

The Office of the Accountant of the Courts of Justice

REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2019



An tSeirbhís Chúirteanna
Courts Service

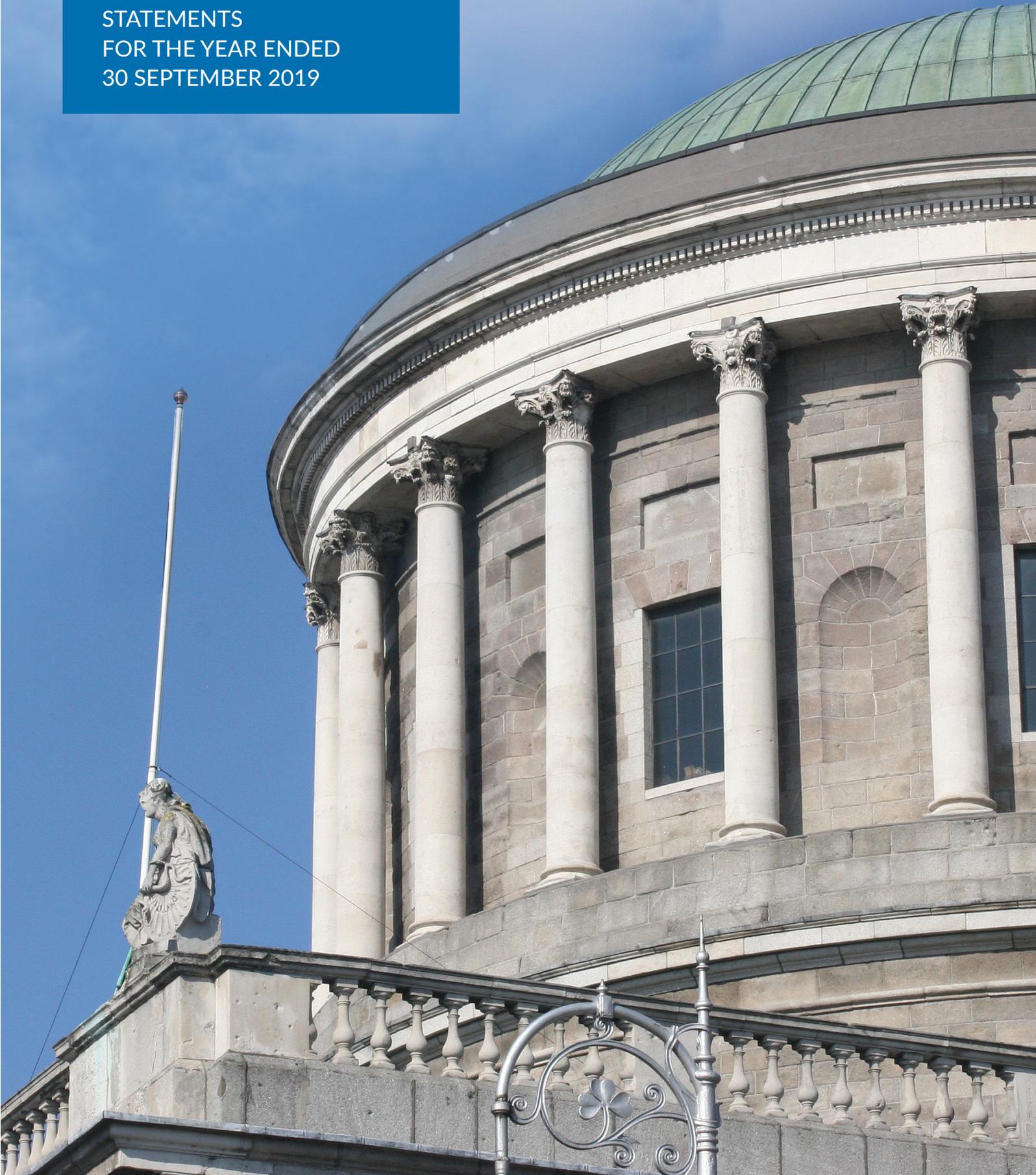


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INVESTMENT COMMITTEE AND OTHER INFORMATION

INVESTMENT COMMITTEE Judge Peter Kelly, President of the High Court
Judge Brian McGovern, Court of Appeal
Judge Martin Nolan, Circuit Court
Judge John Brennan, District Court
Sean Quigley, Accountant of the Courts of Justice and Head of Resource Management
Denise Mullins, Head of Court Funds, The Courts Service
James Finn, Registrar, Office of the Wards of Court
Kevin O'Neill, Principal Registrar, The High Court
Eugene O'Callaghan, Independent Member, National Treasury Management Agency
David B. Deasy, Chartered Accountant, Independent Member
Ger Deering, Financial Services and Pensions Ombudsman

REGISTERED OFFICE Office of the Accountant of the Courts of Justice
Phoenix House
15 - 24 Phoenix Street North
Smithfield
Dublin 7
Ireland

INVESTMENT MANAGER State Street Global Advisors Funds Management Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

TRUSTEE Northern Trust Fiduciary Services (Ireland) Limited
Georges Court
54-62 Townsend Street
Dublin 2
Ireland

ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT

Northern Trust International Fund Administration
Services (Ireland) Limited
Georges Court
54 - 62 Townsend Street
Dublin 2
Ireland

INVESTMENT ADVISOR

Aon
Global Investment Practice
Block D
Iveagh Court
Harcourt Road
Dublin 2
Ireland

LEGAL ADVISORS

Byrne Wallace Solicitors
88 Harcourt Street
Dublin 2
Ireland

Matheson
70 Sir John Rogerson's Quay
Dublin 2
Ireland

AUDITORS

Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre
Block 3 Harcourt Road
Dublin 2
Ireland

BACKGROUND INFORMATION

The Courts and Court Funds

The Courts have a custodial role in relation to funds that are lodged in court pursuant to Court Orders or in compliance with legislative requirements. The main primary and subordinate legislation governing the receipt, management and investment of court-controlled funds is as follows:

- Court Officers Act 1926
- The Trustee (Authorised Investments) Act 1958 and the Trustee (Authorised Investments) Orders made thereunder
- The Rules of the Superior Courts
- The Rules of the Circuit Court
- The Rules of the District Court

The categories of funds held by the Courts include, principally:

- (a) Wards of Court: the funds of persons taken into Wardship are lodged in Court.
- (b) Minors: financial awards made by the Courts to persons under 18 will have their award lodged in Court until they reach the age of majority. Where a long-term care regime is considered necessary, a minor may be made a Ward of Court.
- (c) Lodgements by Parties to Court Proceedings: a party to civil court proceedings may lodge money in court with a view to satisfying the claim of another party to the proceedings.

Other funds held by the Court include:

- Funds lodged by Trade Unions, Insurance Companies and Auctioneers
- Trustee matters (proceeds of trusts lodged in court)
- Unclaimed dividends in Company liquidations
- Lodgements under the Land Clauses Act 1845
- Funds lodged by the Residential Institutions Redress Board
- Insurance Compensation Fund

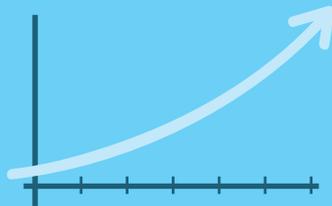
The Accountant of the Courts of Justice

The Accountant's Office and the position of the Accountant of the Courts of Justice (the "Accountant") were established shortly after the foundation of the State, under the Court Officers Act 1926. The Act stipulates that the Accountant shall perform such functions as shall be conferred on or assigned by statute or rule of court and in particular shall perform and fulfil in relation to the High Court, the Supreme Court and the Chief Justice all such duties and functions as were formerly performed and fulfilled by the Accountant General of the Supreme Court of Judicature in Ireland in relation to that Court and in relation to the Lord Chancellor for Ireland. Currently the Accountant has responsibility for the management and investment of funds amounting to €1.971 billion as at 30th September 2019 (€1.929 billion: 30th September 2018).

The funds managed by the Accountant are funds that are held under the control of the Courts and are managed in a fiduciary capacity on behalf of beneficiaries, who include various categories of litigant, persons who are Wards of Court and Minors who have been awarded damages by the Courts. Funds under the control of the Courts are required by law to be invested in accordance with the Trustee (Authorised Investments) Act 1958 and the orders made thereunder and the rules of court.

Court Funds 2019

NET
INCREASE
IN FUNDS



€42 million

WARDS
OF COURT



No. 2,911
VALUE

€1.42 billion

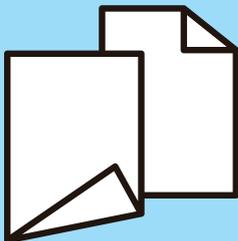
18,030
MINORS



VALUE

€336 million

TRANSACTIONS
PROCESSED



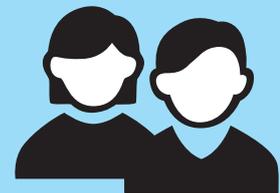
62,042

VALUE
OF FUNDS

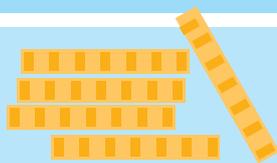


€1.971 billion

TOTAL
BENEFICIARIES



22,736



€8.7 million

INCREASE IN NET ASSETS FROM
INVESTMENT PERFORMANCE

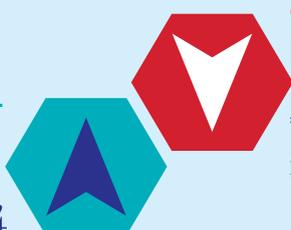


6.93%

GROWTH FUND
6 YEARS NET ANNUALISED RETURN

CAPITAL
RECEIPTS

€294
million



CAPITAL
DISBURSEMENTS

€261
million



EXIT TAX
COLLECTED

€7.1 million

FOREWORD BY THE CHAIRMAN OF THE INVESTMENT COMMITTEE

I am pleased to present this Annual Report and Financial Statements of the Office of the Accountant of the Courts of Justice in respect of the year ended 30th September 2019.

2019 has been another busy and challenging year for the management of court funds. Total funds managed by the Accountants Office at the year end grew to €1.971 billion (2018: €1.929 billion), an increase of €42 million or 2.2% on the previous year. This movement is attributable to a positive investment performance of €8.7 million and a net increase in capital transactions of €33.3 million. This is a satisfactory outcome given the challenges referred to below.

