilities		<u>248</u>	<u>280</u>
Non-Current Liabilities			
Employee entitlements	10		1
Other non-current liabilities	11		
Total Non-Current Liabilities			<u>1</u>
Total Liabilities		<u>248</u>	<u>281</u>
TOTAL ASSETS LESS TOTAL LIABILITIES		<u>816</u>	<u>424</u>
NET WORTH			
Contributed capital		816	450
Asset revaluation reserve			
Accumulated surpluses			(26)
Total Net Worth		<u>816</u>	<u>424</u>

The accounting policies and notes on pages 37-43 form part of these financial statements.

**JUDICIAL ADMINISTRATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2005**

	Note	Annual Actual \$000	Annual Budget \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Outputs to Cabinet		3,372	4,209
Outputs to other government agencies			30
Outputs to others		2	17
Interest received		3	
Payments			
Personnel costs		(2,014)	(2,496)
Suppliers		(1583)	(1,748)
Other payments		(14)	(28)
Net cash flows from operating activities	12	<u>(234)</u>	<u>(16)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current assets		(49)	(74)
Proceeds from sale of non-current assets			34
Net cash flows from investing activities		<u>(49)</u>	<u>(40)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Equity investment		364	56
Repayment of surplus			
Capital withdrawal			
Net cash flows from financing activities		<u>364</u>	<u>56</u>
Net increase/(decrease) in cash and cash equivalents		81	0
Cash and cash equivalents at beginning of period		<u>1</u>	<u>201</u>
Cash and cash equivalents at end of period	4	<u><u>82</u></u>	<u><u>201</u></u>

The accounting policies and notes on pages 37-43 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF COMMITMENTS
AS AT 30 JUNE 2005**

Type	One year or less	One to five years	Over five years	Total
	\$000	\$000	\$000	\$000
Capital Commitments				
Land and buildings				
Other fixed assets				
Other commitments [list separately if material]				
Total Capital Commitments				nil
Operating Commitments				
Non-cancellable accommodation leases	247	244		491
Other non-cancellable leases				
Non-cancellable contracts for the supply of goods and services				
Other operating commitments				
Total Operating Commitments	247	244		491
Total Commitments	247	244		491

The accounting policies and notes on pages 37-43 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CONTINGENT LIABILITIES
AS AT 30 JUNE 2005**

Summary of Quantifiable Contingent Liabilities

\$000

Legal Proceedings and Disputes
None

Total Legal Proceedings and Disputes

Other Contingent Liabilities
None

Total Other Contingent Liabilities

Summary of Non-Quantifiable Contingent Liabilities
None

The accounting policies and notes on pages 37-43 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2005**

General Accounting Policies

Reporting entity

These financial statements are for Judicial Administration.

Basis of preparation

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) using the accrual basis of accounting. Where there is currently no IPSAS, other authoritative pronouncements such as International Accounting Standards and United Kingdom reporting standards applicable to the public sector have been used. The measurement base applied is historical cost adjusted for revaluations of certain assets.

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently.

Reporting Period

The annual reporting period is for the twelve months ended 30 June 2005.

As this is the first year in which financial statements have been prepared on an accrual basis no comparative figures are available or provided.

Specific Accounting Policies

Revenue

Output revenue

Output revenue, including entity revenue resulting from user charges or fees, is recognised when it is earned.

Interest revenue

Interest revenue is recognised in the period in which it is earned.

Expenses

General

Expenses are recognised when incurred.

Depreciation

Depreciation of non-financial physical assets is provided on a straight-line basis at rates based on the expected useful lives of those assets.

Capital Charge

The Capital Charge is the amount that was budgeted.

Assets

Cash and cash equivalents

Cash and cash equivalents include cash held in Judicial Administration bank account and any money held on deposit with the Portfolio of Finance and Economics (Treasury).

Receivables and advances

Receivables and advances are recorded at the amounts expected to be ultimately collected in cash.

Inventory

Inventories are recorded at the lower of cost and net current value. Where inventories are valued at cost, specific identification or the FIFO method has been used. Appropriate allowance has been made for obsolescence.

Property, Plant and Equipment (including Infrastructure Assets)

Buildings are recorded at historical cost (or fair value as at time of first recognition) or valuation.

Other plant and equipment, which includes motor vehicles and office equipment, is recorded at cost (or fair value if acquired prior to 2005) less accumulated depreciation.

Computer Hardware and Software

Computer hardware and software are recorded at cost, and depreciated in accordance with the policy on depreciation.

Library Books

Library books are recorded at cost and depreciated in accordance with the policy on depreciation.

Liabilities

Accounts Payable

Accounts payable are recorded at the amount owing after allowing for credit notes and other adjustments.

Provisions

- a) Provisions are recognised in accordance with IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets.
- b) *Pension Obligations*
Pension contributions for employees of Judicial Administration are paid to the Public Service Pensions Fund (the "Fund"). The Fund is administered by the Public Service Pensions Board and is operated as a multi-employer non-contributory Fund, whereby the employer pays both employer and employee contributions. Prior to 1 January 2000 the scheme underlying the Fund was a defined benefit scheme. With effect from 1 January 2000 the Fund had both a defined benefit and a defined contribution element. Participants joining after that date became members of the defined contribution element. Pension scheme contributions are included in personnel costs in the operating statement.

