



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

Output	Actual	Budget	Variance
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 totalling \$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 an 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	31,680
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 filed	5,932	8,000-10,000	2,068
Number of summons to accused and witnesses issued	cannot measure	5,000-8,000	28
Number of jurors summoned and empanelled	272	300-400	10
Number of Indictments and Appeal Bundles prepared	90	100-150	14
Number of notifications of results of hearings	31	50-75	19
Number of committal warrants prepared	cannot measure	250-500	48
Number of Coroner's Certificates prepared	3	10-20	
Number of applications for Parent and Child Maintenance Orders processed, summonses issued and Attachment of Earnings Orders	102	150	
Quality			
Charges and Legal documents filed accurately	95%	95%	
Summonses issued in accordance with the provisions of the relevant law and in-house procedures	100%	100%	
Indictment and Appeal bundles prepared in accordance with the relevant Law and Judge/Magistrates Instructions	100%	100%	
Charges and summonses signed in accordance with the relevant laws and procedures	100%	100%	
Attachment of Earnings Orders prepared and issued in accordance with the relevant laws and Court Rulings	100%	100%	
Timeliness			
Documents filed within 2-5 working days based on need	95%	100%	5%
Summonses issued at least 7 workings before the relevant court hearing	95%	100%	5%
Bundles prepared before the relevant court session			
Notification of results of hearings and appeals within a week of hearing	98%	100%	2%
Committal warrants issued same day as sentencing:	95%	100%	2%
Coroner's certificates issued within 5 working days			2%
Attachment of Earnings Orders processed within five (5) days	98%	100%	
	95%	95%	10%
	90%	100%	
Location			
Courts Office Grand Cayman, Ashton Rutty Building Cayman Brac	100%	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% 95% 95%	100% 100% 95%	95% 5%
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% 98% 100%	100% 100% 100%	5% 2%
Location Courts Office Grand Cayman, Ashton Ruttly 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 • Number of lists produced • Number of summonses issued	48 1,081	1,000-1,500 1000-1,500	Budget error 419
Quality • Listings reflect a balance between all cases filed and dates available • Cases to be set for hearing in accordance with the relevant Laws and Practice Directions • Summonses issued in accordance with the provisions of the relevant law and in-house procedures	95% 95% 95%	100% 100% 100%	5% 5% 5%
Timeliness • Listings circulated by the Friday before each business week • Summonses for dates processed within five (5) days	95% 95%	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)	5	5	
Managers			
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 New 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


For Delene Cacho
Valdis Foldats

John Regan
Chief Financial Officer
Legal Affairs
February 26th 2008



**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	2,486
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 2006**

	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		(1,583)	(1,748)
Other payments		(14)	(28)
Net cash flows from operating activities	12	(234)	(16)
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		(49)	(40)
CASH FLOWS FROM FINANCING ACTIVITIES			
Equity investment		384	56
Repayment of surplus			
Capital withdrawal			
Net cash flows from financing activities		384	56
Net increase/(decrease) in cash and cash equivalents		81	0
Cash and cash equivalents at beginning of period		1	201
Cash and cash equivalents at end of period	4	82	201

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	(48)	
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	158
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.



Judicial Administration
Annual Report
For the 2005/6 Financial Year

Judicial Administration
Annual Report
For the 2005/6 Financial Year



Annual Report

of

Judicial Administration

For the 2005/6 Financial Year

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1. Overview of Performance for the Year

Introduction

This annual report details the performance of Judicial Administration for the fiscal year ending 30 June 2006.

It includes information about outputs actually delivered during the year as compared to the planned performance documented in the Annual Budget Statement for Judicial Administration for 2005/6, 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 2005/6 or as amended through the supplementary appropriation process.

Summary of Performance

Output Performance

Output	Actual	Budget
JUD 1	618,665	615,831
JUD 2	146,406	148,569
JUD 3	1,629,679	1,754,023
JUD 5	161,096	163,782
JUD 7	107,218	110,015
JUD 9	908,353	922,699
JUD 10	89,259	90,332
JUD 12	103,948	103,731
JUD 13	222,050	226,018

Ownership Performance

Revenue from Cabinet was \$148,000 below the approved appropriation of \$4,135,000.



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 2006 as set out on pages 10 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 2006.
- 2) Quantitative measures of the outputs delivered during the year ended 30 June 2006.
- 3) Qualitative measures of the outputs delivered during the year ended 30 June 2006.
- 4) Timeliness measure of the outputs delivered during the year ended 30 June 2006.
- 5) Location of delivery of outputs during the year ended 30 June 2006.
- 6) Financial measures of the actual costs incurred in respect of each output for the year ended 30 June 2006 compared to Budgeted Costs for each output as duly approved in the "Budget 2005/6".

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 72 judgements recorded in the 2005/6 annual report was accurate. Also, we did not receive any supporting documentation to substantiate the number of Mutual Legal Assistance Treaty applications filed. In addition we did not receive supporting documentation for the number of actual appointments for the Judiciary/Grand Court Rules Committee and therefore could not determine if 0 was the correct number.

Quality and Timeliness – we are not able to conclude whether the 2005/6 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 2006.

JUD 2 – Collection of Revenue

Quantity – we were unable to substantiate any of the actual 2005/6 quantity measures presented in the Statement as the Judicial Enforcement Management System was not fully operational in 2005/06 and these are management's best estimates.

Quality and Timeliness – we are not able to conclude whether the 2005/6 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 2006.

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

Quantity – The actual number of criminal summary cases managed, actual number of criminal appeals managed, actual number of jury trials managed, actual number of youth court cases managed, actual number of jurors empanelled, actual number of coroner's cases registered, and the actual number of coroner's inquests held 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 2005/6 actual quantity measure for the number of civil cases managed (888), the actual number of divorce cases managed (189), the actual number of civil appeals managed (30) and the actual number of criminal appeals managed (28).

Quality and Timeliness – we are not able to conclude whether the 2005/6 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 3 Statement of Outputs Delivered for the year ending 30 June 2006.

JUD 5 – Servicing and enforcement of court documents

Quantity – for the actual number of documents served (933) and the actual number of writs of execution enforced (24), we could not reconcile the amounts presented in the annual report to the amounts calculated by the client, using the available source data. As a result, we could not substantiate the figures provided.

Quality and Timeliness – we are not able to conclude whether the 2005/6 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 5 Statement of Outputs Delivered for the year ending 30 June 2006.

JUD 7 – Administration of Legal Aid

Quality and Timeliness – we are not able to conclude whether the 2005/6 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 2006.

JUD 9 – Court Room Services

Quantity – we were unable to fully substantiate the actual number of cases listed for hearing before the Court of Appeal, Grand Court and Magistrate Court (9,559) as the figure calculated by us was 12% less than that presented in the annual report.

Quality and Timeliness – we are not able to conclude whether the 2005/6 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 measure above and 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 2006.

JUD 10 – Administration of the Maintenance and Affiliation Law

Quantity – we were unable to substantiate the 2005/6 actual number of applications processed, summonses issued and Court orders processed (125) as adequate systems to support this information were not in place for 2005/6.

Quality and Timeliness – we are not able to conclude whether the 2005/6 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 2006.

JUD 12 – Listing of cases before the Grand Court

Quality and Timeliness – we are not able to conclude whether the 2005/6 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 2006.

JUD 13 – Financial Management of Court Funds

Quality and Timeliness – we are not able to conclude whether the 2005/6 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 2006.

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 2006, 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 30 to 41 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 an 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.

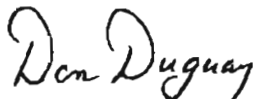
Basis for Qualified Opinion for the Financial Statements

Scope Limitations – no inventory count was performed as at 30 June 2005 and 2006 to determine the opening inventory balance and closing balance. Also, no fixed asset inspection was carried out as at 30 June 2005 and 2006 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.

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 2005 & 2006 and the related depreciation expense to property, plant and equipment.

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 2006, 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
23 July 2009

Part A

Outputs Delivered During the Year

2. Statement of Outputs Delivered

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	2005/6 Actual	2005/6 Budget	Annual Variance
Quantity			
• Number of judgments prepared	72	100-150	28
• Number of responses to parliamentary questions	-	1-5	1
• Number of statistical reports	1	1-2	0
• Number of Summary Court transcripts for appeals	19	20-50	1
• Number of appointments for Judiciary/Grand Court Rules Committee	0	1-5	1
• Number of Mutual Legal Assistance Treaty applications filed	48	5-15	(33)
• Number of periodicals and bound volumes in library	3,800	4,000	200
Quality			
• Judgments prepared accurately in accordance with Judge's directions	100%	100%	0
• Parliamentary questions are prepared with due professional care using analytical and robust data	100%	100%	0
• Correspondence and Statistical Reports are accurate and subject to peer review	100%	100%	0
• Transcripts prepared accurately and based on Judges/Magistrates directions	100%	100%	0
• Appointments are made in accordance with Judges directions	100%	100%	0
• Library requests for additional books to be met	100%	100%	0
• Library staffed by qualified library staff	100%	100%	0
Timeliness			
• Judgments are prepared in accordance with Judges request	100%	100%	0
• Response to correspondence within five working days (5) of receipt	95%	95%	0
• Transcripts are prepared within 2-4 weeks of appeals being lodged	95%	95%	0
• Appointments are made immediately of request	95%	95%	0
• Library open 9am to 4-30pm on Monday-Friday	100%	100%	0
Location			
Courts Office, Grand Cayman	100%	100%	0
Cost (of producing the output)	\$618,665	\$615,831	\$(2,834)
Price (paid by Cabinet for the output)	\$618,665		

JUD 2	Collection of Revenue		
Description Collection of Court Imposed and Traffic Ticket fines and Civil Court fees			
Measures	2005/6 Actual	2005/6 Budget	Annual Variance
Quantity - Collection of traffic tickets, court imposed fines, and fees Number of tickets and fines processed - Number of warrants issued - Preparation of lists of default tickets - Number of fees transactions <i>Note: The above quantities are estimates. Statistics will be available from the Judicial Enforcement Management System when it is fully operational in 2006/7.</i> Quality - Amount collected equates to amount ticketed or fined or amount of fee - All monies collected recorded accurately and in accordance with government accounting regulations - Warrant accurate, and issued in accordance with relevant laws and signed by Judge/Magistrate - Lists of default tickets accurate and complete Timeliness - Money received deposited to the bank within one working day - Warrants issued on outstanding fines within one month of default - List of unpaid tickets: same day as due date Location Courts Office Grand Cayman, Government Administration Building Cayman Bra C	2,000-5,000 150-250 2 per week 2,000-3,000 100% 100% 100% 100% 100% 60% 100%	2,000-5,000 150-250 2 per week 2,000-3,000 100% 100% 100% 100% 100% 60% 100%	See note Below 0 0 0 0 0 0 0 0 0 0
Cost (of producing the output)	\$146,406	\$148,569	\$2,163
Price (paid by Cabinet for the output)	\$146,406		

The actual quality measures are an estimate as Judicial Enforcement Management System (JEMS) was not fully operational in 2005/6. The above statistics are now available for 2006/7 onwards.

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 • Selecting, summons and empanel jurors • Preparing trial and Appeal Bundles • Preparing Coroner's files and Certificates • Signing charges/summonses and bail bonds • Maintenance of the registers of Attorneys, Notary Public and Justices of Peace			
Measures	2005/6 Actual	2005/6 Budget	Annual Variance
Quantity			
Criminal Case Management			
• Number of Criminal Summary Cases managed (includes traffic)	7,347	5,000-8,000	653
• Number of Criminal appeals managed	42	45-65	3
• Number of Jury trials managed	67	45-75	8
• Number of Youth Court cases managed	171	50-150	(21)
• Number of Jurors Empanelled	330	250-500	170
Coroners Support & Administration			
• Number of coroners cases registered		10-25	
• Number of coroners Inquests held		5-10	
Traffic Case Management			
• Number of Traffic cases managed estimate	See above	2,500-3,000	
<i>The above quantities are estimates. Statistics will be available from the Judicial Enforcement Management System when it is fully operational in early 2007. Note traffic is included above.</i>			
Civil Case Management			
• Number of civil cases managed	888	500-1,000	
• Number of divorce cases managed	189	175-200	
• Number of Probate and Administration managed	152	125-175	
Case Management - Court of Appeal			
• Number of Civil appeals managed	30	50-75	
• Number of Criminal Appeals Managed	28	25-50	
Quality			
• Charges and originating process filed accurately	95%	95%	
• Trial bundles and Appeal bundles prepared in accordance with the relevant Law and Judge/Magistrates instructions	100%	100%	
• Charges and summonses signed in accordance with the relevant laws and procedures	100%	100%	
• Orders prepared and issued in accordance with the relevant laws and Court rulings	100%	100%	
• Coroners files prepared accurately	100%	100%	

Timeliness			
• Documents filed within 2-5 working days based on need	100%	100%	0
• Bundles prepared before the relevant court session	100%	100%	0
• Coroner's certificates issued within 5 working days	100%	100%	0
• Orders processed within five (5) days	100%	100%	0
Location			
Courts Office Grand Cayman, Ashton Ratty Building Cayman Brac	100%	100%	0
Cost (of producing the output)	\$1,629,679	\$1,754,023	\$124,344
Price (paid by Cabinet for the output)	\$1,629,679		

JUD 5	Servicing and enforcement of court documents		
Description Servicing and enforcement of court documents: jury summons, writs, petitions, originating summonses, foreign process, and warrants of execution			
Measures	2005/6 Actual	2005/6 Budget	Annual Variance
Quantity • Number of documents served • Number of writs of execution enforced	933 24	1,000-1,500 40-50	67 16
Quality • Relevant documents to be served in accordance with rules of the relevant court • Relevant documents to be served in accordance with the Hague Convention • Writs of execution dealt with in accordance with the rules of the Grand Court	100% 100% 100%	100% 100% 100%	0 0 0
Timeliness • Service of documents within 14 days • Completion of affidavit of service within 3 days of service • Writs of execution dealt with within 14 days	90% 90% 75%	90% 90% 75%	0 0 0
Location Courts Office Grand Cayman	100%	100%	0
Cost (of producing the output)	\$161,096	\$163,782	\$2,686
Price (paid by Cabinet for the output)	\$161,096		