The European Central Bank (ECB) negative interest rate policy continues to be a major challenge for the Investment Committee. Negative interest rates have become the norm for cash based investments and this has been the case since 2014. Every effort is made by the Investment Committee, in conjunction with our investment advisors and fund managers, to minimise the impact of negative interest rates on cash based investments. There are no indications that the negative interest policy of the ECB will change in the foreseeable future.

Funds with an equity element delivered modest performance during the year. The year under review, particularly in the first six months, saw significant volatility in financial markets which contributed to an annual return in the Growth Fund of 2.57%. However, with any equity-based investment strategy performance must be viewed over the longer term. In that regard the Growth Fund has achieved annualised net investment returns of 6.93% over the last six years. The Investment Committee continues to monitor the performance of all investment strategies and developments in financial markets, and where appropriate considers any necessary changes to current investment strategies.

During the year the Investment Committee continued to explore the concept of responsible investing. This was initially considered in response to political representations about investments in tobacco. However the Committee decided to take a broader perspective by incorporating environmental, social and governance (ESG) factors into its consideration of this matter. Just after the year-end the Committee agreed in principle that ESG factors would be considered as part of next fund manager selection process.

During the year the Investment Committee continued to monitor developments regarding the implementation of the Assisted Decision Making (Capacity) Act 2015. Progress has been slow as most focus has been on the establishment of the new Decision Support Service, which will play a lead role in implementing the provisions of the legislation. At this time the commencement date for this new legislation has not been confirmed.

The Investment Committee met three times during the period under review. In conjunction with its investment advisors the Committee continues to actively monitor investment performance while ensuring compliance with investment strategies, and the ongoing suitability of the those strategies.

I would like to express my sincere thanks to the Investment Committee members for their commitment and dedication during the year.

I would also like to acknowledge the contribution of the staff in the Accountant's Office. The dedication of the team is second to none and it is clearly evident that they ensure that the best interests of all beneficiaries is at the forefront of their efforts.

Finally, I am conscious of the impact that unforeseen events, such as Covid-19 can have on the world economy and investment markets, this is a situation which is being closely monitored by the Investment Committee.

A handwritten signature in black ink, appearing to read 'Peter Kelly', with a long, sweeping flourish extending to the right.

Peter Kelly
President of the High Court
Chairman of the Investment Committee

23 March 2020

INVESTMENT COMMITTEE

The Investment Committee comprises members of the Judiciary, Court Officers, Court Service Officials and independent external members. The Committee is chaired by the President of the High Court. Its role is advisory and its main function is to devise investment policy for the investment of Court funds based on advice from our independent investment advisors, to oversee the implementation of investment strategies, and to ensure compliance with best practice in the management of Court Funds.

The Committee meets on a regular basis and it met on three occasions during the year to 30th September 2019. Membership as at 30th September 2019 comprised of the following individuals:

Judge Peter Kelly, President of the High Court, Chairperson

Judge Brian McGovern, Court of Appeal

Judge Martin Nolan, Circuit Court

Judge John Brennan, District Court

Mr. Sean Quigley, Head of Resource Management & Accountant of the Courts of Justice

Ms. Denise Mullins, Head of Court Funds, The Courts Service

Mr. James Finn, The Registrar, Office of the Wards of Court

Mr. Kevin O'Neill, Principal Register, The High Court

Mr. Eugene O'Callaghan, Independent Member, National Treasury Management Agency

Mr David B. Deasy, Chartered Accountant, Independent Member

Mr. Ger Deering, Financial Services and Pensions Ombudsman

Mr. Darragh Gavin and Ms. Evelyn Ryder, who represent Aon and are the Investment Advisors for Court Funds, attended all Investment Committee meetings during the period under review.

REPORT OF THE ACCOUNTANT OF THE COURTS OF JUSTICE

The Courts Service, in accordance with the Courts Service Act 1998, is responsible for the management and administration of the Courts and the provision of support services for judges. It is in this capacity that the Courts Service has a role in the management and investment of Court Funds, which are held in trust by the Courts. These funds are invested in line with the provisions of the Trustee (Authorised Investments) Act, 1958 and subsequent orders.

At the 30th September 2019, the Accountants Office was managing €1.971 billion in a fiduciary capacity (€1.929 billion, at 30th September 2018) on behalf of 22,736 beneficiaries. 2,911 of these beneficiaries are persons who have been declared wards of court (2018: 2,864) with funds valued at €1.420 billion as at 30th September 2019 (2018: €1.380 billion). A further 18,030 are minors (2018: 17,180) with funds valued at €336 million (2018: €329 million). The remainder mostly consist of cases pending further court orders, residential redress board cases and lodgements with defence case types. The total funds managed of €1.971 billion is further analysed between the three court jurisdictions in Table 1 below.

The increase in the total value of funds by €42 million is attributable to a net increase from investment performance of €8.7 million for the year (2018: €29 million) and an increase in net capital transactions of €33.3 million (i.e. net excess receipts over disbursements).

Table 1: Total Net Assets under Management, by Jurisdiction as at 30th September 2019

Jurisdiction	Net Assets € at 30/09/2018	%	Net Assets € at 30/09/2019	%	% Increase in Net Assets
High Court	1,737,472,524	90.0%	1,761,556,213	89.4%	1.4%
Circuit Court	169,351,495	8.8%	182,975,481	9.3%	8%
District Court*	22,496,450	1.2%	26,365,042	1.3%	17.2%
Total	€ 1,929,320,469	100%	€1,970,896,736	100%	2.2%

Public Accountability

Court funds that are managed by the Accountants Office are under the control of the courts and judiciary. These are not public funds and in accordance with legislation governing the role of the Comptroller and Auditor General (C&AG) are not subject to audit by the C&AG. The Courts Service uses a number of mechanisms to demonstrate transparency and accountability in relation to the management of court funds. One of the most important of which is the publication of these financial statements, which are independently audited. The provision of an independent audit report is critical in providing assurance to all persons who have funds under the protection of the courts. Due to the previous contract with Grant Thornton expiring on completion of last years audit it was necessary to tender for the provision of audit services. This tender was conducted in May 2019 and resulted in the contract being awarded to Mazars.

In seeking to further demonstrate transparency and accountability The Courts Service regularly engages with Oireachtas Committees such as the Public Accounts Committee and the Joint Committee on Justice and Equality.

Investment Protocol

During the year to 30th September 2019, the Courts Service continued to invest all funds, for which it has responsibility, on a prudent basis. When deciding where and how to invest court funds, the overriding objective is the achievement of an optimal total financial return having regard to the need for liquidity and capital security, taking account of income generation and capital growth requirements where appropriate. The latter being of particular importance in certain Wardship cases. Where there is a requirement to generate a higher return to sustain the value of a ward's funds for the longest period possible, the funds in such cases are invested in the SSGA Spectrum Growth Fund. This fund has delivered an annualised return of 6.93% over the last six years. In March 2019 a new fund, the Spectrum Moderate Diversified Fund, was established. This fund was set up to deal with Wards of Court cases who suffered catastrophic injury and where sums awarded were based on the Russell v. HSE judgement. This judgement used a lower real rate of return to determine the sum awarded which resulted in the amounts awarded being larger than previously had been the case, thereby removing the need to invest in the Growth Fund. Since its inception on 20th March 2019 this fund has achieved a return of 3.62%. The performance of all funds, including the newly established Moderate Diversified Fund, has been in line with expectations.

The Court and the Judge have ultimate responsibility for court funds, and; (a) determine the amount of compensation awarded in any case, and (b) with the support of the Courts Service decide how the funds in any case are to be invested. Court officers and others can only make an investment where a court order or legislation directs them to do so. In making an order Judges rely on the support provided by the Courts Service under the Courts Service Act 1998, in ensuring court funds are managed and invested appropriately. This includes the engagement of independent investment advisors to advise on appropriate investment strategies, including the asset combination mix of those strategies, for all court beneficiaries. These funds are invested in line with the provisions of the Trustee (Authorised Investments) Act, 1958 and subsequent orders. The funds in which court funds are invested are authorised by the Central Bank of Ireland pursuant to the provisions of the Unit Trusts Act, 1990.

The management and investment of Wardship cases can potentially be more complex, given the range of issues to be considered in making the investment decision. While for some Wardship cases a strategy which seeks to maintain their level of invested capital may be appropriate, however, for others where there is a need for a higher return to ensure that value of funds is sustained and grown so as to provide for the care of the ward for the longest period possible, such cases will be invested in the Growth Fund. Where there are ongoing maintenance payments, a separate cash holding, approximately three years cashflow, is maintained in the SSGA Spectrum Euribor Plus Fund.

The range of investment strategies utilised by the Courts Service for all categories of beneficiaries together with the expected investment time horizon is set out in Table 2. As advised by our independent investment advisors Aon, these seven strategies are designed to reflect the differing needs of all court fund beneficiaries and are deemed appropriate investment strategies for the expected time horizon that the funds will be held in court. The investment objectives of each Strategy are set out on pages 17,18 and 19 of this report.

Table 2: Courts Service Investment Protocol for the Investment of all funds as at 30th September 2019

SSGA Spectrum Strategy	Time Horizon of Funds held in Court	Class of Beneficiary
Cash Fund	Capital Preservation Objective with unknown time horizon or time horizon of less than 3 months.	Minors aged 17¾ years old or more, Cases Pending Further court order, Miscellaneous).
Euribor Plus Fund	Capital Preservation Objective with time horizon between 3 months - 3 years.	Minors aged 15 years old or over but less than 17¾, Deceased Wards and Wards under 5 years, Ward Minors under 5 years, Wards 3 years cash holding requirement, Charitable Bequests, etc.
Cash & Short Term Bond Fund	Between 3 - 5 years.	Minors aged 13 years old or over but less than 15, Ward Minors over 5 years with less than €100,000.
Moderate Balanced Fund <i>*Includes Currency Hedge</i>	Between 5 - 8 years.	Minors aged 10 years old or over but less than 13.
Diversified Fund <i>*Includes Target Volatility Triggers (TVT) Overlay and Currency Hedge</i>	More than 8 years.	Minors aged under 10 years old.
Growth Fund <i>*Includes Target Volatility Triggers (TVT) Overlay and Currency Hedge</i>	For Wards of Court only with over 5-year time horizon.	Wards of Court and Ward Minors.
Moderate Diversified Fund	For Wards of Court cases where the award was determined using a lower rate of return established in the Russell v HSE judgement.	Wards of Court and Ward Minors.