The Public Service Pension Liability for all civil servants (both current and past) is an executive liability managed by the Honourable Financial Secretary. This liability is reported on the Honourable Financial Secretary's executive financial statements and no such liabilities, whether current or due to contribution shortfalls have been recognized in these financial statements.

Employee entitlements

Amounts incurred but not paid at the end of the reporting period are accrued. Annual leave due, but not taken, is recognised as a liability.

Long service leave liabilities are measured as the present value of estimated leave service entitlements.

Management Estimates

For the years prior to July 1 2004 management has estimated by year of acquisition the value of library books and depreciated in accordance with the policy on depreciation

JUDICIAL ADMINISTRATION
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: PERSONNEL COSTS

	Annual Actual \$000	Annual Budget \$000
Salaries and wages (including employee pension contributions)	1,913	2,379
Employer pension expense	101	117
Other personnel costs		
Total Personnel Costs	2014	2,496

NOTE 2: SUPPLIES AND CONSUMABLES

	Annual Actual \$000	Annual Budget \$000
Supply of goods and services	1,355	1,039
Operating lease rentals	192	262
Other		401
Total Supplies and Consumables	1,547	1,702

NOTE 3: DEPRECIATION

	Annual Actual \$000	Annual Budget \$000
Buildings		
Vehicles	3	
Aeroplanes		
Boats		
Furniture and fittings	16	
Computer hardware and software	3	2
Office equipment	5	5
Other plant and equipment		
Other assets	37	22
Total Depreciation	64	29

Assets are depreciated on a straight-line basis as follows:

	Years
Buildings	40
Vehicles	5
Aeroplanes	
Boats	
Furniture and fittings	10
Computer hardware and software	4
Office equipment	6
Other plant and equipment	5
Other assets	10

NOTE 4: CASH AND CASH EQUIVALENTS

	Annual Actual \$000	Annual Budget \$000
Cash on hand		
Bank accounts	82	201
Deposits with Portfolio Finance and Economic (Treasury)		
Total Cash and Cash Equivalents	82	201

NOTE 5: ACCOUNTS RECEIVABLE

	Annual Actual \$000	Annual Budget \$000
Outputs to Cabinet	500	277
Outputs to other government agencies		
Outputs to others	81	2
Interest receivable	3	
Prepayments	13	48
Interest Receivable		
Other Receivables	46	
Total Gross Accounts Receivable	643	327
Less provision for doubtful debts	(49)	
Total Net Accounts Receivable	594	327

NOTE 6: INVENTORIES

	Annual Actual \$000	Annual Budget \$000
Raw Materials (including Consumable Stores)		
Work in Progress		
Finished Goods	75	
Total Inventories	<u>75</u>	

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	Cost or Revalued Amount \$000	30 June 2005 Book Value Actual \$000
Buildings	12	4
Vehicles	13	11
Aeroplanes		
Boats		
Furniture and fittings	177	85
Computer hardware and software	15	12
Office equipment	112	47
Other plant and equipment	11	4
Construction in progress		
Other assets –library books and build out costs	351	156
Total	<u>691</u>	<u>319</u>

NOTE 8: ACCOUNTS PAYABLE

	Annual Actual \$000	Annual Budget \$000
Trade Creditors	1	148
Operating lease rental		22
Accruals	97	
Total	<u>98</u>	<u>170</u>

NOTE 9: EMPLOYEE ENTITLEMENTS (CURRENT)

	Annual Actual \$000	Annual Budget \$000
Long service leave and other leave entitlements	30	110
Other salary related entitlements		
Total Employee Entitlements	<u>30</u>	<u>110</u>

NOTE 10. EMPLOYEE ENTITLEMENTS (NON-CURRENT)

	Annual Actual \$000	Annual Budget \$000
Long service leave and other leave entitlements		
Other salary related entitlements	0	1
Total	<u>0</u>	<u>1</u>

NOTE 11: OTHER NON-CURRENT LIABILITIES

	Annual Actual \$000	Annual Budget \$000
Provision for agency revenue repayable		
Provision for restructuring		
Accounts payable		
Unearned revenue		
Other		
Total	<u></u>	<u></u>

**NOTE 12: RECONCILIATION OF OPERATING SURPLUS TO CASH FLOWS
FROM OPERATING ACTIVITIES**

	Annual Actual \$000	Annual Budget \$000
Operating surplus/(deficit)		(45)
Non-cash movements		
Depreciation	64	29
Increase in provision for doubtful debts		
(Decrease)/increase in payables/accruals	119	
Net (gain)/loss from sale of fixed assets		
Net gain/loss from sale of investments		
Increase in other current assets		
(Increase)/decrease in receivables	(417)	
Net cash flows from operating activities	(234)	(16)

NOTE 13: EXTRA ORDINARY ITEMS

The Extraordinary expense item of \$54,000 is made up of repairs that were incurred as a result of Hurricane Ivan.