JUD 7	Administration of Legal Aid		
Description			
Administration of legal aid involving:			
• Processing applications • Assign Attorneys • Processing and issuing legal aid certificates • Taxation of legal aid bills			
Measures	2005/6 Actual	2005/6 Budget	Annual Variance
Quantity			
• Civil legal aid applications processed	171	150-170	(1)
• Criminal legal aid applications processed	205	120-150	(55)
• Legal aid certificates issued	281	250-300	19
Quality			
• Applications processed in accordance with the Legal Aid Law	100%	100%	0
• Attorney's assigned and certificates issued in accordance with Judge's/Magistrates decisions, and based on Attorney expertise in the relevant field	100%	100%	0
• Assessment of bills to be in accordance with the Legal Aid Law and with the Chief Justice practice direction	100%	100%	0
Timeliness			
• Applications processed within 2 days	80%	80%	0
• Attorney assigned and legal aid certificate issued within 5 days after being granted	90%	90%	0
• Court files reviewed when requested by Attorney or Judge or applicant	90%	90%	0
• Number of days from receipt Certified bills processed for payment	5	5	0
Location			
Courts Office, Grand Cayman	100%	100%	0
Cost (of producing the output)	\$107,218	\$110,015	\$(2,797)
Price (paid by Cabinet for the output)	\$107,218		

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	2005/6 Actual	2005/6 Budget	Annual Variance
Quantity • Number of cases listed for hearing before the Court of Appeal, Grand Court and Magistrate Court	9,559	10,000 – 20,000	441
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	100% 100% 95%	100% 100% 95%	0 0 0
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	100% 100% 100%	100% 100% 100%	0 0 0
Location Courts Office Grand Cayman, Ashton Rutty Building Cayman Brac	100%	100%	0
Cost (of producing the output)	\$908,353	\$922,699	\$14,346
Price (paid by Cabinet for the output)	\$908,353		

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	2005/6 Actual	2005/6 Budget	Annual Variance
Quantity			
• Number of applications processed, summonses Issued and Court orders processed	125	100-120	(5)
• Number of Attachment of Earnings Orders Issued	39	35-40	1
Quality			
• Applications and summonses processed accurately and in accordance with the relevant Laws	100%	100%	0
• Arrears calculated accurately; Summonses for arrears issued in accordance with the relevant Laws and Court judgment	90%	90%	0
Timeliness			
• Applications processed and summonses Issued within 1 week	90%	90%	0
• Case files to Magistrate 1 day before hearing	100%	100%	0
• Enforcement follow-up 1 week from notification by applicant	90%	90%	0
Location			
Courts Office Grand Cayman, Ashton Rutty Centre Cayman Brac	100%	100%	0
Cost (of producing the output)	\$89,259	\$90,332	\$1,073
Price (paid by Cabinet for the output)	\$89,259		

JUD 12	Listing of cases before the Grand Court		
Description Listing of Cases for hearing and issuing of summonses for listed cases			
Measures	2005/6 Actual	2005/6 Budget	Annual Variance
Quantity • Number of lists produced • Number of summonses issued	52 1,236	48-50 1,000-1500	(2) 264
Quality • Listings reflect a balance between all cases filed and dates available • Cases to be set for hearing in accordance with the relevant Laws and Practice Directions • Summonses issued in accordance with the provisions of the relevant law and in-house procedures	100% 100% 100%	100% 100% 100%	0 0 0
Timeliness • Listings circulated by the Friday before each business week • Summonses for dates processed within five (5) days	100% 100%	95% 95%	0 0
Location Courts Office Grand Cayman	100%	100%	0
Cost (of producing the output)	\$103,948	\$103,731	\$(217)
Price (paid by Cabinet for the output)	\$103,948		

JUD 13	Financial Management of Court Funds		
Description Financial management of Court Funds for the Grand Court of the Cayman Islands			
Measures	2005/6 Actual	2005/6 Budget	Annual Variance
Quantity • Number of Nominated Accounts • Number of General Accounts • Number of Financial Statements	80 1,450 1	40-60 1,000-1,500 1	(20) 50 0
Quality • Receipts and payments are in accordance with Court Order • Account balances reconciled to General Ledger monthly	100% 90%	100% 90%	0 0
Timeliness • Disbursement of cheques three (3) times per week • Batches posted to General Ledger daily • Financial Statements to be prepared according to Statutory deadline	95%-100% 95%-100% 100%	95%-100% 95%-100% 100%	0 0 0
Location Courts Office Grand Cayman	100%	100%	0
Cost (of producing the output)	\$222,050	\$226,018	\$3,968
Price (paid by Cabinet for the output)	\$222,060		

Part B

Ownership Performance Achieved During the Year

3. Nature and Scope of Activities

General Nature of Activities

To provide administrative support for the dispensation of Justice in the Cayman Islands 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

For the year 2005/6 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 2005/6 and the subsequent two years are as follows:

- Set up a joint web-site for the Courts, the Legal Portfolio and the Legislative Assembly.
- Staff Education and training.
- The maintenance of an efficient, cost-effective administrative support staff and equipment conducive to the production of the Department's outputs.
- Introduce performance appraisal system.

Achievement during Year

Progress was made in the above ongoing strategic goals which remain a work in progress.

5. Ownership Performance Targets

5.1 Financial Performance

Financial Performance Measures	2005/6 Actual \$	2005/6 Budget \$	Annual Variance \$
Revenue from Cabinet	3,987	4,135	148
Revenue from ministries, portfolios, statutory authorities, government companies	0	0	0
Revenue from others	31	17	(14)
Surplus/deficit from outputs	0	0	0
Ownership expenses	0	0	0
Operating Surplus/Deficit	0	0	0
Net Worth	1,432	859	(573)
Cash flows from operating activities	279	33	(246)
Cash flows from investing activities	(158)	(435)	(277)
Cash flows from financing activities	615	435	(180)
Change in cash balances	736	33	(703)

Financial Performance Ratios	2005/6 Actual	2005/6 Budget	Annual Variance
Current Assets: Current Liabilities (Working Capital)	393%	200%	(193%)
Total Assets: Total Liabilities	506%	405%	(101%)

5.2 Maintenance of Capability

Human Capital Measures	2005/6 Actual	2005/6 Budget	Annual Variance
Total full time equivalent staff employed	49	53	4
Staff turnover (%)			
Managers			
Professional and technical staff	5%	5%	0
Clerical and labourer staff	5%	5%	0
Average length of service (number of years in current position)			
Managers	5	5	0
Professional and technical staff	8.2	8.2	0
Clerical and labourer staff	8.2	8.2	0
Changes to personnel management system:			

Physical Capital Measures	2005/6 Actual \$	2005/6 Budget \$	Annual Variance \$
Value of total assets	\$1,785,000	\$1,140,000	\$645,000
Asset replacements: total assets	8.85%	38%	(29.15%)
Book value of assets: initial cost of those assets	46%	73%	(27%)
Depreciation: cash flow on asset purchases	57%	7%	50%
Changes to asset management policies	None	None	0

Major New Entity Capital Expenditures for the Year	2005/6 Actual \$	2005/6 Budget \$	Annual Variance \$
Library books, Website, Electrical and air conditioning upgrade	158,132	435,000	276,868

5.3 Risk Management

Key risks faced by the Portfolio	Status of Risk	Status of Risk	Financial value of risk
Loss of key personnel	unchanged	• Training Plan • Regular Performance feedback • Fill vacant key personnel post	
Case Management IT System not up and running properly for both civil and criminal. This impacts productivity	Project ongoing	• Install fully to manage Civil matters • User training • Upgrade system	
Hurricane or other damage and/or loss of confidential documents/exhibits	unchanged	• Maintenance of strong-room and vault; microfiche documents and back-up computer disks	
Insufficient security of buildings and grounds	Ongoing project	• Electronic Security services for 24-hours, 7 days per week; High-density lighting outside parameters of buildings; low density lighting inside of specific areas • Manual security services during 8:00 a.m.— 5:30 p.m., Monday to Friday	

6. Equity Investments and Withdrawals

Equity Movement	2005/6 Actual \$	2005/6 Budget \$	Annual Variance \$
Equity Investment from Cabinet into <i>Judicial Administration</i>	616,000	435,000	(181,000)
Capital (Equity) Withdrawal by Cabinet from Judicial Administration	0	0	0

Appendix: Financial Statements for the Year

CONTENTS

Statement of Responsibility

Operating Statement

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Balance Sheet

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Statement of Commitments

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Statement of Accounting Policies

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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 2006 and the financial performance for the financial year ended 30 June 2006; and
- (c) comply with generally accepted accounting practice.



Delene Cacho

Chief Officer

Judicial Administration

23/7/09



John Regan

Chief Financial Officer

Legal Affairs

23 July 2009

**JUDICIAL ADMINISTRATION
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Revenue				
Outputs to Cabinet		3,987	4,135	3,701
Outputs to others		23	17	4
Interest Revenue		8	0	2
Total Operating Revenue		4,018	4,152	3,707
Operating Expenses				
Personnel costs	1	2,190	2,395	2,014
Supplies and consumables	2	1,708	1,694	1,547
Depreciation	3	90	33	64
Capital charge		30	30	28
Total Operating Expenses		4,018	4,152	3,653
Surplus from operating activities		0	0	54
Gains/losses on foreign exchange transactions		0	0	0
Gains/losses on disposal or revaluation of non-current assets		0	0	0
Surplus before extraordinary items		0	0	0
Extraordinary items		0	0	(54)

The accounting policies and notes on pages 36-41 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 JUNE 2006**

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Opening balance net worth	816	424	452
Net surplus			
Property revaluations	0	0	0
Investment revaluations	0	0	0
Net revaluations during the period	0	0	0
Total recognised revenues and expenses	816	424	452
Equity investment from Cabinet	616	435	364
Repayment of surplus to Cabinet	0	0	0
Capital withdrawal by Cabinet	0	0	0
Closing balance net worth	1,432	859	816

The accounting policies and notes on pages 36-41 form part of these financial statements.

**JUDICIAL ADMINISTRATION
BALANCE SHEET
AS AT 30 JUNE 2006**

	Note	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Current Assets				
Cash and cash equivalents	4	818	234	82
Accounts receivable	5	495	327	594
Inventories	6	75	0	75
Total Current Assets		1,388	561	751
Non-Current Assets				
Property, plant and equipment	7	386	574	319
Other non-current assets		11	5	(6)
Total Non-Current Assets		397	579	313
Total Assets		1,785	1,140	1,064
Current Liabilities				
Accounts payable	8	133	170	98
Employee entitlements	9	30	110	30
Other current liabilities		190	0	120
Total Current Liabilities		353	280	248
Non-Current Liabilities				
Employee entitlements	10	0	1	0
Total Non-Current Liabilities		0	1	0
Total Liabilities		353	281	248
TOTAL ASSETS LESS TOTAL LIABILITIES		1,432	859	816
NET WORTH				
Contributed capital		1,432	859	816
Asset revaluation reserve		0	0	0
Accumulated surpluses		0	0	0
Total Net Worth		1,432	859	816

The accounting policies and notes on pages 36-41 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Outputs to Cabinet		4,058	4,135	3,372
Outputs to others		23	17	2
Interest received		8	0	3
Payments				
Personnel costs		(2,190)	(2,395)	(2,014)
Suppliers		(1,590)	(1,694)	(1,583)
Other payments		(30)	(30)	(14)
Net cash flows from operating activities	11	<u>279</u>	<u>33</u>	<u>(234)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of non-current assets		(158)	(435)	(49)
Net cash flows from investing activities		<u>(158)</u>	<u>(435)</u>	<u>(49)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Equity investment		615	435	364
Net cash flows from financing activities		<u>615</u>	<u>435</u>	<u>364</u>
Net increase in cash and cash equivalents		<u>736</u>	<u>33</u>	<u>81</u>
Cash and cash equivalents at beginning of period		<u>82</u>	<u>201</u>	<u>1</u>
Cash and cash equivalents at end of period	4	<u>818</u>	<u>234</u>	<u>82</u>

The accounting policies and notes on pages 36-41 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF COMMITMENTS
AS AT 30 JUNE 2006**

Type	One year or less	One to five years	Over five years	Total
	\$000	\$000	\$000	\$000
Capital Commitments				
Land and buildings	0	0	0	0
Other fixed assets	0	0	0	0
Other commitments	0	0	0	0
Total Capital Commitments	0	0	0	0
Operating Commitments				
Non-cancellable accommodation leases	254	94	0	348
Other non-cancellable leases	0	0	0	0
Non-cancellable contracts for the supply of goods and services	0	0	0	0
Other operating commitments	0	0	0	0
Total Operating Commitments	254	94	0	348
Total Commitments	254	94	0	348

The accounting policies and notes on pages 36-41 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CONTINGENT LIABILITIES
AS AT 30 JUNE 2006**

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 36-41 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2006**

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 (IPSASs) 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 2006.

As this is the first year in which financial statements have been prepared on an accruals 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 the 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.