SSGA's Target Volatility Triggers (TVT) Strategy

The SSGA Target Volatility Triggers (TVT) Strategy came into effect in April 2015 for the SSGA Spectrum Diversified Fund and the SSGA Spectrum Growth Fund. The TVT strategy seeks to use a rules-based approach to de-risk a portfolio as equity market volatility increases so as to mitigate the level of volatility caused by significant movements in equity markets.

The SSGA TVT strategy in the Diversified and Growth Funds operates to reduce the allocation to equities at times of market volatility, and thereby provide a degree of protection to beneficiaries while ensuring that they could still benefit from gains from equities, as they recover. It should be noted that the aim of the TVT strategy is to protect against very large falls in equity markets, but it will not protect against all market declines. The normal ebb and flow of markets will not be eliminated but it does seek

to protect against the catastrophic falls that can have long lasting negative impact on beneficiaries' funds. One of the most significant benefits of using TVT for court fund beneficiaries has been the reduction in volatility in both the Diversified and Growth funds. The cost of operating the TVT is an additional 2.7bps for the Spectrum Diversified Fund and 6.6bps for the Spectrum Growth Fund. The TVT strategy was reviewed during 2019 by our advisors, Aon, and based on their recommendation the Investment Committee agreed to continue its operation.

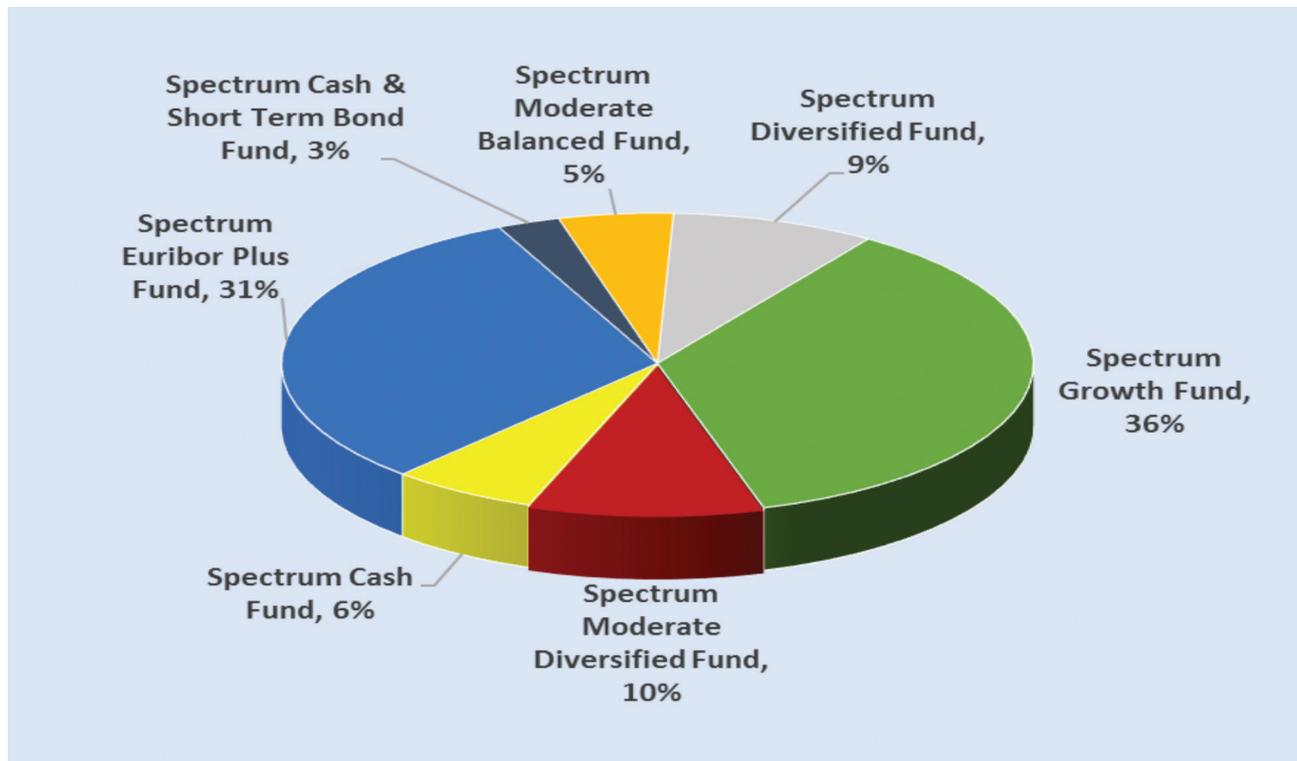
SSGA's Currency Hedge Overlay

A currency hedge overlay was implemented in November 2015 on the SSGA Spectrum Growth Fund and again in November 2016 on both the SSGA Spectrum Moderate Balanced Fund and the SSGA Spectrum Diversified Fund. The strategy seeks to hedge 75% of the non-Euro equity exposure held by the SSGA Spectrum Funds through the SSGA GRU World ex Euro Index Equity Fund to protect against significant currency fluctuations. The cost of the hedge is an additional one basis point (0.01%) on the Spectrum Growth Fund management fees and 0.001% and 0.004% on the SSGA Spectrum Moderate Balanced and Diversified Funds respectively.

SSGA's Investment Strategies

As at the 30th September 2019 in excess of €1.892 billion or 96% of the Accountant's Office total funds under management, were invested in the SSGA Investment Strategies (€1.790 billion or 93% as at 30th September 2018). An analysis of these funds by the underlying individual Spectrum strategies is shown in Table 3 below.

Table 3: Percentage Allocation of Court Funds to each SSGA Spectrum Investment Strategy as at the 30th September 2019



The total amount of €1.892 billion invested in the unitised funds can be further analysed between the High Court (€1.689 billion), Circuit Courts (€177 million) and District Courts (€26 million) as shown in Table 4 below.

Table 4: Funds Invested in the SSGA Investment Strategies, Unitised Funds, by Court Jurisdiction as at 30th September 2019

Jurisdiction	Investments In SSGA Strategies € at 30/09/2018	%	Investments In SSGA Strategies € at 30/09/2019	%	% Increase in Funds Invested in SSGA Investments
High Court	1,605,593,181	89.7%	1,689,736,425	89.3%	+5.2%
Circuit Court	163,068,685	9.1%	176,853,298	9.3%	+8.5%
District Court	21,832,561	1.2%	25,571,551	1.4%	+17.1%
Total	€1,790,494,427	100%	€1,892,161,274	100%	+5.7%

Overall there was an increase of 5.7% in the value of Court Funds invested in the SSGA Investment Strategies in the period under review.

Table 5 shows the composition mix of assets that each strategy invests in. Each Fund is rebalanced on a quarterly basis as per the benchmark weights shown below, with the exception of the equity allocation, in the SSGA Spectrum Diversified and Growth Fund's, which are rebalanced to the TVT position at the quarter end. There were a number of Target Volatility Trigger (TVT) adjustments made to the equity weightings in respect of the Spectrum Diversified and Growth Funds strategies during the financial year under review. These occurred on 12th December 2018, 9th January 2019, 20th February 2019, 27th March 2019, 28th August 2019 and 25th September 2019. The latter resulting in the composition mix for all strategies being returned to their original weightings.

Table 5: Target Composition Mix of the Investment Strategies since Inception, 1st October 2014 and as at 30th September 2019

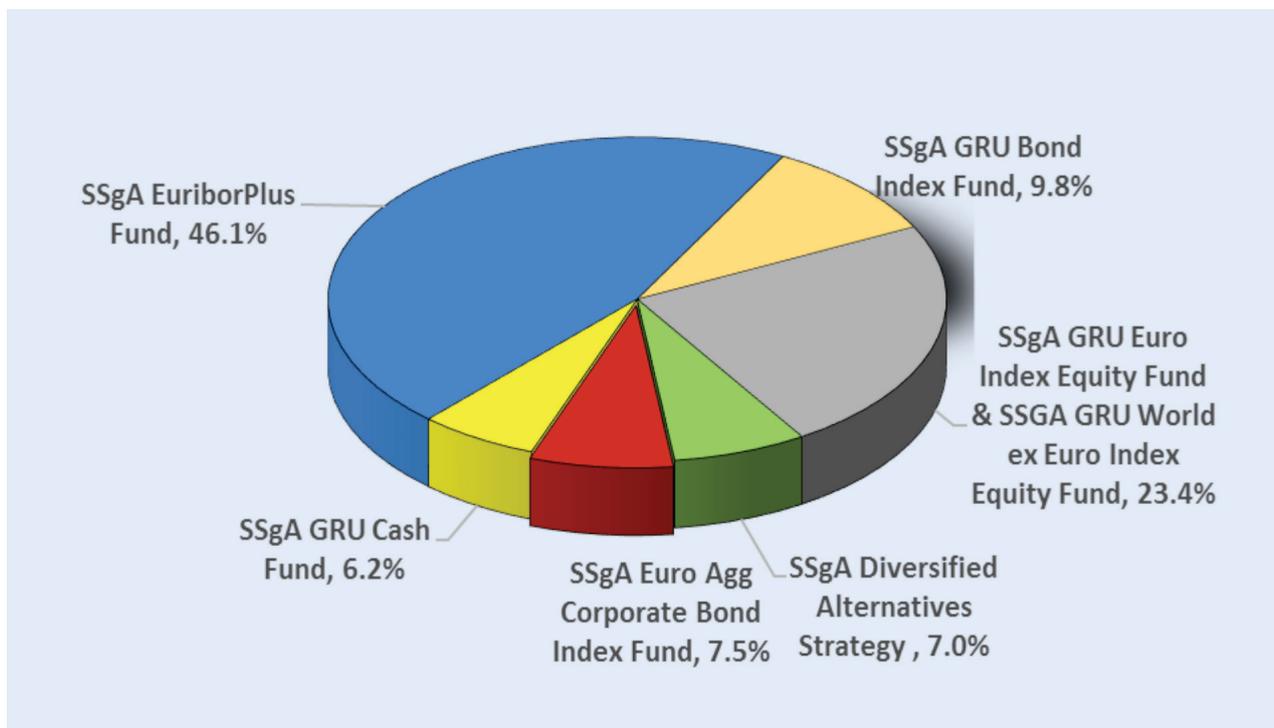
SSGA Spectrum Fund	Cash Fund	Euribor Plus Fund	Cash & Short Term Bond Fund	Moderate Balanced Fund	Diversified Fund (pre TVT)*	Growth Fund (pre TVT)*	Moderate Diversified Fund
SSGA GRU Cash	100%						
SSGA GRU Euribor		100%	70%	70%	50%		55%
SSGA GRU Bond Index Fund			30%	23%	27.5%	15%	
SSGA GRU Euro Index Equity Fund & SSGA GRU World ex Euro Index Equity Fund				7%	22.5%	55%	10%
SSGA Diversified Alternative Strategy						15%	15%
SSGA Euro Aggregate Corporate Bond Index Fund						15%	20%
Total	100%	100%	100%	100%	100%	100%	100%

* The TVT was triggered six times during the year ended 30th September 2019.