Liabilities

Accounts Payable

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

a) Provisions

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 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

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Salaries and wages (including employee pension contributions)	2,082	2,282	1,913
Employer pension expense	108	113	101
Total Personnel Costs	2,190	2,395	2,014

NOTE 2: SUPPLIES AND CONSUMABLES

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Supply of goods and services	1,422	773	1,355
Operating lease rentals	286	641	192
Other	0	280	0
Total Supplies and Consumables	1,708	1,694	1,547

NOTE 3: DEPRECIATION

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Buildings	0	0	0
Vehicles	4	0	3
Furniture and fittings	18	9	16
Computer hardware and software	4	0	3
Office equipment	19	0	5
Other assets	45	24	37
Total Depreciation	90	33	64

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

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

NOTE 4: CASH AND CASH EQUIVALENTS

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Cash on hand	0	0	0
Bank accounts	818	234	82
Deposits with Portfolio Finance and Economic (Treasury)	0	0	0
Total Cash and Cash Equivalents	818	234	82

NOTE 5: ACCOUNTS RECEIVABLE

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Outputs to Cabinet	429	320	500
Outputs to others	60	7	81
Interest receivable	5	0	3
Prepayments	0	0	13
Other Receivables	46	0	48
Total Gross Accounts Receivable	540	327	643
Less provision for doubtful debts	(45)	0	(49)
Total Net Accounts Receivable	495	327	594

NOTE 6: INVENTORIES

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Raw Materials (including Consumable Stores)	0	0	0
Work in Progress	0	0	0
Finished Goods	75	0	75
Total Inventories	75	0	75

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	Cost or Revalued Amount \$000	Annual Book Value \$000	30 June 2006 Book Value Actual \$000
Buildings	16	10	6
Vehicles	30	7	23
Furniture and fittings	177	109	68
Computer hardware and software	30	8	22
Office equipment	114	84	30
Other plant and equipment	11	9	2
Other assets	471	236	235
Total	849	483	388

NOTE 8: ACCOUNTS PAYABLE

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Trade Creditors	1	170	1
Operating lease rental	0	0	0
Accruals	132		97
Total	133	170	98

NOTE 9: EMPLOYEE ENTITLEMENTS (CURRENT)

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Long service leave and other leave entitlements	30	110	30
Other salary related entitlements	0	0	0
Total Employee Entitlements	30	110	30

NOTE 10. EMPLOYEE ENTITLEMENTS (NON-CURRENT)

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Long service leave and other leave entitlements	0	1	0
Other salary related entitlements	0	0	0
Total	0	1	0

NOTE 11: RECONCILIATION OF OPERATING SURPLUS TO CASH FLOWS FROM OPERATING ACTIVITIES

	2005/6 Actual \$000	2005/6 Budget \$000	2004/5 Actual \$000
Operating surplus			
Non-cash movements			
Depreciation	90	33	64
Increase in provision for doubtful debts	0	0	0
Increase in payables/accruals	106	0	119
Net (gain)/loss from sale of fixed assets	0	0	0
Net gain/loss from sale of investments	0	0	0
Increase in other current assets	0	0	0
(Increase)/decrease in receivables	83	0	(417)
Net cash flows from operating activities	279	33	(234)

NOTE 12: CAPITAL CHARGE

The capital charge rate used by the Judicial Administration for the financial year ended June 30, 2006 was based on an exception granted by the financial secretary under Section 28 of the Financial Regulations (2008 Revision). This exception has resulted in the capital charge rate being varied from 5.95% of net worth (\$85,200) to 2.09% (\$30,000).

NOTE 13: RELATED PARTY DISCLOSURES**Key Management Personnel**

There is one (1) full-time equivalent personnel considered at the senior management level. The total remuneration includes: regular salary, allowances and pension contributions. Total remuneration for senior management in 2005-2006 was \$99K. There have been no loans made to key management personnel or close family members in 2005-06.



Judicial Administration
Annual Report
For the 2006/7 Financial Year

Judicial Administration
Annual Report
For the 2006/7 Financial Year



Annual Report

of

Judicial Administration

For the 2006/7 Financial Year

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1. Overview of Performance for the Year

Introduction

This annual report details the performance of *Judicial Administration* for the fiscal year ending 30 June 2007.

It includes information about outputs actually delivered during the year as compared to the planned performance documented in the Annual Budget Statement for *Judicial Administration* for 2006/7, 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 2006/7 or as amended through the supplementary appropriation process.

Summary of Performance

Output Performance

All outputs operated under budget with the exception of JUD 14 Administrative Support for the Conduct of Civil and Criminal Proceedings which was \$25,564 or 1.2% over budget.

Ownership Performance

The approved appropriation for 2006/7 was \$4,422,000 the actual for the year was \$19,000 lower at \$4,403,000.



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 2007 as set out on pages 9 to 16 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 7 – Administration of Legal Aid
- JUD 9 – Court Room Services
- JUD 13 – Financial Management of Court Funds
- JUD 14 – Administrative Support for the Conduct of Civil and Criminal Proceedings

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 2007.
- 2) Quantitative measures of the outputs delivered during the year ended 30 June 2007.
- 3) Qualitative measures of the outputs delivered during the year ended 30 June 2007.
- 4) Timeliness measure of the outputs delivered during the year ended 30 June 2007.
- 5) Location of delivery of outputs during the year ended 30 June 2007.
- 6) Financial measures of the actual costs incurred in respect of each output for the year ended 30 June 2007 compared to Budgeted Costs for each output as duly approved in the "Budget 2006/7".

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 were unable to fully substantiate the actual number of transcripts for appeals as documentation was not provided. Also, we did not receive any supporting documentation to substantiate the number of Mutual Legal Assistance Treaty applications filed.

Quality and Timeliness – we are not able to conclude whether the 2006/7 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 2007.

JUD 2 – Collection of Revenue

Quantity – we were unable to substantiate any of the actual 2006/7 quantity measures presented in the Statement as the Judicial Enforcement Management System was not fully operational in 2006/07 and these are management's best estimates.

Quality and Timeliness – we are not able to conclude whether the 2006/7 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 2007.

JUD 7 – Administration of Legal Aid

Quality and Timeliness – we are not able to conclude whether the 2006/7 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 2007.

JUD 9 – Court Room Services

Quality and Timeliness – we are not able to conclude whether the 2006/7 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 measure above and 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 2007.

JUD 13 – Financial Management of Court Funds

Quantity – we observed a difference of 947 between the general accounts recorded in the annual report and the actual number in the client's records; as a result we are unable to conclude on the existence of the number of general accounts presented for output JUD 13.

Quality and Timeliness – we are not able to conclude whether the 2006/7 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 existence of general accounts and 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 2007.

JUD 14 – Administrative Support for the Conduct of Civil and Criminal Proceedings

Quantity – we observed a difference of 248 for the Number of Jurors summoned, and a difference of 971 for the Number of Court documents serviced; as a result we are unable to conclude on the existence and completed of these two output measures presented for output JUD 14.

Quality and Timeliness – we are not able to conclude whether the 2006/7 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 existence of general accounts and the accuracy of the quality and timeliness measures, the JUD 14 Statement of Outputs presents fairly, in all material respects, the outputs delivered for Judicial Administration as of 30 June 2007.

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 2007, 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 26 to 37 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 an 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.

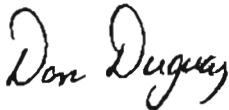
Basis for Qualified Opinion for the Financial Statements

Scope Limitations – no inventory count was performed as at 30 June 2007, as a result I am unable to determine the accuracy of the balance sheet amount presented for Inventory.

I was not able to carry out satisfactory alternative audit procedures to obtain reasonable assurance over the existence and value of inventory at 30 June 2007.

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 existence and value of inventory, the financial statements present fairly, in all material respects, the financial position of the Judicial Administration as of 30 June 2007, 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
23 July 2009

Part A

Outputs Delivered During the Year

2. Statement of Outputs Delivered

JUD 1	Administrative Support to the Judiciary		
Description Administrative Support to the Judiciary, involving: • Secretarial, court reporting, listing and administrative support to the Chief Justice and the Judiciary • Administrative support relating to the Mutual Legal Assistance Treaty activities • Provision of a comprehensive legal library to be used by Judges, Magistrates, Attorneys and Public • Listing of both civil and criminal cases for hearing			
Measures	2006/7 Actual	2006/7 Budget	Annual Variance
Quantity • Number of judgments prepared • Number of Statistical report • Number of transcripts for appeals • Number of Mutual Legal Assistance Treaty applications filed • Number of periodicals and bound volumes in library • Number of Civil and criminal lists produced	87 1 35 7 4900 936	100-200 1-2 100-120 5-15 4,900 750-850	13 - 65 8 0 (86)
Quality • Judgments prepared accurately in accordance with Judge's directions • Statistical Reports are accurate and subject to peer review • Transcripts prepared accurately and based on Judges/Magistrates directions • Library requests for additional books to be met • Library staffed by qualified library staff	100% 95% 95% 100% 100%	100% 95% 95% 100% 100%	0 0 0 0 0
Timeliness • Judgments are prepared in accordance with Judges request • Transcripts are prepared within 2-4 weeks of appeals being lodged • Library open 9am to 4-30pm on Monday-Friday	100% 95% 100%	100% 95% 100%	0 0 0
Location Courts Office, Grand Cayman	100%	100%	0
Cost (of producing the output)	\$765,659	\$781,269	\$15,610
Price (paid by Cabinet for the output)	\$765,659		
Related Broad Outcome 2. Address crime and improve policing 10. Open, Transparent Honest and efficient Public Administration			

JUD 2	Collection of Revenue			
Description				
Collection of Court and Traffic Ticket fines and Civil Court fees				
Measures		2006/7 Actual	2006/7 Budget	Annual Variance
Quantity				
Support for the collection and recording of fines				
Approximate number of direct hours		3,200	3,000-3,500	300
Quality				
Amount collected equates to amount ticketed or fined or amount of fee		100%	100%	0
All monies collected recorded accurately and in accordance with government accounting regulations		95%	95%	0
Warrant accurate, and issued in accordance with relevant laws and signed by Judge/Magistrate		100%	100%	0
Lists of default tickets accurate and complete		100%	100%	0
Timeliness				
Money received deposited to the bank within one working day		100%	100%	0
Warrants Issued on outstanding fines within one month of default		95%	95%	0
List of unpaid tickets: same day as due date		100%	100%	0
Location				
Courts Office Grand Cayman, Government Administration Building Cayman Brac		100%	100%	0
Cost		\$158,760	\$162,055	\$3,295
Price (paid by Cabinet for the output)		\$158,760		
Related Broad Outcome:				
9. Support the economy				
11. Sound Financial Management				

JUD 7	Administration of Legal Aid		
Description Administration of legal aid including: • Processing applications • Assign Attorneys • Processing and Issuing legal aid certificates • Taxation of legal aid bills			
Measures	2006/7 Actual	2006/7 Budget	Annual Variance
Quantity • Civil legal aid applications processed • Criminal legal aid applications processed • Legal aid certificates issued	218 200 328	150-170 120-150 250-300	(48) (50) (28)
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% 95% 95%	100% 95% 95%	0 0 0
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	100% 95% 100%	80% 90% 90%	
Location Courts Office, Grand Cayman	100%	100%	0
Cost (of producing the output)	\$118,020	\$120,276	\$2,256
Price (paid by Cabinet for the output)	\$118,020		
Related Broad Outcome: 8. Strengthen family and community 10. Open, Transparent Honest and efficient Public Administration			

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	2006/7 Actual	2006/7 Budget	Annual Variance
Quantity			
▪ Court room services provided to 5 court rooms by: ○ Marshals ○ Court room reporters	7 3	7 3	0 0
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	90% 95% 95%	90% 95% 95%	0 0 0
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	100% 100% 100%	100% 100% 100%	0 0 0
Location			
Courts Office Grand Cayman, Ashton Rutty Building Cayman Brac	100%	100%	0
Cost	\$1,005,899	\$1,025,959	\$20,060
Price (paid by Cabinet for the output)	\$1,005,899		
Related Broad Outcome:			
2. Address crime and improve policing 9. Support the economy 10. Open, Transparent Honest and efficient Public Administration			

JUD 13	Financial Management of Court Funds		
Description			
Financial management of Court Funds for the Grand Court of the Cayman Islands Collect and distribute compensations and child support			
Measures	2006/7 Actual	2006/7 Budget	Annual Variance
Quantity			
• Number of Nominated Accounts	80	40-60	(20)
• Number of General Accounts	1,450	1,000-1,500	50
• Number of Financial Statements	1	1	0
Quality			
• Receipts and payments are in accordance with Court Order	100%	100%	0
• Account balances reconciled to General Ledger monthly	90%	90%	0
Timeliness			
• Disbursement of cheques three (3) times per week	95%	95%	0
• Batches posted to General Ledger daily	95%	95%	0
• Financial Statements to be prepared on a timely basis	80%	80%	0
Location			
Courts Office Grand Cayman	100%	100%	0
Cost	\$192,779	\$196,679	\$3,900
Price (paid by Cabinet for the output)	\$192,779		
Related Broad Outcome:			
9. Support the economy			

JUD 14	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 - Selecting, summons and empanel jurors - Preparing trial and Appeal Bundles - Preparing Coroner's files and Certificates - Issuing charges, summonses and bail bonds - Maintenance of the registers of Attorneys, Notary Public and Justices of Peace - Servicing and enforcement of court documents including: jury summons, writs, petitions, originating summonses, foreign process, and warrants of execution - Administration of the Maintenance and Affiliation Law (child and spouse support) Involving: processing of applications, processing Court Orders, following-up delinquent payers and processing and issuing Attachment of Earnings Orders			
Measures	2008/7 Actual	2006/7 Budget	Annual Variance
Quantity			
Criminal Case Management			
Number of Criminal Summary Cases managed	1,407	5,000-8,000	3,593
Number of Criminal appeals managed	35	45-65	10
Number of Jury trials managed	121	45-75	(46)
Number of Youth Court cases managed	163	50-150	(13)
Number of Jurors Summoned	744	250-500	(244)
Coroners Support and Administration			
Number of coroners cases registered	63	10-25	(38)
Number of coroners Inquests held	17	5-10	(7)
Traffic Case Management			
Number of Traffic cases managed	9,289	2,500-3,000	(6,289)
Civil Case Management			
Number of civil cases managed	513	500-1,000	497
Number of divorce cases managed	243	175-200	(43)
Number of Probate and Administration managed	166	125-175	9
Case Management - Court of Appeal			
Number of Civil appeals managed	21	50-75	29
Number of Criminal Appeals Managed	44	25-50	6
Servicing and enforcement of court documents			
Number of Court documents serviced	890	1,000-1,500	110
Administration of the Maintenance and Affiliation Law (child and spouse support)			
Number of applications processed, summonses issued and Court orders processed	116	100-120	4
Number of Attachment of Earnings Orders issued	51	35-40	(11)

Quality			
• Charges and originating process filed accurately	95%	95%	0
• Trial bundles and Appeal bundles prepared in accordance with the relevant Law and Judge/Magistrates instructions	95%	95%	0
• Charges and summonses signed in accordance with the relevant laws and procedures	100%	100%	0
• Orders prepared and issued in accordance with the relevant laws and Court rulings	100%	100%	0
• Coroners files prepared accurately	95%	95%	0
• Court documents: to be serviced and executed in accordance with the rules of the relevant court and convention	100%	100%	0
• Administration of the Maintenance and Affiliation Law (child and spouse support) relevant documents processed accurately and in accordance with the relevant laws and procedures	95%	95%	0
Timeliness			
• Documents filed within 2-5 working days based on need	100%	100%	0
• Bundles prepared before the relevant court session	95%	95%	0
• Coroner's certificates issued within 5 working days	80%	80%	0
• Orders processed within five (5) days	95%	95%	0
• Court documents serviced within 14 days	80%	80%	0
• Administration of the Maintenance and Affiliation Law (child and spouse support) applications processed and summonses issued within 1 week	95%	95%	0
Location			
Courts Office Grand Cayman, Ashton Rutty Building Cayman Brac	100%	100%	0
Cost (of producing the output)	\$2,161,883	\$2,136,319	(25,564)
Price (paid by Cabinet for the output)	\$2,161,883		
Related Broad Outcome:			
2. Address crime and improve policing			
10. Open, Transparent Honest and efficient Public Administration			

Part B

Ownership Performance Achieved During the Year

3. Nature and Scope of Activities

Approved Nature and Scope of Activities

To provide administrative support for the dispensation of Justice in the Cayman Islands 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 in 2006/7 did comply with the above activities.

4. Strategic Ownership Goals

Approved Strategic Ownership Goals

The key strategic ownership goals for the *Judicial Administration* in 2006/7 and the subsequent two years are as follows:

- Continue with the implementation of the web-site for the Courts, the Legal Portfolio and the Legislative Assembly.
- Staff Education and training.
- The maintenance of an efficient, cost-effective administrative support staff and equipment conducive to the production of the Department's outputs.
- Continue with the implementation and staff training for the Judicial Enforcement Management System (JEMS).

Achievement during Year

Progress was made in the above ongoing strategic goals which remain a work in progress.

5. Ownership Performance Targets

5.1 Financial Performance

Financial Performance Measures	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Revenue from Cabinet	4,403	4,422	19
Revenue from ministries, portfolios, statutory authorities, government companies	35	0	(35)
Revenue from others	73	0	(73)
Surplus/deficit from outputs	0	0	0
Ownership expenses	4,511	4,422	(89)
Operating Surplus/Deficit	0	0	0
Net Worth	1,632	1,629	(3)
Cash flows from operating activities	13	90	77
Cash flows from investing activities	(176)	(440)	(264)
Cash flows from financing activities	200	350	150
Change in cash balances	37	0	(37)

Financial Performance Ratios	2006/7 Actual	2006/7 Budget	Annual Variance
Current Assets: Current Liabilities (Working Capital)	396%	297%	(99%)
Total Assets: Total Liabilities	506%	840%	334%

5.2 Maintenance of Capability

Human Capital Measures	2006/7 Actual	2006/7 Budget	Annual Variance
Total full time equivalent staff employed	52	55	3
Staff turnover (%)			
Managers			
Professional and technical staff	5	5	0
Clerical and labourer staff	5	5	0
Average length of service (number of years in current position)			
Managers	6	6	0
Professional and technical staff	9	9	0
Clerical and labourer staff	9	9	0
Changes to personnel management system:			

Physical Capital Measures	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Value of total assets	\$2,034,188	\$1,849,000	(185,188)
Asset replacements: total assets	8.6%	24%	15.4%
Book value of assets: initial cost of those assets	44%	68%	24%
Depreciation: cash flow on asset purchases	63%	21%	(42%)
Changes to asset management policies	None	None	0

Major New Entity Capital Expenditures for the Year	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Website 2 nd draw down	105,676	250,000	144,324
Generator	0	70,000	70,000
Additional shutters	0	30,000	30,000
Library books furniture office equipment etc	70,116	90,000	19,884
	175,792	440,000	264,208

5.3 Risk Management

Risk	Status of Risk	Action Taken During 2006/7 to Manage Risk	Financial Value of Risk
Loss of key personnel	Unchanged	• Training Plan • Regular Performance feedback	Unknown
Judicial Enforcement Management System (JEMS) training	Work in progress	Continued with training and implementation schedule	Unknown
Hurricane or other damage and/or loss of confidential documents/exhibits and the inability of the courts to operate fully	Work in progress	• Maintenance of strong-room and vault; and back-up computer disks • Generator to be acquired	Unknown
Insufficient security of buildings and grounds	Improved	Auxiliary RCIP officers now provide security	Unknown

6. Equity Investments and Withdrawals

Equity Movement	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Equity Investment from Cabinet into Judicial Administration	200,000	350,000	150,000
Capital (Equity) Withdrawal by Cabinet from Judicial Administration	0	0	0

Appendix: Financial Statements for the Year

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Statement of Responsibility
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Statement of Cash Flows
Statement of Commitments
Statement of Contingent Liabilities
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).

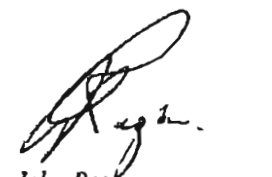
I accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the Public Management and Finance Law (2005 Revision).

To the best of my knowledge the financial statements are:

- (a) complete and reliable;
- (b) fairly reflect the financial position as at 30 June 2007 and the financial performance for the 2006/7 financial year; and
- (c) comply with generally accepted accounting practice.


Delene Cacho
Chief Officer

23/7/09


John Regan
Chief Financial Officer

23 July 2009

**JUDICIAL ADMINISTRATION
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Revenue				
Outputs to Cabinet		4,403	4,422	3,987
Outputs to other government agencies		35	0	0
Outputs to others		48	0	23
Interest Revenue		27	0	8
Total Operating Revenue		4,511	4,422	4,018
Operating Expenses				
Personnel costs	1	2,456	2,751	2,190
Supplies and consumables	2	1,932	1,569	1,708
Depreciation	3	111	90	90
Capital charge		12	12	30
Total Operating Expenses		4,511	4,422	4,018
Surplus from operating activities		0	0	0
Gains/losses on foreign exchange transactions		0	0	0
Gains/losses on disposal or revaluation of non-current assets		0	0	0
Surplus before extraordinary items		0	0	0
Extraordinary items		0	0	0
Net Surplus		0	0	0

The accounting policies and notes on pages 32-37 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 JUNE 2007**

	2008/7 Actual	2006/7 Budget	2005/6 Actual
Opening balance net worth	1,432	1,279	816
Net surplus			
Property revaluations	0	0	0
Investment revaluations	0	0	0
Net revaluations during the period	0	0	0
Total recognised revenues and expenses	1,432	1,279	816
Equity investment from Cabinet	200	350	616
Repayment of surplus to Cabinet	0	0	0
Capital withdrawal by Cabinet	0	0	0
Closing balance net worth	1,632	1,629	1,432

The accounting policies and notes on pages 32-37 form part of these financial statements.

**JUDICIAL ADMINISTRATION
BALANCE SHEET
AS AT 30 JUNE 2007**

	Note	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Current Assets				
Cash and cash equivalents	4	855	254	818
Accounts receivable	5	642	400	495
Inventories	6	75	0	75
Total Current Assets		1,572	654	1,388
Non-Current Assets				
Property, plant and equipment	7	452	1,195	386
Other non-current assets		10	0	11
Total Non-Current Assets		462	1,195	397
Total Assets		2,034	1,849	1,785
Current Liabilities				
Accounts payable	8	100	100	133
Employee entitlements	9	30	30	30
Other current liabilities		272	90	190
Total Current Liabilities		402	220	353
TOTAL ASSETS LESS TOTAL LIABILITIES		1,632	1,629	1,432
NET WORTH				
Contributed capital		1,632	1,629	1,432
Asset revaluation reserve		0	0	0
Accumulated surpluses		0	0	0
Total Net Worth		1,632	1,629	1,432

The accounting policies and notes on pages 32-37 form part of these financial statements

**JUDICIAL ADMINISTRATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Outputs to Cabinet		4,425	4,422	4,058
Outputs to other government agencies		35	0	0
Outputs to others		46	0	23
Interest received		27	0	8
Payments				
Personnel costs		(2,456)	(2,751)	(2,190)
Suppliers		(2052)	(1,581)	(1,590)
Other payments		(12)	0	(30)
Net cash flows from operating activities	10	13	90	279
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of non-current assets		(176)	(440)	(158)
Net cash flows from investing activities		(176)	(440)	(158)
CASH FLOWS FROM FINANCING ACTIVITIES				
Equity investment		200	350	615
Repayment of surplus		0	0	0
Capital withdrawal		0	0	0
Net cash flows from financing activities		200	350	615
Net increase in cash and cash equivalents		37	0	736
Cash and cash equivalents at beginning of period		818	254	82
Cash and cash equivalents at end of period	4	855	254	818

The accounting policies and notes on pages 32-37 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF COMMITMENTS
AS AT 30 JUNE 2007**

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				
Operating Commitments				
Non-cancellable accommodation leases				
Other non-cancellable leases				
Non-cancellable contracts for the supply of goods and services				
Other operating commitments				
Total Operating Commitments				
Total Commitments				

The accounting policies and notes on pages 32-37 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CONTINGENT LIABILITIES
AS AT 30 JUNE 2007**

Summary of Quantifiable Contingent Liabilities

	\$000
Legal Proceedings and Disputes	
Item 1 description	
Item 2 description	
Total Legal Proceedings and Disputes	
 Other Contingent Liabilities	
Item 1 description	
Item 2 description	
Total Other Contingent Liabilities	

Summary of Non-Quantifiable Contingent Liabilities

Item 1 description
Item 2 description

The accounting policies and notes on pages 32-37 form part of these financial statements.

Judicial Administration
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2007

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 (IPSASs) 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 2007.

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.

The Capital Charge is the amount that was budgeted.

Assets

Cash and cash equivalents

Cash and cash equivalents include cash held in the 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 2006) 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.

a) Provisions

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

	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Salaries and wages (including employee pension contributions)	2,345	2,623	2,082
Employer pension expense	111	128	108
Total Personnel Costs	2,456	2,751	2,190

NOTE 2: SUPPLIES AND CONSUMABLES

	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Supply of goods and services	1,644	1,279	1,422
Operating lease rentals	288	290	286
Total Supplies and Consumables	1,932	1,569	1,708

NOTE 3: DEPRECIATION

	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Buildings	2	0	0
Vehicles	6	0	4
Furniture and fittings	18	47	18
Computer hardware and software	4	0	4
Office equipment	20	0	19
Other plant and equipment	2	8	0
Other assets	59	35	45
Total Depreciation	111	90	90

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

	Years
Buildings	40
Vehicles	5
Furniture and fittings	10
Computer hardware and software	4
Office equipment	6
Other plant and equipment	6-12
Other assets	10

NOTE 4: CASH AND CASH EQUIVALENTS

	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Cash on hand	0	0	0
Bank accounts	855	254	818
Deposits with Portfolio Finance and Economic (Treasury)	0	0	0
Total Cash and Cash Equivalents	855	254	818

NOTE 5: ACCOUNTS RECEIVABLE

	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Outputs to Cabinet	406	400	429
Outputs to others	202	0	60
Interest receivable	11	0	5
Prepayments	21	0	0
Other Receivables	47	0	66
Total Gross Accounts Receivable	687	400	560
Less provision for doubtful debts	(45)	0	(45)
Total Net Accounts Receivable	642	400	515

NOTE 6: INVENTORIES

	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Raw Materials (including Consumable Stores)	0	0	0
Work in Progress	0	0	0
Finished Goods	75		75
Total Inventories	75	0	75

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	Cost or Revalued Amount \$000	Accumulated Depreciation \$000	30 June 2007 Book Value Actual \$000	30 June 2006 Book Value Actual \$000
Buildings	16	11	5	6
Vehicles	30	13	17	24
Furniture and fittings	177	127	50	68
Computer hardware and software	15	10	5	8
Office equipment	125	104	21	30
Other plant and equipment	67	8	59	66
Other assets (list if material)	595	300	295	186
Total	1,025	573	452	388

NOTE 8: ACCOUNTS PAYABLE

	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Trade Creditors	66	100	1
Accruals	34	0	132
Total	100	100	133

NOTE 9: EMPLOYEE ENTITLEMENTS (CURRENT)

	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Long service leave and other leave entitlements	30	30	30
Other salary related entitlements	0	0	0
Total Employee Entitlements	30	30	30

**NOTE 10: RECONCILIATION OF OPERATING SURPLUS TO CASH FLOWS
FROM OPERATING ACTIVITIES**

	2006/7 Actual \$000	2006/7 Budget \$000	2005/6 Actual \$000
Operating surplus			
Non-cash movements			
Depreciation	111	90	90
(Decrease)/increase in payables/accruals	0	0	106
Net (gain)/loss from sale of fixed assets	49	0	0
(Increase)/decrease in receivables	(147)	0	83
Net cash flows from operating activities	13	90	279

NOTE 11: CAPITAL CHARGE

The capital charge rate used by the Judicial Administration for the financial year ended June 30, 2007 was based on an exception granted by the financial secretary under Section 28 of the Financial Regulations (2008 Revision). This exception has resulted in the capital charge rate being varied from 5.95% of net worth (\$97,100) to 0.74% (\$12,000).