The Courts Service operates a prudent approach to the investment of Court Funds. At present a significant proportion of all Court Funds, including monies on deposit, are invested directly in cash or near cash investments. A total of €989 million or 52.3% of funds invested in the SSGA investment strategies, are held in cash-based assets, short term debt and bonds. A total of €903 million or 47.7% is invested equities, corporate bonds and diversified alternatives.

A detailed analysis of the underlying asset classes in which the SSGA funds are invested in is represented in Table 6 below.

Table 6: SSGA Underlying Asset Class Allocation of Court Funds as at 30th September 2019



Investment Performance

The Investment Committee continued its proactive and prudent approach to the investment of Court Funds during the financial year under review. This was achieved using a number of mechanisms, including regular performance evaluation which provides assessments of the fund's results relative to their investment objectives and benchmarks. The Committee, along with its Investment Advisors (AON) and Fund Managers (State Street Global Advisors) monitor investment performance of all funds and report to each Investment Committee meeting.

Performance evaluation has two primary components as follows;

- **Performance measurement;** the calculation of the returns earned by the fund and the comparison of those returns with the returns of appropriate benchmarks, and
- **Performance attribution;** the identification of the factors that led to the fund's performance relative to the benchmarks.

By understanding the factors contributing to the performance of the fund relative to that of appropriate benchmarks valuable insights are gained into the effectiveness of the investment strategies.

As shown in Table 7 investment performance for all strategies exceeded their respective benchmarks on a gross basis, with the exception of the Diversified Fund which marginally under-performed its' benchmark on a gross basis by 0.40%. This underperformance is due to the TVT strategy overlay on this particular fund. Performance trends are consistent with the investment benchmarks of each strategy. The annualised net performance from inception of the existing six strategies, established on 7th October 2013 to 30th September 2019 is in line with expectations, ranging from -0.26% per annum for the Cash Fund to +6.93% per annum for the Growth Fund. The year to date performance of the newly established Moderate Diversified Fund from its inception on 20th March 2019 yielded a return of +3.62% to 30th September 2019.

Table 7: Spectrum Funds Gross Returns v Benchmark for the year to 30th September 2019

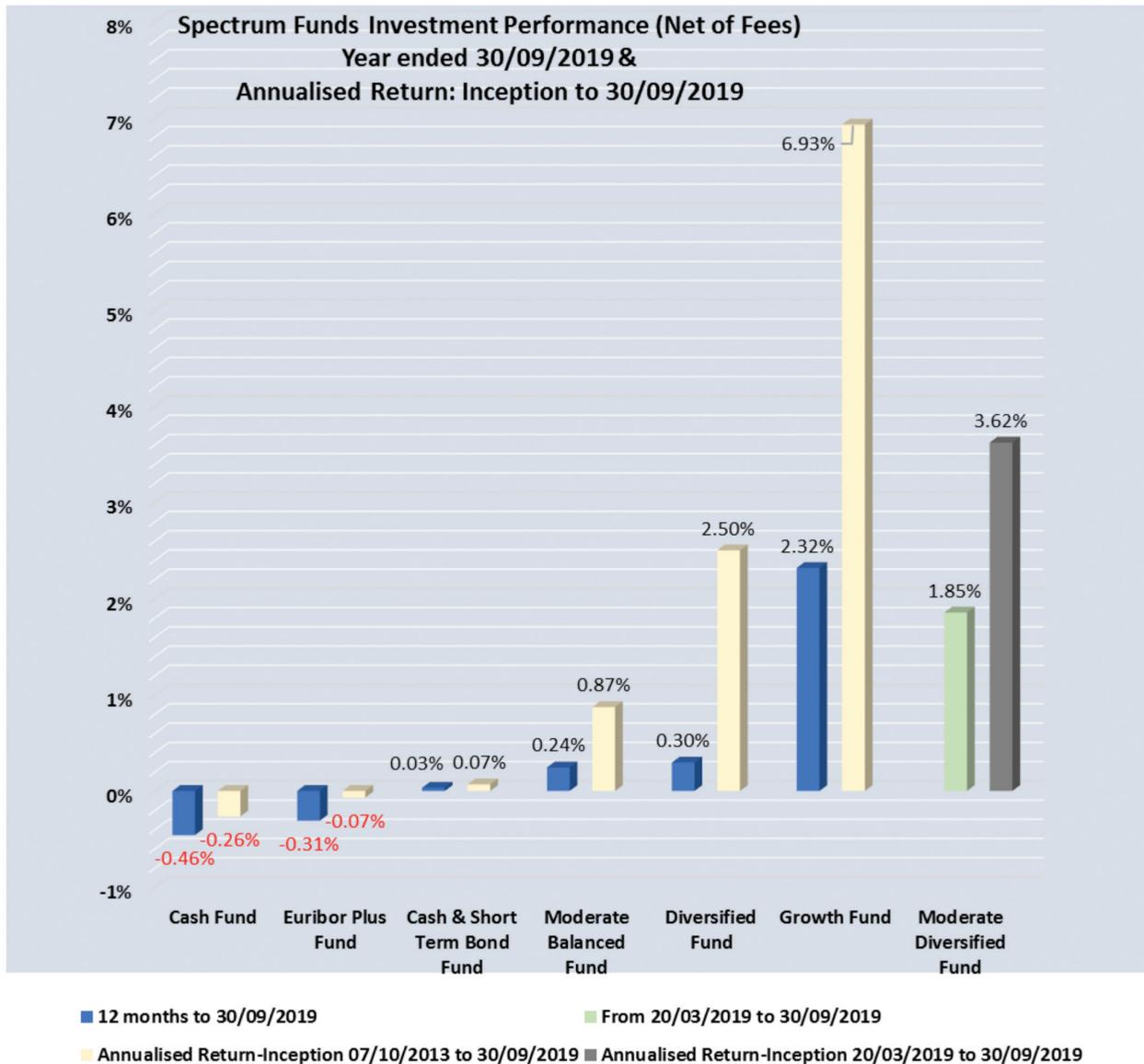
SSGA Spectrum Portfolio Return	Cash Fund	Euribor Plus Fund	Cash & Short Term Bond Fund	Moderate Balanced Fund	Diversified Fund	Growth Fund	Moderate Diversified Fund *
Gross Return 1 Yr	-0.35%	-0.18%	0.22%	0.41%	0.48%	2.67%	n/a
Fund Benchmark Return 1 Year %	-0.58%	-0.44%	0.04%	0.22%	0.88%	2.61%	n/a
Out/(Under) Perform Benchmark (Gross Return Basis)	0.23%	0.26%	0.18%	0.19%	-0.40%	0.6%	n/a

Table 8 shows the investment performance net of fees for all existing strategies for the current financial year, covering the period from 1st October 2018 to 30th September 2019 and the annualised performance since inception of the current range of funds in October 2013 with the exception of the Moderate Diversified Fund which was established on 20th March 2019. The net returns, after management fees and custodian and administration fees, for the year ending 30th September 2019 were as follows;

Cash Fund (-0.46%), Euribor Plus Fund (-0.31%), Cash and Short Term Bond Fund (+0.03%), Moderate Balanced Fund (+0.24%), Diversified Fund (+0.30%), and Growth Fund (+2.32%).

* The Moderate Diversified Fund was only established on 20th March 2019 and not in existence for the full year.

Table 8: SSGA Spectrum Funds Annual Investment Performance (Net of Fees) to 30th September 2019



Negative interest rates have been the norm in recent years as a result of the ECB monetary policy. The latter has impacted the returns generated on Cash and Short-Term funds in general. The annualised returns of the current range of funds since inception have been in line with the expected performance. Despite another challenging year, overall the investment performance has been satisfactory with an increase in assets of €8.7 million as a result of investment performance for the year ended 30th September 2019.

Spectrum Funds Structure

State Street Spectrum Unit Trust (the “Trust”), formerly known as State Street Global Advisers Spectrum Unit Trust, an open-ended unit trust, was created by a Trust Deed dated 23rd October 2003. The trust is authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the provisions of the Unit Trusts Act, 1990. The Trust is structured as an umbrella fund, so that different Sub-Funds may be established with the prior approval of the Central Bank. In addition, each Sub-Fund may have more than one unit class. The assets of each Sub-Fund are separate from one another and are invested in accordance with the investment objectives and policies applicable to each Sub-Fund.

The Trust currently comprises of 7 Sub-Funds (each a ‘Sub-Fund’ or the ‘Sub-Funds’):

Sub-Fund	Launch Date
State Street Spectrum Growth Fund	10 December 2003
State Street Spectrum Euribor Plus Fund	10 December 2003
State Street Spectrum Cash Fund	10 December 2003
State Street Spectrum Cash and Short Term	10 December 2003
State Street Spectrum Diversified Fund	09 October 2013
State Street Spectrum Moderate Balanced	09 October 2013
State Street Spectrum Moderate Diversified	20 March 2019

The base currency of all seven Sub-Funds is the Euro.