NOTE 12: RELATED PARTY DISCLOSURES**Key Management Personnel**

There is one (1) full-time equivalent personnel considered at the senior management level. The total remuneration includes: regular salary, allowances and pension contributions. Total remuneration for senior management in 2006-2007 was \$105K. There have been no loans made to key management personnel or close family members in 2006-07.



Judicial Administration
Annual Report
For the 2007/8 Financial Year

Judicial Administration
Annual Report
For the 2007/8 Financial Year



Annual Report

of

Judicial Administration

For the 2007/8 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 2008.

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 2007/8, 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 2007/8 or as amended through the supplementary appropriation process.

Summary of Performance

Output Performance

All outputs operated slightly over budget.

Ownership Performance

The approved appropriation for 2007/8 was \$4,977,382 the actual for the year was \$119,283 higher at \$5,096,665.



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 2008 as set out on pages 9 to 16 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 7 – Administration of Legal Aid
- JUD 9 – Court Room Services
- JUD 13 – Financial Management of Court Funds
- JUD 14 – Administrative Support for the Conduct of Civil and Criminal Proceedings

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 2008.
- 2) Quantitative measures of the outputs delivered during the year ended 30 June 2008.
- 3) Qualitative measures of the outputs delivered during the year ended 30 June 2008.
- 4) Timeliness measure of the outputs delivered during the year ended 30 June 2008.
- 5) Location of delivery of outputs during the year ended 30 June 2008.
- 6) Financial measures of the actual costs incurred in respect of each output for the year ended 30 June 2008 compared to Budgeted Costs for each output as duly approved in the "Budget 2007/8".

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 were unable to fully substantiate the actual number of transcripts for appeals as documentation was not provided. Also, we did not receive any supporting documentation to substantiate the number of Mutual Legal Assistance Treaty applications filed.

Quality and Timeliness – we are not able to conclude whether the 2007/8 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 2008.

JUD 2 – Collection of Revenue

Quantity – we were unable to substantiate any of the actual 2007/8 quantity measures presented in the Statement as the Judicial Enforcement Management System was not fully operational in 2007/08 and these are management's best estimates.

Quality and Timeliness – we are not able to conclude whether the 2007/8 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 2008.

JUD 7 – Administration of Legal Aid

Quality and Timeliness – we are not able to conclude whether the 2007/8 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 2008.

JUD 9 – Court Room Services

Quality and Timeliness – we are not able to conclude whether the 2007/8 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 measure above and 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 2008.

JUD 13 – Financial Management of Court Funds

Quality and Timeliness – we are not able to conclude whether the 2007/8 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 existence of general accounts and 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 2008.

JUD 14 – Administrative Support for the Conduct of Civil and Criminal Proceedings

Quality and Timeliness – we are not able to conclude whether the 2007/8 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 existence of general accounts and the accuracy of the quality and timeliness measures, the JUD 14 Statement of Outputs presents fairly, in all material respects, the outputs delivered for Judicial Administration as of 30 June 2008.

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 2008, 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 27 to 38 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 an 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 2008, as a result I am unable to determine the accuracy of the balance sheet amount presented for Inventory.

I was not able to carry out satisfactory alternative audit procedures to obtain reasonable assurance over the existence and value of inventory at 30 June 2008.

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 existence and value of inventory, the financial statements present fairly, in all material respects, the financial position of the Judicial Administration as of 30 June 2008, 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
28 August 2009

Part A

Outputs Delivered During the Year

2. Statement of Outputs Delivered

JUD 1	Administrative Support to the Judiciary		
Description			
Administrative Support to the Judiciary, involving:			
• Secretarial, court reporting, listing and administrative support to the Chief Justice and the Judiciary • Administrative support relating to the Mutual Legal Assistance Treaty activities (MLAT) • Administration of Justice In the Cayman Islands • Provision of a comprehensive legal library to be used by Judges, Magistrates, Attorneys and Public • Listing of both civil and criminal cases for hearing			
Measures	2007/8 Actual	2007/8 Budget	Annual Variance
Quantity			
• Number of judgments typed or transcribed	75	100-200	25
• Number of Statistical report	1	1-2	-
• Number of transcripts for appeals	71	100-120	29
• Number of Mutual Legal Assistance Treaty (MLAT) applications filed	7	5-15	8
• Number of periodicals and bound volumes in library	3,937	4,900	963
• Number of Civil and criminal lists produced	988	750-850	(138)
Quality			
• Judgments prepared accurately in accordance with the Judge's and Magistrates drafts and directions	100%	100%	
• Statistical Reports are accurate and subject to peer review	95%	95%	
• Transcripts of trials and Hearings prepared accurately and based on Judges/Magistrates directions	95%	95%	
• Library requests for additional books to be met	100%	100%	
• Library staff qualified	100%	100%	
• Lists prepared accurately	95%	100%	5%
Timeliness			
• Judgments are prepared in accordance with Judges request	100%	100%	
• Transcripts are prepared within 2-4 weeks of appeals being lodged	95%	95%	
• Library opens 9am - 4:30pm on Monday-Friday	100%	100%	
• Policy initiatives to be developed within deadlines	100%	100%	
Location			
Courts Office, Grand Cayman		100%	
Cost (of producing the output)	880,629	850,906	(29,723)
Price (paid by Cabinet for the output)	880,629		
Related Broad Outcome:			
2: Address Crime and Improve Policing			
10: Open, Transparent, Honest and Efficient Public Administration			

JUD 2	Collection of Revenue		
Description			
Provide support for the collection and recording of Court and Traffic Ticket fines and Civil Court fees			
Measures	2007/8 Actual	2007/8 Budget	Annual Variance
Quantity			
Number of hours collecting and recording fine and fees	3,000-3,500	3,000-3,500	
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	95%	95%	
• Warrant accurate, and issued in accordance with relevant laws and signed by Judge/Magistrate	100%	100%	
Timeliness			
• Money received deposited to the bank within one working day	100%	100%	
• Warrants issued on outstanding fines within one month of default	60%	60%	
Location			
Courts Office Grand Cayman, Ashton Ratty Centre, Cayman Brac, Kirk House, Grand Cayman	100%	100%	
Cost (of producing the output)	261,302	252,584	(8,718)
Price (paid by Cabinet for the output)	261,302		
Related Broad Outcome:			
9: Support the Economy			
11: Sound Fiscal Management			

JUD 7	Administration of Legal Aid		
Description Administration of legal aid including: • Processing applications • Assign Attorneys • Processing and issuing legal aid certificates • Taxation of legal aid bills			
Measures	2007/8 Actual	2007/8 Budget	Annual Variance
Quantity • Number of Civil legal aid applications processed • Number of Criminal legal aid applications processed • Number of Legal aid certificates issued	224 197 272	150-170 120-150 250-300	(54) (47) 28
Quality • Applications processed in accordance with the Legal Aid Law for Judges and Magistrates consideration • 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's practice direction	80% 80% 95%	80% 80% 95%	
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, Judge or applicant • Number of days from receipt Certified bills processed for payment	80% 90% 90% 5	80% 90% 90% 5	
Location			
Cost (of producing the output)	132,222	127,662	(4,560)
Price (paid by Cabinet for the output)	132,222		
Related Broad Outcome: 9: Support the Economy 11: Sound Fiscal Management			

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 • Ushering Judges and Magistrates			
Measures	2007/8 Actual	2007/8 Budget	Annual Variance
Quantity			
Court room services provided to 5 court rooms by:			
• Marshals	9	9	(1)
• Court room reporters	4	3	
Quality			
• Court room personnel to be prepared and in attendance before the start of court each day	90%	90%	
• Prepare courtrooms to ensure that everything is ready before the court commences	95%	95%	
• Correct files available for the relevant courts	95%	95%	
Timeliness			
• Files delivered to courtroom at least ½ hour before court sitting	100%	100%	
• Case files to Judiciary at least 4 days for Judges and 1 day for Magistrates before hearing	100%	100%	
• Courtroom prepared at least 1 hour before court sits	100%	100%	
Location			
Courts Office Grand Cayman, Ashton Rutty Building Cayman Brac	100%	100%	
Cost (of producing the output)	1,302,339	1,263,034	(39,305)
Price (paid by Cabinet for the output)	1,302,339		
Related Broad Outcome			
2: Address Crime and Improve Policing			
9: Support the Economy			
10: Open, Transparent, Honest and Efficient Public Administration			

JUD 13	Financial Management of Court Funds		
Description			
Financial management of Court Funds for the Grand Court of the Cayman Islands Collect and distribute compensations and child support			
Measures	2007/8 Actual	2007/8 Budget	Annual Variance
Quantity			
• Number of Nominated Accounts	79	40-60	(19)
• Number of General Accounts	1,501	1,000-1,500	(1)
• Number of Financial Statements	1	1	
Quality			
• Receipts and payments are in accordance with Court Order	100%	100%	
• Account balances reconciled to General Ledger monthly	70%	90%	20%
Timeliness			
• Disbursement of cheques three (3) times per week	95%	95%	
• Batches posted to General Ledger daily	95%	95%	
• Annual Financial Statements to be prepared on a timely basis	60%	60%	
Location			
Courts Office Grand Cayman	100%	100%	
Cost (of producing the output)	235,065	227,035	(8,030)
Price (paid by Cabinet for the output)			
Related Broad Outcome:			
8. Strengthen Family and Community.			

JUD 14	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 - Selecting, summons and empanel jurors - Preparing trial and Appeal Bundles - Preparing Coroner's files & Certificates - Issuing charges, summonses and bail bonds - Maintenance of the registers of Attorneys, Notary Public and Justices of Peace - Servicing and enforcement of court documents including: jury summons, writs, petitions, originating summonses, foreign process, warrants of execution - Administration of the Maintenance and Affiliation Law (child and spouse support) involving: processing of applications, processing Court Orders, following-up delinquent payers and processing and issuing Attachment of Earnings Orders			
Measures	2007/8 Actual	2007/8 Budget	Annual Variance
Quantity			
Criminal Case Management			
Number of Criminal Summary Cases managed	1,474	5,000-8,000	3,526
Number of Criminal appeals managed	47	45-65	18
Number of Jury trials managed	111	45-75	(36)
Number of Youth Court cases managed	166	50-150	(16)
Number of Jurors Summoned	496	250-500	4
Coroners Support & Administration			
Number of coroners cases registered	31	10-25	(6)
Number of coroners Inquests held	16	5-10	(16)
Traffic Case Management			
Number of Traffic cases managed	10,308	2,500-3,000	(7,308)
Civil Case Management			
Number of civil cases managed	1,083	500-1,000	(83)
Number of divorce cases managed	223	175-200	(23)
Number of Probate & Administration managed	171	125-175	4
Case Management - Court of Appeal			
Number of Civil appeals managed	18	50-75	32
Number of Criminal Appeals Managed	24	25-50	1
Servicing and enforcement of court documents			
Number of Court documents serviced	1,667	1,000-1,500	(167)
Administration of the Maintenance and Affiliation Law (child and spouse support)			
Number of applications processed, summonses issued and Court orders processed	383	100-120	(263)
Number of Attachment of Earnings Orders issued	70	35-40	(30)

Quality			
• Charges and originating process filed accurately	95%	95%	
• Trial bundles and Appeal bundles prepared in accordance with the relevant Law and Judge/Magistrates instructions	95%	95%	
• Charges and summonses signed in accordance with the relevant laws and procedures	100%	100%	
• Orders prepared and issued in accordance with the relevant laws and Court rulings	100%	100%	
• Coroners files prepared accurately	95%	95%	
• Court documents: to be serviced and executed in accordance with the rules of the relevant court and convention	100%	100%	
• Administration of the Maintenance and Affiliation Law (child and spouse support) relevant documents processed accurately and in accordance with the relevant laws and procedures	95%	95%	
Timeliness			
• Documents filed within 2-5 working days based on need	100%	100%	
• Bundles prepared before the relevant court session	95%	95%	
• Coroner's certificates issued within 5 working days	80%	80%	
• Orders processed within five (5) days	95%	95%	
• Court documents serviced within 14 days	80%	80%	
• Administration of the Maintenance and Affiliation Law (child and spouse support) applications processed and summonses issued within 1 week	95%	95%	
Location			
Courts Office Grand Cayman, Kirk House Grand Cayman, Ashton Rutty Building Cayman Brac	100%	100%	
Cost (of producing the output)	2,285,108	2,256,161	(28,947)
Price (paid by Cabinet for the output)	2,285,108		
Related Broad Outcome:			
2: Address Crime and Improve Policing			
10: Open, Transparent, Honest and Efficient Public Admini			

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 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 2007/8 and the subsequent two years are as follows:

- Development of Summary Court Buildings
- Establishment of the Drug Court
- Establishment of the Family Court
- Creation of a Commercial and other Divisions of the Grand Court
- Technological modernization of the Courts system, including the creation of an inter-active website
- Implementation of Children's Law
- Implementation of the Alternative Sentencing Law and Policies.
- Enforcement of new Court Fees

Achievement during Year

- Development of Summary Court Building:

The architectural plans for the above project are at it advanced stage and final approvals have been obtained.

- Establishment of a Drug Court:

The Drug Court commenced operations in October 2007 with sittings on Tuesdays and Thursdays each week.

- Establishment of the Family Court:

This project continues to be in its early stages of implementation

- Creation of a Commercial and other Divisions of the Grand Court:

This division which is designed to take charge of the more complex civil cases in the Grand Court has its draft rules prepared and will soon be finalized. This division is expected to commence early 2009.

- Technological modernization of the Courts system, including the creation of inter-active website:

A Judicial and Legal website has been launched with work continuing. It is expected that by the end of this financial year, the Judicial Enforcement Management system will be linked to the website to enable electronic filing of documents, online payments of fees and fines and search capabilities.