Fund Objectives

SSGA Spectrum Cash Fund:

This is the lowest risk strategy available and is aimed primarily at beneficiaries with very short-term investment horizons. The fund seeks to maintain capital value and also to generate income while maintaining a high level of risk control. In order to meet this objective the Sub-Fund invests up to 100% in SSGA GRU Euro Cash Fund.

The benchmark for the State Street Spectrum Cash Fund is the 7-Day EUR Libid.

SSGA Spectrum Euribor Plus Fund:

This is a low risk strategy aimed primarily at beneficiaries wishing to maintain their level of invested capital with the potential for returns in excess of cash. The fund is aimed primarily at beneficiaries with an investment time horizon of between 3 months and 3 years. This funds objective is to achieve enhanced cash returns in excess of the BofA Merrill Lynch Euro Currency 3-month LIBID Constant Maturity Index using a fundamental macro and credit research approach. The Sub-Fund invests up to 100% of its assets in SSGA GRU Euribor Plus Fund. The Sub-Fund may also achieve its investment objective by investing on a fund of fund basis up to 10% of its Net Asset Value in other Regulated Funds and by investing up to 10% of its Net Asset Value in Unregulated Funds.

The benchmark for the State Street Spectrum Euribor Plus Fund is the BofA Merrill Lynch Euro Currency 3 Month LIBID Constant Maturity Index.

SSGA Spectrum Cash & Short Term Bond Plus Fund:

The objective of the Sub-Fund is to generate capital appreciation. This is to be primarily achieved by investing the assets of the Sub-Fund in SSGA GRU Euribor Plus Fund and other Sub-Funds of SSGA Gross Roll Up Unit Trust such as SSGA GRU Euro Index Equity Fund, SSGA GRU World Ex Euro Index Equity Fund and SSGA GRU EMU Bond Index Fund.

The benchmark for the State Street Spectrum Cash and Short Term Bond Fund is a composite of 70% BofA Merrill Lynch Euro Currency 3-Month LIBID Constant Maturity Index and 30% FTSE EMU Government Bond Index 1-3 Years.

SSGA Spectrum Moderate Balanced Fund:

The Moderate Balanced Fund is designed to achieve a moderate level of growth over the medium to long term. This is to be achieved by investing in the assets of the Sub-Fund in SSGA GRU Euribor Plus Fund and other Sub-Funds of SSGA Gross Roll Up Unit Trust such as SSGA GRU Euro Index Equity Fund, SSGA GRU World Ex Euro Index Equity Fund and SSGA GRU EMU Bond Index Fund. The fund is aimed primarily at beneficiaries with an investment time horizon of between 5-8 years.

The benchmark for the State Street Spectrum Moderate Balanced Fund is a composite of 70% BofA Merrill Lynch Euro Currency 3-Month LIBID Constant Maturity Index, 7% FTSE All World Developed Index (75% Hedged) and 23% FTSE EMU Government Bond Index 1-3 Years.

SSGA Spectrum Moderate Diversified Fund:

The objective of this Sub-Fund is primarily to seek to achieve a moderate level of growth over the medium to long term. This is primarily achieved by investing the assets of the Sub-Fund in SSGA GRU Euribor Plus Fund and other Sub-Funds of SSGA Gross Roll Up Unit Trust such as SSGA GRU Euro Index Equity Fund and SSGA GRU World Ex Euro Index Equity Fund.

The benchmark for the State Street Spectrum Moderate Diversified Fund is a composite of 10% FTSE All World Developed Index (75% Hedged), 20% Bloomberg Barclays Capital Euro Aggregate Corp Bond Index, 15% EONIA, 55% BofA Merrill Lynch Euro Currency 3-Month LIBID Constant Maturity Index.

SSGA Spectrum Diversified Fund:

The investment objective of this Sub-Fund is to generate capital appreciation. This is primarily achieved by investing the assets of the Sub-Fund in SSGA GRU Euribor Plus Fund and other Sub-Funds of SSGA Gross Roll Up Unit Trust such as SSGA GRU Euro Index Equity Fund, SSGA GRU World Ex Euro Index Equity Fund and SSGA GRU EMU Bond Index Fund. At the end of April 2015, the Spectrum Diversified Fund implemented an equity target volatility trigger (TVT) overlay. TVT is a transparent process that aims to provide a measure of protection against significant falls in equity markets. TVT forecasts equity volatility and dynamically adjusts the equity exposure within the Spectrum Diversified Fund in periods of heightened volatility thus offering an element of protection to unit holders. The Investment Manager may use the foreign exchange market to hedge some or all of the non-euro exposure in the underlying funds. 75% of the non-euro exposure is hedged back to euro. This was implemented on the 28th November 2016. The fund is aimed primarily at beneficiaries with an investment time horizon of more than 8 years.

The benchmark for the State Street Spectrum Diversified Fund is a composite of 50% BofA Merrill Lynch Euro Currency 3-Month LIBID Constant Maturity Index, 22.5% FTSE All World Developed Index (75% Hedged) and 27.5% FTSE EMU Government Bond Index 1-3 Years. Each Fund is rebalanced on a quarterly basis as per the benchmark weights above. The equity allocation will be a function of the TVT positioning at the quarter end.

SSGA Spectrum Growth Fund:

The investment objective of the Growth Fund is primarily to achieve capital appreciation over the medium to long term while maintaining a high level of risk control. This is to be achieved by investing in the various Sub-Funds of SSGA Gross Roll Up Unit Trust and other Funds. Only Wards of Court funds, with an investment time horizon of more than five years, are invested in this strategy where it is deemed that a stronger level of capital growth is required in order to provide for expenditure over the projected lifetime of the beneficiary. In April 2015, the Spectrum Growth Fund implemented an equity Target Volatility Trigger (TVT) overlay. TVT is a process that aims to provide a measure of protection against significant volatility in equity markets. TVT automatically adjusts the equity exposure within the Spectrum Growth Fund in periods of heightened volatility thus offering an element of protection to unit holders. The Investment manager may use the foreign exchange market to hedge some or all of the non-euro exposure in the underlying funds. 75% of the non-euro exposure is hedged back to euro. This was implemented in November 2015.

The benchmark for the State Street Spectrum Growth Fund is a composite of 55% FTSE All World Developed Index (75% Hedged), 15% Citi EMU Government Index 1-3 Years, 15% Barclays Capital Euro-Aggregate Corporate Bond Index and 15% EONIA. Each Fund is rebalanced on a quarterly basis as per the benchmark weights above. The equity allocation will be a function of the TVT positioning at the quarter end. The Growth Fund is used exclusively for certain Wards of Court and Ward Minors cases, with an investment horizon of more than five years, where there is a need to grow the available funds in these cases.

Fund Factsheets

The SSGA quarterly funds factsheets for each strategy are published on the Courts Service website (www.courts.ie). These show the fund objective, performance against the benchmark over various periods, fees and details of the underlying asset composition mix for each strategy.

GOVERNANCE ARRANGEMENTS

Management of Court Funds

The Governance Framework for the management of Court Funds complies with best practice. It is designed to ensure that the necessary oversight and control arrangements are in place to provide appropriate assurance in relation to governance of all the operations of the Accountant's Office. The key elements of the governance arrangements in place in respect of Court Funds are set out below.

- **Investment Committee:** Following an independent review by Mercer Consultants in 2001, the Board of the Courts Service approved the establishment of an Investment Committee to oversee the implementation of the arrangements approved by the Board of the Courts Service for the management and investment of Court Funds. The membership of the Committee comprises representatives of the Judiciary, Court Officers, Court Service officials, and independent external members. (See membership of the Committee on page 8). The Committee is guided in its work by independent investment advice from its investment advisors Aon. The Committee meets on a regular basis to monitor investment performance and ongoing suitability of investment strategies. It also reviews reports from the Head of Resource Management, Investment Advisors and Investment Managers.
- **Investment Advisors:** During the year under review Aon provided independent investment advice to the Investment Committee in relation to the management and investment of Court Funds. The role of the investment advisor is to provide professional, independent investment advice to the Investment Committee in determining appropriate investment policy and investment strategies that meet the needs of beneficiaries, and also to monitor investment performance and the performance of fund managers. They also support the Courts Service and Investment Committee in the selection and appointment of investment managers and custodians. Aon's contract for this service will expire in February 2020 and a competitive tender process will be held to select investment advisors.
- **Investment Managers:** State Street Global Advisors Ireland Limited were re-appointed fund managers in 2012. A new Investment Management Agreement (IMA) was executed on 7th October 2013 with the establishment of six investment strategies effective from 9th October 2013 and a new investment strategy, the Moderate Diversified Fund was established on 20th March 2019. It is anticipated that the tender for Investment Managers will be held in late 2020 or early 2021.
- **Fund Trustee:** The trustee services for the Trust are provided by Northern Trust Fiduciary Services (Ireland) Limited. The Trustee takes into its custody or under its control all the assets of the Trust and holds them in safekeeping for the unitholders. The full duties of the Trustee are outlined in the Unit Trusts Act, 1990.
- **Fund Administrator, Registrar and Transfer Agent:** The Administrator, Registrar and Transfer Agent Services for the Trust are provided by Northern Trust International Fund Administration Services (Ireland) Limited with responsibility to maintain the books and records of the Trust.

- **External Audit:** The annual financial statements of the Accountant of the Courts of Justice are audited by independent external auditors. Following a competitive tender process in 2019, Mazars were appointed to provide external audit services. The annual financial statements are submitted to the Minister for Justice and Equality, the Minister for Finance and the Minister for Public Expenditure and Reform, by 31st March each year. The audited financial statements can also be viewed on the Courts Service website at www.courts.ie.
- **Internal Audit:** The Accountant's Office is also subject to audit by the Courts Service's Internal Audit Unit.
- **Risk Management:** As part of the risk management policy and framework implemented by the Courts Service, the management of Court Funds is subject to regular monitoring and review to ensure that all major risks are identified and adequately managed. The major risks involved in the management of Court Funds are included in the Courts Service risk register.
- **Audit and Risk Committee:** The Audit and Risk Committee, which is a sub-committee of the Courts Service Board, reviews the outputs from the Audit Reports, by both external and internal auditors.
- **Robust policies and procedures with strong control systems:** As part of their annual audit, the external auditors test and evaluate the Accountant's Office internal controls, and perform substantive auditing procedures and evaluate the results. The annual financial statements have received a clean audit report since the current arrangements were put in place in 2003. Internal Audit also reviews the Accountant's Office procedures and controls.
- **Central Funds Office:** Following changes to Circuit and District Court Rules, the Accountant's Office has since 2006 the legal authority to manage and invest funds from both these jurisdictions, subject to the appropriate Court Order having been made.