- Implementation of Children's Law:

This Law is being revised and is awaiting public input.

- Implementation of the Alternative Sentencing Law and Polices

The above law has been passed. On going preparatory work is being undertaken by the various stakeholders before the legislation can start to fully operate.

- Enforcement of new Court Fees:

The Court Fees Rules were consolidated and revised in 2008 and fees are being collected under these new rules.

5 Ownership Performance Targets

5.1 Financial Performance

Financial Performance Measures	2007/8 Actual \$	2007/8 Budget \$	Annual Variance \$
Revenue from Cabinet	5,096,665	4,977,382	(119,283)
Revenue from ministries, portfolios, statutory authorities, government companies			
Revenue from others			
Surplus/deficit from outputs			
Ownership expenses	5,096,665	4,977,382	(119,283)
Operating Surplus/Deficit			
Net Worth	1,731,938	1,882,000	(150,062)
Cash flows from operating activities	273,629	50,000	(223,629)
Cash flows from investing activities	(254,790)	(150,000)	104,790
Cash flows from financing activities	100,000	100,000	0
Change in cash balances	(428,420)	0	428,720

Explanation of Variances:

Financial Performance Ratios	2007/8 Actual	2007/8 Budget	Annual Variance
Current Assets: Current Liabilities (Working Capital)	265	349	84
Total Assets: Total Liabilities	347	650	303

Explanation of Variances:

5.2 Maintenance of Capability

Human Capital Measures	2007/8 Actual	2007/8 Budget	Annual Variance
Total full time equivalent staff employed	55	58	3
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	9	9	
Clerical and labourer staff	9	9	
Changes to personnel management system:			

Explanation of Variances:

Physical Capital Measures	2007/8 Actual \$	2007/8 Budget \$	Annual Variance \$
Value of total assets	2,433,775	\$2,224,000	(209,775)
Asset replacements: total assets	(10%)	(7%)	3%
Book value of assets: initial cost of those assets	44%	62%	18%
Depreciation: cash flow on asset purchases	(56%)	(57%)	1%
Changes to asset management policies			

Explanation of Variances:

Major New Entity Capital Expenditures for the Year	2007/8 Actual \$	2007/8 Budget \$	Annual Variance \$
Library books, office equipment, furniture	254,790	150,000	(104,790)

Major Entity Capital Expenditures continuing from previous years	2007/8 Actual \$	2007/8 Budget \$	Annual Variance \$

Explanation of Variances:

5.3 Risk Management

Key risks faced by the Portfolio	Change in status from 2006/7	Actions to manage risk	Financial value of risk
Loss of key personnel	Unchanged	• Training Plan • Regular Performance feedback	Unknown
Judicial Enforcement Management System (JEMS) training	Unchanged	Continue with training and implementation schedule	Unknown
Hurricane or other damage and/or loss of confidential documents/exhibits and the inability of the courts to operate fully	Unchanged	• Maintenance of strong-room and vault; and back-up computer disks • Generator to be acquired	Unknown
Insufficient security of buildings and grounds	Unchanged	• Electronic Security services for 24-hours, 7 days per week; High-density lighting outside parameters of buildings; low density lighting inside of specific areas • Manual security services during 8:00 a.m. – 5:30 p.m., Monday to Friday • Install alarm system and improve on close caption cameras inside and outside the building	Unknown

6 Equity Investments and Withdrawals

Equity Movement	2007/8 Actual \$	2007/8 Budget \$	Annual Variance \$
Equity Investment from Cabinet into the <i>[insert Ministry/Portfolio name]</i>	100,000	100,000	0
Capital (Equity) Withdrawal by Cabinet from the <i>[insert Ministry/Portfolio name]</i>	0	0	0

Explanation of Variances:

Appendix: Financial Statements for the Year

CONTENTS

Statement of Responsibility
Operating Statement
Statement of Changes in Net Worth
Balance Sheet
Statement of Cash Flows
Statement of Commitments
Statement of Contingent Liabilities
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 2008 and the financial performance for the 2007/8 financial year; and
- (c) comply with generally accepted accounting practice.



Delene Cacho
Chief Officer

28/8/09



John Regan
Chief Financial Officer

28/8/2009

**Judicial Administration
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2007/8 Actual \$000	2007/8 Budget \$000	2006/7 Actual \$000
Revenue				
Outputs to Cabinet		5,097	4,977	4,403
Outputs to other government agencies		100	0	35
Outputs to others		0	0	46
Interest Revenue		12	0	27
Total Operating Revenue		5,209	4,977	4,511
Operating Expenses				
Personnel costs	1	2,789	3,138	2,456
Supplies and consumables	2	2,215	1,743	1,932
Depreciation	3	142	85	111
Capital charge		63	12	12
Other operating expenses		0	0	0
Total Operating Expenses		5,209	4,977	4,511
Surplus from operating activities		0	0	0
Gains/losses on foreign exchange transactions		0	0	0
Gains/losses on disposal or revaluation of non-current assets		0	0	0
Surplus before extraordinary items		0	0	0
Extraordinary items		0	0	0
Net Surplus		0	0	0

The accounting policies and notes on pages [33 to 38] form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 JUNE 2008**

	2007/8 Actual	2007/8 Budget	2006/7 Actual
Opening balance net worth	1,632	1,782	1,432
Net surplus			
Property revaluations	0	0	0
Investment revaluations	0	0	0
Net revaluations during the period	0	0	0
Total recognised revenues and expenses	1,632	1,782	1,432
 Equity investment from Cabinet	100	100	200
Repayment of surplus to Cabinet	0	0	0
Capital withdrawal by Cabinet	0	0	0
Closing balance net worth	1,732	1,882	1,632

The accounting policies and notes on pages [33 to 38] form part of these financial statements.

**JUDICIAL ADMINISTRATION
BALANCE SHEET
AS AT 30 JUNE 2008**

	Note	2007/8 Actual \$000	2007/8 Budget \$000	2006/7 Actual \$000
Current Assets				
Cash and cash equivalents	4	427	492	855
Accounts receivable	5	1,357	625	662
Inventories	6	75	75	75
Total Current Assets		1,859	1,192	1,592
Non-Current Assets				
Property, plant and equipment	7	565	1,032	452
Other non-current assets		10	0	(10)
Total Non-Current Assets		575	1,032	442
Total Assets		2,434	2,224	2,034
Current Liabilities				
Accounts payable	8	672	165	372
Unearned revenue		0	0	0
Employee entitlements	9	30	30	30
Other current liabilities		0	147	0
Total Current Liabilities		702	342	402
TOTAL ASSETS LESS TOTAL LIABILITIES		1,732	1,882	1,632
NET WORTH				
Contributed capital		1,732	1,882	1,632
Asset revaluation reserve		0	0	0
Accumulated surpluses		0	0	0
Total Net Worth		1,732	1,882	1,632

The accounting policies and notes on pages [33 to 38] form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2007/8 Actual \$000	2007/8 Budget \$000	2006/7 Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Outputs to Cabinet		4,910	4,952	4,425
Outputs to other government agencies		100	(25)	35
Outputs to others		0	0	46
Interest received		12	0	27
Payments				
Personnel costs		(3,158)	(3,138)	(2,456)
Suppliers		(2,106)	(1,728)	(2,052)
Other payments		(31)	(12)	(12)
Net cash flows from operating activities	10	(273)	50	13
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of non-current assets		(255)	(150)	(176)
Proceeds from sale of non-current assets		0	0	0
Net cash flows from investing activities		(255)	(150)	(176)
CASH FLOWS FROM FINANCING ACTIVITIES				
Equity investment		100	100	200
Repayment of surplus		0	0	0
Capital withdrawal		0	0	0
Net cash flows from financing activities		100	100	200
Net increase/(decrease) in cash and cash equivalents		(428)	0	37
Cash and cash equivalents at beginning of period		855	492	818
Cash and cash equivalents at end of period	4	427	492	855

The accounting policies and notes on pages [33 to 38] form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF COMMITMENTS
AS AT 30 JUNE 2008**

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				
Operating Commitments				
Non-cancellable accommodation leases				
Other non-cancellable leases				
Non-cancellable contracts for the supply of goods and services				
Other operating commitments				
Total Operating Commitments				
Total Commitments				

The accounting policies and notes on pages [33 to 38] form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CONTINGENT LIABILITIES
AS AT 30 JUNE 2008**

Summary of Quantifiable Contingent Liabilities

\$000

Legal Proceedings and Disputes

Item 1 description

Item 2 description

Total Legal Proceedings and Disputes

Other Contingent Liabilities

Item 1 description

Item 2 description

Total Other Contingent Liabilities

Summary of Non-Quantifiable Contingent Liabilities

Item 1 description

Item 2 description

The accounting policies and notes on pages [33 to 38] form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2008**

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 (IPSASs) 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 2008.

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.

Assets

Cash and cash equivalents

Cash and cash equivalents include cash held in the 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 2006) less accumulated depreciation.

Computer Hardware and Software

Computer hardware and software 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.

**JUDICIAL ADMINISTRATION
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1: PERSONNEL COSTS

	2007/8 Actual \$000	2007/8 Budget \$000	2005/6 Actual \$000
Salaries and wages (including employee pension contributions)	2,650	2,993	2,336
Employer pension expense	139	145	120
Other personnel costs	0	0	0
Total Personnel Costs	2,789	3,138	2,456

NOTE 2: SUPPLIES AND CONSUMABLES

	2007/8 Actual \$000	2007/8 Budget \$000	2005/6 Actual \$000
Supply of goods and services	1,924	1,453	1,644
Operating lease rentals	291	290	288
Other	0	0	0
Total Supplies and Consumables	2,215	1,743	1,932

NOTE 3: DEPRECIATION

	2007/8 Actual \$000	2007/8 Budget \$000	2005/6 Actual \$000
Buildings	2	0	2
Vehicles	6	3	6
Furniture and fittings	18	18	18
Computer hardware and software	6	0	4
Office equipment	22	19	20
Other plant and equipment	0	0	2
Other assets	88	45	59
Total Depreciation	142	85	111

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

	Years
Buildings	40
Vehicles	5
Furniture and fittings	10
Computer hardware and software	4
Office equipment	6
Other plant and equipment	6-12
Other assets	10

NOTE 4: CASH AND CASH EQUIVALENTS

	2007/8 Actual \$000	2007/8 Budget \$000	2006/7 Actual \$000
Cash on hand	427	492	855
Bank accounts	0	0	0
Deposits with Portfolio Finance and Economic (Treasury)	0	0	0
Total Cash and Cash Equivalents	427	492	855

NOTE 5: ACCOUNTS RECEIVABLE

	2007/8 Actual \$000	2007/8 Budget \$000	2006/7 Actual \$000
Outputs to Cabinet	594	500	406
Outputs to other government agencies	771	0	202
Outputs to others	0	0	0
Interest receivable	12	0	11
Prepayments	0	0	21
Interest Receivable	0	0	0
Other Receivables	25	125	67
Total Gross Accounts Receivable	1,402	625	707
Less provision for doubtful debts	(45)	0	(45)
Total Net Accounts Receivable	1,357	625	662

NOTE 6: INVENTORIES

	2007/8 Actual \$000	2007/8 Budget \$000	2006/7 Actual \$000
Raw Materials (including Consumable Stores)	0	0	0
Work in Progress	0	0	0
Finished Goods	75	75	75
Total Inventories	75	75	75

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	Cost or Revalued Amount \$000	Accumulated Depreciation \$000	30 June 2008 Book Value Actual \$000	30 June 2007 Book Value Actual \$000
Buildings	16	12	4	5
Vehicles	30	19	11	17
Furniture and fittings	180	145	35	50
Computer hardware and software	306	62	244	5
Office equipment	141	126	15	21
Other plant and equipment	11	11	0	59
Other assets (list if material)	596	340	256	295
Total	1,280	715	565	452

NOTE 8: ACCOUNTS PAYABLE

	2007/8 Actual \$000	2007/8 Budget \$000	2006/7 Actual \$000
Trade Creditors	1	165	17
Accruals	671	0	355
Total	672	165	372

NOTE 9: EMPLOYEE ENTITLEMENTS (CURRENT)

	2007/8 Actual \$000	2007/8 Budget \$000	2006/7 Actual \$000
Long service leave and other leave entitlements	30	30	30
Other salary related entitlements	0	0	0
Total Employee Entitlements	30	30	30

NOTE 10: RECONCILIATION OF OPERATING SURPLUS TO CASH FLOWS FROM OPERATING ACTIVITIES

	2007/8 Actual \$000	2007/8 Budget \$000	2006/7 Actual \$000
Operating surplus/(deficit)			
Non-cash movements			
Depreciation	142	85	111
Increase in provision for doubtful debts	0	0	0
(Decrease)/increase in payables/accruals	300	15	49
Net (gain)/loss from sale of fixed assets	0	0	0
Net gain/loss from sale of investments	0	0	0
Increase in other current assets	0	0	0
(Increase)/decrease in receivables	(715)	(50)	(147)
Net cash flows from operating activities	(273)	50	13

NOTE 11: RELATED PARTY DISCLOSURES**Key Management Personnel**

There is one (1) full-time equivalent personnel considered at the senior management level. The total remuneration includes: regular salary, allowances and pension contributions. Total remuneration for senior management in 2007-2008 was \$135K. There have been no loans made to key management personnel or close family members in 2007-08.



Annual Report

of

Judicial Administration

For the 2008/9 Financial Year

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Overview of Performance for the Year

Introduction

This annual report details the performance of the *Judicial Administration* for the fiscal year ending 30 June 2009.

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 2008/9, 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 2008/9 or as amended through the supplementary appropriation process.

Summary of Performance

Output Performance

All outputs operated slightly over budget.

Ownership Performance

The original budget was \$5,940,867 which was revised downward at the last minute to \$5,770,867, which was the amount appropriated for 2008/9. The actual for the year was \$210,668 higher than the appropriation at \$5,981,535. The principle reasons for the increase were security and attendance allowance.

STATEMENT OF RESPONSIBILITY FOR THE STATEMENT OF OUTPUTS DELIVERED

These statement of outputs delivered have been prepared by the Judicial Administration in accordance with the provisions of the *Public Management and Finance Law (2005 Revision)*.

We accept responsibility for the accuracy and integrity of the information in this statement of outputs delivered and their compliance with the *Public Management and Finance Law (2005 Revision)*.

As Chief Officer and Chief Financial Officer, we are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded in the statement of outputs delivered are authorised by law, and properly record the output transactions of the Judicial Administration.

As Chief Officer and Chief Financial Officer we are responsible for the preparation of the Judicial Administration statement of outputs delivered and for the judgements made in them.

It was agreed by Cabinet that outputs would not be audited for financial year 2008/09.

We however completed that section of the Annual Report. We represent that both the cost and quantity for each output is materially correct. With respect to quality and timeliness measures they are difficult to measure and can be subjective. As a result, we are unable to confirm the completeness and reliability of the quality and timeliness.



Delene Cacho
Chief Officer
Date: 7/12/10



John Regan
Chief Financial Officer
Date: Dec. 7, 2010



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AUDITOR GENERAL'S REPORT

To the Chief Officer of Judicial Administration and the Members of the Legislative Assembly of the Cayman Islands

I was engaged to audit the accompanying statement of outputs delivered of the Judicial Administration for the year ended 30 June 2009 as set out on pages 7 to 14 in accordance with the provisions of Section 44(3) of the *Public Management and Finance Law (2005 Revision)*. The statement consists of the following outputs:

- JUD 1 – Administrative Support to the Judiciary
- JUD 2 – Collection of Revenue
- JUD 7 – Administration of Legal Aid
- JUD 9 – Court Room Services
- JUD 13 – Financial Management of Court Funds
- JUD 14 – Administrative Support for the Conduct of Civil and Criminal Proceedings

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 2009.
- 2) Quantitative measures of the outputs delivered during the year ended 30 June 2009.
- 3) Qualitative measures of the outputs delivered during the year ended 30 June 2009.
- 4) Timeliness measure of the outputs delivered during the year ended 30 June 2009.
- 5) Location of delivery of outputs during the year ended 30 June 2009.
- 6) Financial measures of the actual costs incurred in respect of each output for the year ended 30 June 2009 compared to Budgeted Costs for each output as duly approved in the "Budget 2008/9".

Auditor's Responsibility for the Statement of Outputs Delivered

I was engaged to conduct my audit in accordance with International Standards on Auditing. Because of the matters described in the basis of disclaimer of opinion paragraph below, I do not express an opinion on the statement of outputs.

Overall Scope Limitations

The parameters included for each of the output measures included in these statements have been provided to me by the management of Judicial Administration and are solely his responsibility. I do not review the basis of the determination of these parameters that measure each of the outputs, or for their appropriateness or relevance. Nor do I review 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 therein has been determined by the management of Judicial Administration in their best judgment and, as such, its accuracy and relevance are solely their responsibility.

Management could not represent to me the fairness of the information contained in the statement of outputs delivered.

Basis for Disclaimer for the Statement of Outputs Delivered:

I was not provided with sufficient information to conduct an audit and determine whether the statement of outputs delivered is fairly presented in all material respects.

Disclaimer of Opinion for the Statement of Outputs Delivered

Because of the significance of the matter discussed in the preceding paragraph, I do not express an opinion on the statement of outputs delivered.



Alastair Swarbrick, MA (Hons), CPFA
Auditor General

Cayman Islands
07 December 2010

Part B
Statement of Outputs Delivered

Statement of Outputs Delivered

JUD 1	Administrative Support to the Judiciary		
Description			
Administrative Support to the Judiciary, Involving:			
• Secretarial, court reporting, listing and administrative support to the Chief Justice and the Judiciary • Administrative support relating to the Mutual Legal Assistance Treaty activities (MLAT). • Administration of Justice in the Cayman Islands • Provision of a comprehensive legal library to be used by Judges, Magistrates, Attorneys and Public • Listing of both civil and criminal cases for hearing.			
Measures	2008/9 Actual	2008/9 Budget	Annual Variance
Quantity			
• Number of judgments typed or transcribed	63	100-200	37
• Number of Statistical reports	1	1-2	
• Number of transcripts for appeals	60	100-120	40
• Number of Mutual Legal Assistance Treaty (MLAT) applications filed.	31	5-15	(16)
• Number of periodicals and bound volumes in library.	3,937	4,900	963
Quality			
• Judgments prepared accurately in accordance with the Judge's and Magistrates drafts and directions	100%	100%	
• Statistical Reports are accurate and subject to peer review	95%	95%	
• Transcripts of trials and Hearings prepared accurately and based on Judges/Magistrates directions	95%	95%	
• Library requests for additional books to be met	100%	100%	
• Library staff qualified	100%	100%	
Timeliness			
• Judgments are prepared in accordance with Judges request	100%	100%	
• Transcripts are prepared within 2-4 weeks of appeals being lodged	95%	95%	
• Library opens 9am - 4:30pm on Monday-Friday	100%	100%	
• Policy initiatives to be developed within deadlines	100%	100%	
Location			
Courts Office, Grand Cayman	100%	100%	
Cost (of producing the output)	987,979	\$948,081	(39,898)
Price (paid by Cabinet for the output)			
Related Broad Outcome:			
2: Address Crime and Improve Policing			
10: Open, Transparent, Honest and Efficient Public Administration			

Explanation of Annual Variances:

JUD 2	Collection of Revenue		
Description			
Provide support for the collection and recording of Court and Traffic Ticket fines and Civil Court fees.			
Measures	2008/9 Actual	2008/9 Budget	Annual Variance
Quantity			
Number of hours collecting and recording fine and fees	3000-3500	3,000-3,500	
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	95%	95%	
• Warrant accurate, and issued in accordance with relevant laws and signed by Judge/Magistrate	100%	100%	
Timeliness			
• Money received deposited to the bank within one working day	100%	100%	
• Warrants issued on outstanding fines within one month of default	60%	60%	
Location			
Courts Office Grand Cayman, Ashton Rutty Centre, Cayman Brac, Kirk House, Grand Cayman	100%	100%	
Cost (of producing the output)	238,875	\$229,229	(9,646)
Price (paid by Cabinet for the output)			
Related Broad Outcome:			
9: Support the Economy			
11: Sound Fiscal Management			

JUD 7	Administration of Legal Aid		
Description Administration of legal aid including: • Processing applications • Assign Attorneys • Processing and issuing legal aid certificates • Taxation of legal aid bills			
Measures	2008/9 Actual	2008/9 Budget	Annual Variance
Quantity • Civil legal aid applications processed • Number of Criminal legal aid applications processed • Number of Legal aid certificates issued	184 187 259	150-170 120-150 250-300	(14) (37) 41
Quality • Applications processed in accordance with the Legal Aid Law for Judges and Magistrates consideration • 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's practice direction	80% 80% 95%	80% 80% 95%	
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, Judge or applicant • Number of days from receipt Certified bills processed for payment	80% 90% 90% 5	80% 90% 90% 5	
Location			
Cost (of producing the output)	151,196	\$145,090	(15,752)
Price (paid by Cabinet for the output)			
Related Broad Outcome: 9: Support the Economy 11: Sound Fiscal Management			

JUD 9	Court Room Services		
Description Management of courts including: - Swearing in witnesses - Recording exhibits - Keeping order in court - Dealing with jurors - Court reporting - Checking the court list and making sure files are available for that particular court - Ushering Judges and Magistrates			
Measures Quantity - Court room services provided to 5 court rooms by: - Marshals - Court room reporters 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 Timeliness - Files delivered to courtroom at least ½ hour before court sitting - Case files to Judiciary at least 4 days for Judges and 1 day for Magistrates before hearing - Courtroom prepared at least 1 hour before court sits Location Courts Office Grand Cayman, Ashton Rutty Building Cayman Brac	2008/9 Actual	2008/9 Budget	Annual Variance
	9	9	
	4	3	
	90%	90%	
	95%	95%	
	95%	95%	
	100%	100%	
	100%	100%	
	100%	100%	
	100%	100%	
Cost (of producing the output)	1,756,192	\$1,615,271	(140,921)
Price (paid by Cabinet for the output)			
Related Broad Outcome 2: Address Crime and Improve Policing 9: Support the Economy 10: Open, Transparent, Honest and Efficient Public Administration			

JUD 13	Financial Management of Court Funds		
Description			
Financial management of Court Funds for the Grand Court of the Cayman Islands Collect and distribute compensations and child support			
Measures	2008/9 Actual	2008/9 Budget	Annual Variance
Quantity			
• Number of Nominated Accounts	50	40-60	10
• Number of General Accounts	850	1,000-1,500	150
• Number of Financial Statements	1	1	
Quality			
• Receipts and payments are in accordance with Court Order	100%	100%	
• Account balances reconciled to General Ledger monthly	70%	90%	20%
Timeliness			
• Disbursement of cheques three (3) times per week	95%	95%	
• Batches posted to General Ledger daily	95%	95%	
• Annual Financial Statements to be prepared on a timely basis	60%	60%	
Location			
Courts Office Grand Cayman	100%	100%	
Cost (of producing the output)	260,467	\$249,950	(10,517)
Price (paid by Cabinet for the output)			
Related Broad Outcome:			
8. Strengthen Family and Community.			

JUD 14	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 - Selecting, summons and empanel jurors - Preparing trial and Appeal Bundles - Preparing Coroner's files & Certificates - Issuing charges, summonses and bail bonds - Maintenance of the registers of Attorneys, Notary Public and Justices of Peace - Servicing and enforcement of court documents including: jury summons, writs, petitions, originating summonses, foreign process, warrants of execution. - Administration of the Maintenance and Affiliation Law (child and spouse support) involving: processing of applications, processing Court Orders, following-up delinquent payers and processing and Issuing Attachment of Earnings Orders			
Measures	2008/9 Actual	2008/9 Budget	Annual Variance
Quantity			
Criminal Case Management			
Number of Criminal Summary Court Cases processed	1,351	5,000-8,000	See note below
Number of Criminal appeals processed	60	45-65	5
Number of Jury trials processed	58	45-75	17
Number of Youth/Juvenile Court cases processed	///	50-150	
Number of Jurors Summoned	496	250-500	4
Coroners Support & Administration			
Number of coroners cases registered	38	10-25	
Number of coroners Inquests held	10	5-10	
Traffic Case Management			
Number of Traffic cases processed	7,152	2,500-3,000	See note below
Civil Case Management			
Number of civil cases processed including number of summary civil cases	624	500-1,000	376
Number of divorce cases processed	124	175-200	51
Number of Probate & Administration processed	77	125-175	38
Case Management - Court of Appeal			
Number of Civil appeals processed	16	50-75	34
Number of Criminal Appeals processed	38	25-50	12
Servicing and enforcement of court documents			
Number of Court documents serviced	1,417	1,000-1,500	83
Administration of the Maintenance and Affiliation Law (child and spouse support)			
Number of applications processed, summonses issued and Court orders processed	314	100-120	(194)
Number of Attachment of Earnings Orders Issued	57	35-40	(17)

Quality			
• Charges and originating process filed accurately	95%	95%	
• Trial bundles and Appeal bundles prepared in accordance with the relevant Law and Judge/Magistrates instructions	95%	95%	
• Charges and summonses signed in accordance with the relevant laws and procedures	100%	100%	
• Orders prepared and issued in accordance with the relevant laws and Court rulings	100%	100%	
• Coroners files prepared accurately	95%	95%	
• Court documents: to be serviced and executed in accordance with the rules of the relevant court and convention	100%	100%	
• Administration of the Maintenance and Affiliation Law (child and spouse support) relevant documents processed accurately and in accordance with the relevant laws and procedures.	95%	95%	
Timeliness			
• Documents filed within 2-5 working days based on urgency	100%	100%	
• Bundles prepared before the relevant court session	95%	95%	
• Coroner's certificates issued within 5 working days	80%	80%	
• Orders processed within five (5) days	95%	95%	
• Court documents serviced within 14 days	80%	80%	
• Administration of the Maintenance and Affiliation Law (child and spouse support) applications processed and summonses issued within 1 week	95%	95%	
Location			
Courts Office Grand Cayman, Kirk House Grand Cayman, Ashton Ruttly Building Cayman Brac	100%	100%	
Cost (of producing the output)	2,586,826	\$2,583,246	(3,580)
Price (paid by Cabinet for the output)			
Related Broad Outcome:			
2: Address Crime and Improve Policing			
10: Open, Transparent, Honest and Efficient Public Admini			

The budgeted number of Criminal Summary Court Cases processed includes traffic cases.

Part C

Ownership Performance Achieved During the Year

Unaudited

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 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.

Strategic Ownership Goals

Approved Strategic Ownership Goals

The key strategic ownership goals for the *Judicial Administration* in 2008/9 and the subsequent two years are as follows:

- Development of Summary Court Buildings
- Establishment of the Drug Court
- Establishment of the Family Court
- Creation of a Commercial and other Divisions of the Grand Court
- Technological modernization of the Courts system, including the creation of an inter-active website
- Implementation of the Alternative Sentencing Law and Policies.