OPERATIONAL OVERVIEW

Accountant's Office

The current negative ECB interest rate continues to be a major investment challenge. For the year ending 30th September 2019 this also impacted on the Accountant's Office operational banking arrangements with Bank of Ireland (BOI). For the year under review BOI charged the Accountant's Office bank charges and negative interest rates on its current bank accounts with balances in excess of €1 million. The negative interest rates being applied by Bank of Ireland is -0.40%, which is in line with the maximum negative rate applied by the European Central Bank. This negative interest rate has further increased to -0.65% from December 2019. The Courts Service has sought to minimise the impact of these charges and is not passing these charges on to beneficiaries. The total bank charges and negative interest charges paid by Bank Of Ireland to the Accountant's Office amounted to €131,297.

During the year under review 62,042 financial transactions (66,953 y/e 30th September 2018), with a monetary value in excess of €1.496 billion (€1.728 billion y/e 30th September 2018), were processed by the Accountant's Office. The number of beneficiaries increased from 21,873 to 22,736 for the year ending 30th September 2019. Over 95% of all payments processed in the Accountant's Office for the financial year under review were within the key performance indicators with 60% of all the payments processed electronically.

The investment of court funds are kept under constant review, the value of investments recorded as at the 30th September 2019, are subject to market fluctuations and any prevailing unforeseen events which could impact on the market and the value of investments held.

Appreciation

I would like to thank all the staff of the Accountant's Office for their continued excellent work throughout the year. Through their dedication and commitment they have contributed significantly to delivering a top class service to a diverse mix of beneficiaries and stakeholders. I would also like to acknowledge the support provided by other business units in the Courts Service, Investment Advisors, Investment Managers and other service providers that have enabled the Accountant's Office once again achieve its objectives during the year.



John Cleere
Accountant of the Courts of Justice

Date: 23 March 2020

THE ROLE OF THE OFFICE OF THE WARDS OF COURT

A significant amount of funds managed by the Accountant's Office relate to individuals who are Wards of Court and whose affairs are managed by the Office of Wards of Court. At the end of the period under review these were valued at €1.420 billion. The following is a brief overview of the work of the Office of Wards of Court.

There are many people who, due to illness or injury, do not have the capacity to make decisions for themselves.

The Wards of Court system allows for substitute decision making so that the Court may make decisions necessary for the protection of both the person and the property of those who do not have full mental capacity. The principle underlying the Wardship jurisdiction is that the Court acts in the same way as a prudent parent would act regarding the welfare of a child.

The Wardship jurisdiction, although provided for by legislation and rules of court, is not limited by statute and is a jurisdiction exercised by the Court subject only to the provisions of the Constitution. Therefore, the Court has extremely wide powers and duties in relation to persons under disability. The jurisdiction is vested in the President of the High Court and, accordingly, he has the responsibility for the management of affairs of Wards of Court. The day to day management is delegated by him to the Registrar and staff of the Wards of Court Office. The Office of Wards of Court and the post of Registrar of Wards of Court were established under the Courts (Supplemental Provisions) Act 1961. In accordance with this legislation and rules of Court, the Office and Registrar of Wards of Court have statutory responsibility for managing the affairs of persons who are Wards of Court. A Committee, usually a member of the Ward's family, is appointed by the Court and is asked to make recommendations in relation to matters, such as the Ward's welfare, property and future residence.

Wardship usually arises where a person who lacks capacity has property that needs to be applied for his or her care, maintenance and benefit. For example, a house may have to be sold or funds may have to be withdrawn from a bank account to pay for nursing home care. Following a sale or closure of bank accounts, funds belonging to Wards are lodged in Court and held under the control of the Accountant of the Courts of Justice. The Registrar is responsible for directing the Accountant to invest Ward of Court funds in accordance with the Courts Service investment protocol, as advised by our Investment advisors, and for authorising the discharge of payments on behalf of Wards. The Registrar determines the appropriate investment strategy for each case in accordance with the Courts Service investment protocol. The decision on the appropriate strategy is chosen by the Registrar having regard to the assets of the Ward, his or her ongoing financial needs and life expectancy. The Registrar is also responsible for directing the Accountant, where appropriate, to hold sufficient cash in a separate cash investment, which should meet the equivalent of three years forecast maintenance and other known payments.

The Assisted Decision Making (Capacity) Act 2015 will bring into effect a new legislative framework for persons who lack capacity. From the date of commencement of the relevant parts of the Act no new adult wards of court will be declared (i.e. persons over the age of 18) and all adult wards will be discharged from wardship within 3 years by order of court. The court will also be empowered to make orders in relation to the affairs and welfare of adult wards, depending on their circumstances including their capacity. The relevant parts of the 2015 Act have not yet been commenced.

Minors, persons under eighteen years of age, are sometimes taken into Wardship. This may happen where a minor is entitled to a substantial amount of money arising from a Court award or from an

inheritance. Again, the funds are invested at the direction of the Registrar in one of the available strategies. Regular payments are made to the parents or guardians of the minor. Upon reaching the age of eighteen unless there is medical evidence to show mental incapacity, the minor is entitled to have the balance of the funds paid out.

INVESTMENT MANAGER'S REPORT

Market Review

Fixed Income Review

During the 12-month period to 30 September 2019 (the "Reporting Period"), the Eurozone economy slowed to 0.2% in the fourth quarter of 2018, the weakest growth rate since the second quarter of 2014, recovered to 0.4% in Q1 of 2019 followed by a slowdown to 0.2% again by Q2 of 2019. According to a preliminary estimate released by Eurostat, GDP increased a seasonally-adjusted 0.2% in Q3 2019. This slowdown in growth mainly reflects the prevailing weakness of international trade in an environment of prolonged global uncertainties, which are particularly affecting the euro area manufacturing sector. Business sentiment mostly remained cautious throughout the period. Even as the Ifo business climate index inched higher in September 2019, it remains near five-year lows. Similarly, the ZEW Economic Sentiment Index has recovered from its lowest level observed since 2011, but current readings remain depressed. Measures of underlying inflation remained generally muted, and indicators of inflation expectations stand at low levels. While labour cost pressures increased amid high levels of capacity utilisation and tightening labour markets, their pass-through to inflation is taking longer than previously anticipated. The headline inflation measure Consumer Price Index ("CPI") grew at 1.0%, while core inflation grew at 0.9% year on year.

As economic data in the region remained weak over the period and prices increased at a rate well below the European Central Bank's (ECB) expectations, the ECB eased monetary policy further in September. The policy adjustments were largely in line with what the market had anticipated, as the ECB cut its key interest rate 10 bps further into negative territory to -0.50% and reinstated its quantitative easing program by targeting €20bn in bond purchases per month. Over his term as ECB President, Mario Draghi had reiterated the need to pass the baton from monetary-focused stimulus to fiscal-oriented stimulus to promote growth.

Global treasury yields declined over the period amid market expectations of further accommodative monetary policy and a resurgence of global trade uncertainty. US 10-year yields reached 1.66% at the end of September 2019 compared to 3.08% at the start of the Reporting Period. A similar decline was observed in German and UK yields as well, as they were at levels of -0.57% and 0.49% at the end of September 2019 from levels of 0.47% and 1.59% a year before.

Due to this significant fall in global treasury yields, Euro Governments returned 10.17% over the time period. Even though corporate earnings expectations had fallen somewhat in response to persistent doubts about the global macroeconomic outlook, this decline in risk-free rates has supported the prices of Euro area corporate bonds. Euro-Area Investment Grade and Euro- Area High Yield bonds returned 6.04% and 6.99% in total return terms over the period. In foreign exchange markets, the euro remained broadly unchanged in trade-weighted terms. The differential between Italian and German benchmark 10-year yields declined by 143 bps during the Reporting Period, as political developments resulted in a more European Union friendly Italian governing coalition, potentially preventing a showdown between the Italian government and the European Commission (EC).

On the political front, German Chancellor Angela Merkel announced her intention to step down in the wake of a poor showing by her Christian Democratic party in regional elections. France had to deal with political turbulence associated with the "yellow vest" protests. The long-running dispute over Italy's 2019 budget also came to an end but increased political hostility to fiscal tightening was a cause for concern. Spain held general elections at the end of April, which saw the incumbent Socialist Party emerge victorious. Brexit-related concerns heightened as Boris Johnson, the newly elected Prime Minister decided to suspend parliament for a period of 5 weeks until 14 October, limiting

time for legislators to debate and prevent the United Kingdom from exiting the European Union on 31 October with no deal.

Equity Review

Over the Reporting Period, global equity markets, as measured by the FTSE All World Index, was up 1.86%. During the Reporting Period, the equity markets had elevated volatility globally due to ongoing US-China trade dispute, a sharp slowdown in Eurozone business confidence, weaker Chinese growth, continued uncertainty surrounding Brexit, protests in Hong Kong due to a proposed extradition law and rising geopolitical risks in other regions as well. In order to support the equities market, major central banks grew more accommodative during the Reporting Period and provided policy support by reducing short-term policy rates while maintaining or reviving asset purchase programs.

Global stocks suffered the worst quarterly fall in seven years with FTSE All World Index down by 9.1% in the last quarter of 2018 followed by a strong recovery in first quarter of 2019. The trend continued for most of second quarter but with a sharp fall in May amid the US blacklisting of Huawei and imposing increased tariffs on \$200 billion of Chinese goods imports. The increased tariffs were later relaxed after the G20 Osaka summit sending the S&P 500 Index above 3,000 for the first time. Despite two rate cuts by the Federal Reserve in the third quarter, the results were disappointing due to the US imposing 10% tariffs on another \$300 billion worth of Chinese goods and China's devaluation of the yuan in response to tariff escalation sending USD/CNY above 7.0.