Achievement during Year

- *Development of Summary Court Building:*
On hold because of budget constraints
- *Establishment of a Drug Court:*
Established
- *Establishment of the Family Court:*
Still pending
- *Creation of a Commercial and other Divisions of the Grand Court:*
Established November 2009
- *Technological modernization of the Courts system, including the creation of inter-active website:*
Ongoing
- *Implementation of the Alternative Sentencing Law and Policies*
Ongoing

Ownership Performance Targets

Financial Performance

Financial Performance Measures	2008/9 Actual \$	2008/9 Budget \$	Annual Variance \$
Revenue from Cabinet	5,981,535	5,770,867	(210,668)
Revenue from ministries, portfolios, statutory authorities, government companies			
Revenue from others	62,976	-	(62,975)
Surplus/deficit from outputs			
Ownership expenses	6,044,511	5,770,867	(273,644)
Operating Surplus/Deficit			
Net Worth	2,284,000	2,434,000	150,000
Cash flows from operating activities	500,215	80,000	(420,215)
Cash flows from investing activities	(205,655)	(360,000)	(154,345)
Cash flows from financing activities	552,000	300,000	(252,000)
Change in cash balances	846,560	20,000	(826,560)

Explanation of Variances:

Financial Performance Ratios	2008/9 Actual \$	2008/9 Budget \$	Annual Variance \$
Current Assets: Current Liabilities (Working Capital)	353	354	1
Total Assets: Total Liabilities	444	812	368

Explanation of Variances:

Maintenance of Capability

Human Capital Measures	2008/9 Actual \$	2008/9 Budget \$	Annual Variance \$
Total full time equivalent staff employed	60	58	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	6	6	-
Professional and technical staff	9	9	-
Clerical and labourer staff	9	9	-
Changes to personnel management system:			

Explanation of Variances:

Physical Capital Measures	2008/9 Actual \$	2008/9 Budget \$	Annual Variance \$
Value of total assets	2,948,000	2,776,000	(172,000)
Asset replacements: total assets	7%	22%	15%
Book value of assets: initial cost of those assets	40%	69%	29%
Depreciation: cash flow on asset purchases	85%	22%	(63%)
Changes to asset management policies			

Explanation of Variances:

Major <u>New</u> Entity Capital Expenditures for the Year	2008/9 Actual \$	2008/9 Budget \$	Annual Variance \$
Website, OE, Furniture, Website	205,000	612,000	407,000

Major Entity Capital Expenditures continuing from previous years	2008/9 Actual \$	2008/9 Budget \$	Annual Variance \$

Explanation of Variances:

Risk Management

Key risks faced by the Portfolio	Change in status from 2007/8	Actions to manage risk	Financial value of risk
Loss of key personnel	Unchanged	• Training Plan • Regular Performance feedback	Unknown
Judicial Enforcement Management System (JEMS) training	Unchanged	Continue with training and implementation schedule.	Unknown
Hurricane or other damage and/or loss of confidential documents/exhibits and the inability of the courts to operate fully	Unchanged	• Maintenance of strong-room and vault; and back-up computer disks. • Generator to be acquired	Unknown
Insufficient security of buildings and grounds	Unchanged	• Electronic Security services for 24-hours, 7 days per week; High-density lighting outside parameters of buildings; low density lighting inside of specific areas; • Manual security services during 8:00 a.m.– 5:30 p.m., Monday to Friday • Install alarm system and improve on close caption cameras inside and outside the building	Unknown

Equity Investments and Withdrawals

Equity Movement	2008/9 Actual \$	2008/9 Budget \$	Annual Variance \$
Equity Investment from Cabinet into Judicial Administration	552,000	552,000	-
Capital (Equity) Withdrawal by Cabinet from			

Explanation of Variances:

Part D
Financial Statements

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)*.

We 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)*.

As Chief Officer and Chief Financial Officer, we are responsible for establishing; and have established and maintain a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly record the financial transactions of the Judicial Administration.

As Chief Officer and Chief Financial Officer, we are responsible for the preparation of the Judicial Administration financial statements and for the judgements made in them.

The financial statements fairly present the statement of financial performance, statement of changes in net worth, statement of financial position and cash flow statement for the financial year ended 30 June 2009.

These statements were prepared in accordance with the Public Management and Finance Law.

They are not in compliance with current International Public Sector Accounting Standards (IPSAS). Although the differences are minimal the Auditor General has correctly qualified the Statements. Statements for 2009/10 and future years will use a revised template we received in July 2010.



Delene Cacho
Chief Officer
Judicial Administration



John Regan
Chief Financial Officer
Judicial Administration

Dec. 7. 2010



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AUDITOR GENERAL'S REPORT

To the Chief Officer and the Members of the Legislative Assembly of the Cayman Islands

I have audited the accompanying financial statements of the Judicial Administration Department (the "Department"), which comprise the statement of financial position as at 30 June 2009, and the statement of financial performance, statement of changes in net worth and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 27 to 38 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 my 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 an 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

Inventory

Scope Limitations – no inventory count was performed as at 30 June 2009, as a result I am unable to determine the accuracy of the balance sheet amount presented for Inventory.

I was not able to carry out satisfactory alternative audit procedures to obtain reasonable assurance over the existence and value of inventory at 30 June 2009.

Lack of sales invoices for Outputs Sold to Cabinet

I was unable to satisfy myself as to the existence of accounts receivable (debtor Cabinet) in the amount of \$457,803 and of outputs sold to Cabinet in the amount of \$278,668. These balances are as a result of an adjustment which was made at year to increase revenue in order to ensure a net surplus of zero. I was not provided with documentation that clearly supports the basis for this increase in revenue such as sales invoices, nor was I provide with evidence of amount posted to accounts receivable being subsequently collected.

Pervasive non-compliance with significant presentation and disclosure requirements of IPSAS and other authoritative pronouncements

While the financial statements are required to be prepared under IPSAS, numerous significant requirements for presentation and disclosures have not been complied with. Therefore, I have concluded that the financial statements substantially lack critical information that would otherwise be presented if these statements had been prepared in accordance with IPSAS.

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 existence and value of inventory and receivable, as well as the occurrence of outputs sold to Cabinet, and the non-compliance with significant presentation and disclosure requirements of the International Public Sector Accounting Standards, the financial statements present fairly, in all material respects, the financial position of the Judicial Administration as of 30 June 2009, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.



Alastair Swarbrick, MA (Hons), CPFA
Auditor General

Cayman Islands
07 December 2010

**JUDICIAL ADMINISTRATION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Revenue				
Outputs to Cabinet		5,982	5,771	5,097
Outputs to other government agencies		63	-	100
Outputs to others		-	-	-
Interest Revenue		-	-	12
Total Operating Revenue		6,045	5,771	5,209
Operating Expenses				
Personnel costs	1	3,398	3,435	2,789
Supplies and consumables	2	2,360	2,144	2,215
Depreciation	3	175	80	142
Capital charge		112	112	63
Other operating expenses		-	-	-
Total Operating Expenses		6,045	5,771	5,209
Net Surplus		-	-	-

The accounting policies and notes on pages 31 to 38 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 JUNE 2009**

	2008/9 Actual	2008/9 Budget	2007/8 Actual
Opening balance net worth	1,732	1,882	1,632
Equity investment from Cabinet	552	552	100
Closing balance net worth	<u>2,284</u>	<u>2,434</u>	<u>1,732</u>

The accounting policies and notes on pages 31 to 38 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2009**

	Note	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Current Assets				
Cash and cash equivalents	4	1,274	512	427
Accounts receivable	5	997	625	1,357
Inventories	6	75	75	75
Total Current Assets		2,346	1,212	1,859
Non-Current Assets				
Property, plant and equipment	7	596	1,564	565
Other non-current assets		6	-	10
Total Non-Current Assets		602	1,564	575
Total Assets		2,948	2,776	2,434
Current Liabilities				
Accounts payable	8	608	165	672
Employee entitlements	9	56	30	30
Other current liabilities		-	147	-
Total Current Liabilities		664	342	702
Non-Current Liabilities				
Employee entitlements	10	-	-	-
Other non-current liabilities	11	-	-	-
Total Non-Current Liabilities		-	-	-
Total Liabilities		664	342	702
TOTAL ASSETS LESS TOTAL LIABILITIES		2,284	2,434	1,732
NET WORTH				
Contributed capital		2,284	2,434	1,732
Total Net Worth		2,284	2,434	1,732

The accounting policies and notes on pages 31 to 38 form part of these financial statements.

**JUDICIAL ADMINISTRATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Outputs to Cabinet		5,860	5,771	4,910
Outputs to other government agencies		62	-	100
Outputs to others		-	-	-
Interest received		-	-	12
Payments				
Personnel costs		(3,281)	(3,435)	(3,158)
Suppliers		(2,028)	(2,144)	(2,106)
Other payments		(112)	(112)	(31)
Net cash flows from operating activities	12	500	80	(273)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of non-current assets		(205)	(612)	(255)
Proceeds from sale of non-current assets		-	-	-
Net cash flows from investing activities		(205)	(612)	(255)
CASH FLOWS FROM FINANCING ACTIVITIES				
Equity investment		552	552	100
Net cash flows from financing activities		552	552	100
Net increase/(decrease) in cash and cash equivalents		847	20	(428)
Cash and cash equivalents at beginning of period		427	492	855
Cash and cash equivalents at end of period	4	1,274	512	427

The accounting policies and notes on pages 31 to 38 form part of these financial statements.

**JUDICIAL ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

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 (IPSASs) 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 2009.

As this is the first year in which financial statements have been prepared on an accruals 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.

Assets

Cash and cash equivalents

Cash and cash equivalents include cash held in the (insert name of Ministry/Portfolio) 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 less accumulated depreciation.

Computer Hardware and Software

Computer hardware and software 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.

NOTE 1: PERSONNEL COSTS

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Salaries and wages (including employee pension contributions)	3,221	3,273	2,650
Employer pension expense	177	162	139
Other personnel costs	-	-	-
Total Personnel Costs	3,398	3,435	2,789

NOTE 2: SUPPLIES AND CONSUMABLES

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Supply of goods and services	2,030	1,844	1,924
Operating lease rentals	330	300	291
Other	-	-	-
Total Supplies and Consumables	2,360	2,144	2,215

NOTE 3: DEPRECIATION

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Buildings	2	-	2
Vehicles	6	3	6
Aeroplanes	-	-	-
Boats	-	-	-
Furniture and fittings	18	20	18
Computer hardware and software	8	-	6
Office equipment	25	20	22
Other plant and equipment	-	-	-
Other assets	116	37	88
Total Depreciation	175	80	142

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	6-12
Other assets	

NOTE 4: CASH AND CASH EQUIVALENTS

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Cash on hand	1,274	512	427
Bank accounts	-	-	-
Deposits with Portfolio Finance and Economic (Treasury)	-	-	-
Total Cash and Cash Equivalents	1,274	512	427

NOTE 5: ACCOUNTS RECEIVABLE

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Outputs to Cabinet	715	500	594
Outputs to other government agencies	294	-	771
Outputs to others	-	-	-
Interest receivable	-	-	12
Prepayments	-	-	-
Interest Receivable	-	-	-
Other Receivables	33	125	25
Total Gross Accounts Receivable	1,042	625	1,402
Less provision for doubtful debts	(45)	-	(45)
Total Net Accounts Receivable	997	625	1,357

NOTE 6: INVENTORIES

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Raw Materials (including Consumable Stores)	-	-	-
Work in Progress	-	-	-
Finished Goods	75	75	75
Total Inventories	75	75	75

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	Cost or Revalued Amount \$000	Accumulated Depreciation \$000	30 June 2009 Book Value Actual \$000	30 June 2008 Book Value Actual \$000
Buildings	16	14	2	4
Vehicles	30	25	5	11
Aeroplanes	-	-	-	-
Boats	-	-	-	-
Furniture and fittings	180	183	17	35
Computer hardware and software	31	24	7	244
Office equipment	157	151	6	15
Other plant and equipment	11	11	-	-
Construction in progress	-	-	-	-
Other assets (list if material)	1,061	502	559	256
Total	1,486	890	596	565

NOTE 8: ACCOUNTS PAYABLE

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Trade Creditors	3	165	1
Operating lease rental	-	-	-
Accruals	605	-	671
Total	608	165	672

NOTE 9: EMPLOYEE ENTITLEMENTS (CURRENT)

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Long service leave and other leave entitlements	56	30	30
Other salary related entitlements	-	-	-
Total Employee Entitlements	56	30	30

NOTE 10. EMPLOYEE ENTITLEMENTS (NON-CURRENT)

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Long service leave and other leave entitlements	-	-	-
Other salary related entitlements	-	-	-
Total	-	-	-

NOTE 11: OTHER NON-CURRENT LIABILITIES

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Provision for agency revenue repayable	-	-	-
Provision for restructuring	-	-	-
Accounts payable	-	-	-
Unearned revenue	-	-	-
Other	-	-	-
Total	-	-	-

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

	2008/9 Actual \$000	2008/9 Budget \$000	2007/8 Actual \$000
Operating surplus/(deficit)	-	-	-
Non-cash movements			
Depreciation	175	80	142
Increase in provision for doubtful debts	-	-	-
(Decrease)/increase in payables/accruals	(38)	-	300
Net (gain)/loss from sale of fixed assets	-	-	-
Net gain/loss from sale of investments	-	-	-
Increase in other current assets	-	-	-
(Increase)/decrease in receivables	363	-	(715)
Net cash flows from operating activities	500	80	(273)

NOTE 13: CAPITAL CHARGE

The capital charge rate used by the Judicial Administration for the financial year ended June 30, 2009 is as per budget.

NOTE 14: COMMITMENT

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	-	-	-	-
Operating Commitments				
Non-cancellable accommodation leases	422	665	-	-
Other non-cancellable leases	-	-	-	-
Non-cancellable contracts for the supply of goods and services	-	-	-	-
Other operating commitments	-	-	-	-
Total Operating Commitments	422	665	-	-
Total Commitments	422	665	-	-

NOTE 14: RELATED PARTY DISCLOSURES

Key Management Personnel

There is 1 full-time equivalent personnel considered at the senior management level. The total remuneration includes: regular salary, allowances and pension contributions. Total remuneration for senior management in 2008-2009 was 135\$K. There have been no loans made to key management personnel or close family members in 2008-09.