European equities gained 2.52% (in Euros) over the last Reporting Period delivering results in line with other developed markets in local currency terms. The Eurozone economy slowed to 0.2% in the fourth quarter of 2018, the weakest growth rate since the second quarter of 2014, recovered to 0.4% in Q1 of 2019 followed by a slowdown to 0.2% again by Q2 of 2019. In response to European markets being plagued by the weakest economic data in years, especially in the manufacturing sector and steadily weakening currencies, the ECB promised no more rate hikes. The ECB president, Mario Draghi, referenced geopolitical factors, protectionism and financial market volatility as key risks and committed to provide further support if required. The ECB also announced a new round of cheap financing for the banking sector and discussed measures to reduce the drag that negative rates have had on bank profits. During its meeting in September, the ECB moved interest rates further into negative territory, introduced a tiered system for reserve remuneration and implemented new asset purchases. The US picked up its trade dispute with the European Union and warned that it was preparing \$11 billion in tariffs in response to subsidies given to Airbus. However, the rising tensions due to trade dispute between the US and China had greater effect on the European stocks. On the political front, German Chancellor Angela Merkel announced her intention to step down in the wake of a poor showing by her Christian Democratic party in regional elections. France had to deal with political turbulence associated with the "yellow vest" protests. The long-running dispute over Italy's 2019 budget also came to an end but increased political hostility to fiscal tightening was a cause for concern. Spain held general elections at the end of April, which saw the incumbent Socialist Party emerge victorious.

UK equities fell by 2.15% (in GBP) over the Reporting Period as uncertainty around Brexit continued to dominate the headlines due to an extension of the Article 50 deadline to 31st October which had initially allowed UK stocks and British pound to strengthen. The Conservative Party experienced losses in local elections and Prime Minister Theresa May announced that she would step down as party leader and prime minister in early June. The likelihood of a no-deal Brexit initially increased with the appointment of new Prime Minister, Boris Johnson, but dissipated after he lost his majority in parliament. The counterattack between the UK and Iran by seizing oil tankers contributed to rising geopolitical risk but had little impact on local equity market. On the policy front, the Bank of England held the bank rate steady at 0.75% throughout the Reporting Period and reaffirmed its pledge to

make gradual and limited rate hikes over the forecast period until the end of 2022. The bank's 2019 GDP growth forecast was reduced from 1.50% to 1.30% and the 2020 forecast was reduced from 1.60% to 1.30%. The change in growth expectations was affirmed when Q2 2019 GDP was reported to have contracted by 0.2% on a quarter-over-quarter basis – the first contraction since 2012.

Outside Europe, US equities returned 2.07% (in USD) over the Reporting Period, fuelled mainly by apparent progress in trade negotiations between the US and China, and expectations of accommodative monetary policy. Federal Reserve officials held interest rates steady over the Reporting Period but strongly suggested that they ease further if the economic outlook fails to improve. The Commerce Department stated that strong exports and inventory investment helped US GDP grow at a 3.1% annual rate in the first quarter of 2019. This marked a significant improvement from Q4 2018, when the economy grew at a 2.2% rate. However the GDP growth rate came down to 2% in Q2 2019.

Asia Pacific markets were also hit by a myriad of global issues which were compounded by disappointing Chinese economic data but still rebounded strongly from the sell-off in the fourth quarter of 2018, rising 9.34% calendar year to date to the end of September. The relatively lacklustre rebound was in part attributable to sluggishness in the Japanese stock market. Chinese stocks exhibited a swift rise despite generally weak economic data and a host of warnings over the future path of growth in the world's second-largest economy. The Chinese markets were strengthened by the extension of the trade truce with the US but the gains were short lived as by the end of the Reporting Period the escalation in US-China trade conflict in August wiped off all the gains with total returns of -0.17% over the Reporting Period. Due to the protests against a proposed extradition law, Hong Kong was the worst performer in the region and even though Hong Kong Chief Executive Carrie Lam ultimately announced that she would withdraw the bill, protests continued and the damage had been done to the local stock market.

Performance and Strategy Review

Gross of fees performance (% , for the year ended 30 September 2019)			
Sub-Fund	Sub-Fund Return %**	Benchmark Return	Performance vs Benchmark
State Street Spectrum Growth Fund	2.67%	2.61%	0.06%
State Street Spectrum Euribor Plus Fund	(0.18)%	(0.44)%	0.26%
State Street Spectrum Cash Fund	(0.35)%	(0.58)%	0.23%
State Street Spectrum Cash and Short Term	0.22%	0.04%	0.18%
State Street Spectrum Diversified Fund	0.48%	0.88%	(0.40)%
State Street Spectrum Moderate Balanced Fund	0.41%	0.22%	0.19%
State Street Spectrum Moderate Diversified Fund*	2.01%	1.15%	0.86%

* Returns since launch on 20 March 2019

** Gross of fees

Notes:

- 1 Portfolio returns of the Spectrum Sub-Funds are shown gross of fees.
- 2 Returns are for the 12 months from 1 October 2018 to 30 September 2019 and are in Euro terms.
- 3 The benchmark for the State Street Spectrum Growth Fund is a composite of 55% FTSE All World Developed Index (75% Hedged), 15% Citi EMU Government Index 1-3 Years, 15% Barclays Capital Euro-Aggregate Corporate Bond Index and 15% EONIA.
- 4 The benchmark for the State Street Spectrum Euribor Plus Fund is the BofA Merrill Lynch Euro Currency 3 Month LIBID Constant Maturity Index.

Performance and Strategy Review

The benchmark for the State Street Spectrum Cash Fund is the 7-Day EUR Libid.

The benchmark for the State Street Spectrum Cash and Short Term Bond Fund is a composite of 70% BofA Merrill Lynch Euro Currency 3-Month LIBID Constant Maturity Index and 30% FTSE EMU Government Bond Index 1-3 Years.

The benchmark for the State Street Spectrum Diversified Fund is a composite of 50% BofA Merrill Lynch Euro Currency 3-Month Libid Constant Maturity Index, 22.5% FTSE All World Developed Index (75% Hedged) and 27.5% FTSE EMU Government Bond Index 1-3 Years.

The benchmark the State Street Spectrum Moderate Balanced Fund is a composite of 70% BofA Merrill Lynch Euro Currency 3-Month LIBID Constant Maturity Index, 7% FTSE All World Developed Index (75% Hedged) and 23% FTSE EMU Government Bond Index 1-3 Years.

The benchmark the State Street Spectrum Moderate Diversified Fund is a composite of 10% FTSE All World Developed Index (75% Hedged), 20% Bloomberg Barclays Capital Euro Aggregate Corp Bond Index, 15% EONIA, 55% BofA Merrill Lynch Euro Currency 3-Month LIBID Constant Maturity Index.

State Street Spectrum Growth Fund

For the Reporting Period, the total return for the Sub-Fund was 2.67%, and the Benchmark return was 2.61%. The Sub-Fund seeks to achieve capital appreciation over the medium to long term. This is to be achieved by investing in the SSGA GRU Bond Index Fund, the SSGA GRU Euro Index Equity Fund, the SSGA GRU World ex Euro Index Equity Fund, the SSGA Euro Corporate Bond Index Fund and the SSGA Diversified Alternatives strategy.

At the end of April 2015, the Sub-Fund implemented an equity target volatility trigger ("TVT") overlay. TVT is a process that aims to provide a measure of protection against significant falls in equity markets. TVT forecasts equity volatility and dynamically adjusts the equity exposure within the Sub-Fund in periods of heightened volatility thus offering an element of protection to unit holders.

Forecast volatility increased above the target level of 12% in Q4 2018, resulting in a de-risk trade implemented in mid-December 2018 and in mid-January 2019. This de-risking remained in place until February 2019, when the downward trend in forecast volatility triggered 2 re-risk legs, ending March 2019 fully invested. A further de-risk in August 2019, followed by a re-risk in late September 2019 meant that the TVT strategy was fully invested at the end of the quarter.

In the Reporting Period, the TVT strategy sleeve has returned 5.54%, against the FTSE All World Developed benchmark return of 8.02%. It has achieved this return whilst taking on less risk (12.50%) than the benchmark (12.82%). The Strategy Sharpe ratio, which adjusts portfolio's performance for the excess risk taken, was 0.47, slightly lower than the benchmark Sharpe ratio of 0.65.

TVT is a risk-management tool aiming to mitigate the more significant market setbacks that can arise. Investors can expect to see this in the level of total portfolio risk, drawdown and also in an enhanced reward-to-risk profile over time. Given its systematic nature, TVT will continue to adjust to market volatility – sometimes accompanied by short-term outperformance versus the benchmark and sometimes relinquishing some of the gains when sharp rebounds occur.

State Street Spectrum Euribor Plus Fund

For the Reporting Period the total return for the State Street Spectrum Euribor Plus Fund (the “Sub-Fund”) was -0.18% (gross of fees), and the Benchmark return was -0.44%. The Sub-Fund invests substantially all of its assets in SSGA GRU Euribor Plus Fund (the “Underlying Fund”) which invests in a diversified portfolio of high quality, Euro denominated money market instruments and short-term debt and debt related instruments.

Assets under management (AUM) of the Underlying Fund ended the period at around €870 million, an increase of approximately €50 million. Money market reform rules introduced in the first quarter, resulted in a shorter duration profile and higher levels of liquidity within the Underlying Fund. Money market reform has also imposed additional restrictions on issuer concentrations resulting in a more conservative selection of investments across the Underlying Fund. The Weighted Average Maturity (WAM) of the Underlying Fund, measuring interest rate sensitivity measured 75 days and the Weighted Average Life (WAL), reflecting the credit risk for the Underlying Fund was 211 days, against the max allowed 360 & 720 days respectively. With yields falling and bond spread tightening, duration was added where possible. There were however very limited opportunities to invest in new issue bonds over 12 months duration. Euro commercial paper both in unsecured and asset backed issuance remained the most active investment for the Underlying Fund. Portfolio credit quality remained high throughout.

The top positive contributors to the Underlying Fund’s performance were:

- High credit profile at competitive yields which maintained the overall high profile needed for fund rating whilst still enabling the Underlying Fund to deliver positive performance against benchmark;
- Staying ahead of a lower yielding market environment by maintaining an above average weighted average maturity profile;
- Sourcing the right balance of securities that included features such as security/rating/duration which contributed to the Underlying Fund’s performance across the yield curve.

The top negative contributors to the Underlying Fund’s performance were:

- Global economic sentiment deteriorated and core economies remained fragile with bond yields falling;
- Initially no changes were forecast until 2020 on Euro rates. This changed over the period to expectations that the ECB would deliver a rate cut in September. With rates declining across the Euribor yield curves, issuers reacted by moving yields lower in line with lower Euribor curves, resulting in tighter spreads to the benchmark and consideration to further extend duration of the Underlying Fund.

State Street Spectrum Cash Fund

For the Reporting Period the total return for the Sub-Fund was -0.35% (gross of fees), and the Benchmark return was -0.58%. The Sub-Fund invests substantially all of its assets in SSGA GRU Euro Cash Fund (the "Underlying Fund"). The Underlying Fund seeks to maintain a high level of liquidity, preserve capital and stability of principal and consistent with those objectives, earn current income.

The size of the Underlying Fund balances increased over the period, from €84 million at the start of October to €117 million at the end of September. Money market reform rules introduced in the first quarter, resulted in a shorter duration profile and higher levels of liquidity within the Underlying Fund. Money market reform has also imposed additional restrictions on issuer concentrations resulting in a more conservative selection of investments across the Underlying Fund. The Underlying Fund's Weighted Average Maturity (WAM), which measures its interest-rate sensitivity, averaged 42 days. In the first quarter, the Underlying Fund targeted shorter investments, focusing on liquidity constraints and the reform of money market regulations, which came into force on 21 January 2019, with mandatory compliance by 21 March 2019. Fund liquidity was covered with a combination of government and agency holdings along with overnight bank deposits. Bank commercial paper and certificates of deposit remained the major holdings while asset-backed commercial paper issuance provided yield enhancement at the short end of the interest rate curve.

The Underlying Fund continued to focus on top-tier corporates and financials, typically targeted between one-to-three-month maturities and selective issuers out to six months, while managing a well-diversified portfolio of top-tier issuers at all times. Quarter-ends and year end continued to be challenging but manageable; collateral givers and bank cash deposit takers reduced their requirements, as balance sheet contractions and regulatory requirements kicked in. As always, liquidity and capital preservation remained the key drivers for the portfolio.

The top positive contributors to the Underlying Fund's performance were:

- The commitment from our direct relationships/issuers to provide short-dated products to meet our weekly liquidity buffers and support the Underlying Fund during key reporting periods;
- Agency and quasi-government issuers provided liquidity and attractive yields compared to Euro Treasury bills, while corporate and asset-backed commercial paper issuers continued to provide diversification, attractive yields and shorter- duration maturities compared to financial institutions.

The top negative contributors to the Underlying Fund's performance were:

- The European Central Bank's (ECB's) quantitative easing programme and the excess liquidity deposited with the ECB, averaged €1.845 billion during the period. Bank deposit levels have continued to trade below the ECB deposit rate. Although supply has improved for high-quality assets in the repo markets these still offer a lower return;
- The reduced number of cash takers and collateral givers at quarter/year end continued to detract, as did issuers' reducing the size of their maturities or not committing to business during quarter ends;
- Initially no changes were forecast until 2020 on Euro rates. This changed over the period to expectations that the ECB would deliver a rate cut in September. With rates declining across the Euribor yield curves, issuers reacted by moving yields lower in line with lower Euribor curves, resulting in tighter spreads to the benchmark and consideration to further extend duration of the Underlying Fund.

State Street Spectrum Cash and Short-Term Bond Fund

For the Reporting Period the return for the State Street Spectrum Cash and Short-Term Bond Fund (the “Sub-Fund”) was 0.22% (gross of fees), and the Benchmark return was 0.04%. The Sub-Fund primarily invests in the SSGA GRU Euribor Plus Fund and in the SSGA GRU EMU Bond Index Fund (in the ratio 70%/30%), seeking to generate income while maintaining a high level of risk control.

The underlying SSGA GRU Euribor Plus Fund outperformed its respective benchmark by 23 basis points and the underlying SSGA GRU EMU Bond Index Fund, which is an index tracking fund, underperformed its benchmark by 4 basis points during the period.

State Street Spectrum Diversified Fund

For the 12-month period ended on 30th of September 2019 (the “Reporting Period”), the total return for the Sub-Fund was 0.48% gross of fees and the Benchmark return was 0.88%. The Sub-Fund seeks to achieve a moderate level of growth over the medium to long term. This is to be achieved by investing in the SSGA GRU EMU Bond Index Fund, the SSGA GRU Euro Index Equity Fund, the SSGA GRU World ex Euro Index Equity Fund and the SSGA GRU Euribor Plus Fund. At the end of April 2015, the Sub-Fund implemented an equity target volatility trigger (“TVT”) overlay. TVT is a process that aims to provide a measure of protection against significant falls in equity markets. TVT forecasts equity volatility and dynamically adjusts the equity exposure within the Sub-Fund in periods of heightened volatility thus offering an element of protection to unit holders.

Forecasted volatility increased above the target level of 12% in Q4 2018, resulting in a de-risk trade implemented in mid-December 2018 and in mid-January 2019. This de-risking remained in place until February 2019, when the downward trend in forecast volatility triggered 2 re-risk legs, ending March 2019 fully invested. A further de-risk in August 2019, followed by a re-risk in late September 2019 meant that the TVT strategy was fully invested at the end of the quarter.

In the Reporting Period, the TVT strategy sleeve has returned 5.47%, against the FTSE All World Developed benchmark return of 8.02%. It has achieved this return whilst taking on less risk (12.47%) than the benchmark (12.80%). The Strategy Sharpe ratio, which adjusts portfolio’s performance for the excess risk taken, was 0.47, slightly lower than the benchmark Sharpe ratio of 0.65.

TVT is a risk-management tool aiming to mitigate the more significant market setbacks that can arise. Investors can expect to see this in the level of total portfolio risk, drawdown and also in an enhanced reward-to-risk profile over time. Given its systematic nature, TVT will continue to adjust to market volatility – sometimes accompanied by short-term outperformance versus the benchmark and sometimes relinquishing some of the gains when sharp rebounds occur.

State Street Spectrum Moderate Balanced Fund

For the Reporting Period the total return for the State Street Spectrum Moderate Balanced Fund (the “Sub-Fund”) was 0.41% (gross of fees), and the Benchmark return was 0.22%.

The Sub-Fund seeks to achieve a moderate level of growth over the medium to long term. This is achieved by investing in the SSGA GRU EMU Bond Index Fund, the SSGA GRU Euro Index Equity Fund, the SSGA GRU World ex Euro Index Equity Fund and the SSGA Euribor Plus Fund.

State Street Spectrum Moderate Diversified Fund

The Sub-Fund seeks to achieve a moderate level of growth over the medium to long term. This is achieved by investing in the SSGA GRU Euro Index Equity Fund, the SSGA GRU World ex Euro Index Equity Fund and the SSGA Euribor Plus Fund. The Sub-Fund may also achieve its investment objective

by investing on a fund of fund basis up to 45% of its Net Asset Value in other Regulated Funds, which shall have investment objectives and policies that enable the Sub-Fund to meet its investment objective.

For the 6-month period ended on the 30th of September 2019 the total return for the Sub-Fund was 2.01%, gross of fees and the Benchmark return was 1.15%. State Street Euro Corporate Bond Index Fund and the SSGA GRU World ex Euro Index Equity Fund were the main contributors, while SSGA GRU Euribor Plus Fund was a drag on the performance.

State Street Global Advisors Ireland Limited
December 2019

STATEMENT OF ACCOUNTANT'S RESPONSIBILITIES

STATEMENT OF ACCOUNTANT'S RESPONSIBILITIES

The Office of the Accountant of the Courts of Justice (ACJ) and the position of Accountant was established under Sections 15 and 16 respectively of the Court Officers Act 1926. The Accountant is required by Order 77, Rule 83(1) of the Superior Court Rules to prepare an account on or before the 31st January showing the total amount of funds paid or transferred into and out of Court in the year ended on the 30th September in the preceding year and the balance of funds in Court at the commencement and close of the year. The Accountant, not later than the 31st January in each year, arrange for an audit of the account, referred to in sub rule (1) of this rule, to be carried out by an independent auditor not later than the 31st March in each year. Copies of the audited account are required to be forwarded to the Minister for Justice and Equality, the Minister for Public Expenditure and Reform and the Minister for Finance. The basis of preparation and the accounting policies are set out on page 41.

The Accountant is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the office of the ACJ and of the results of the office of the ACJ for that period. In preparing those financial statements, the Accountant is required to:

- select suitable accounting policies for the ACJ Financial Statements and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the ACJ will continue in business.

Statement of Compliance

The financial statements have been prepared on a fair value basis. The financial statements of the Accountant of the Courts of Justice for the year ended 30th September 2019 have been prepared in accordance with the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland including FRS 102 "The Financial Reporting Standard applicable in the UK and Ireland (Generally Accepted Accounting Practice in Ireland), as required by Irish law.

Statement on the System of Internal Financial Control

The Accountant acknowledges his responsibility for ensuring that an effective system of internal financial control is maintained in relation to the operation of the Accountant's Office.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected in a timely manner.

Key Control Procedures

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

- formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action, and
- there are clearly defined roles and responsibilities.

Under the governance arrangements established by the Courts Service Board, there is an Audit and Risk Committee and Internal Audit function, both of which operate in accordance within approved charters. The Audit and Risk Committee reviews this report and financial statements. One of the key functions of the Internal Audit Unit is to report on the adequacy and effectiveness of the system of internal controls operated by the Accountant's Office.



John Cleere

Accountant of the Courts of Justice

Date: 23 March 2020



INDEPENDENT AUDITOR'S REPORT TO THE OFFICE OF THE ACCOUNTANT OF THE COURTS OF JUSTICE

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Office of the Accountant of the Courts of Justice for the year ended 30 September 2019, which comprise the Statement of Financial Position, the Statement of Comprehensive Income and the Statement of Changes in Net Assets and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is the Rules of the Superior Courts, Order 77, and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Office of the Accountant of the Courts of Justice as at 30 September 2019 and of its increase in net assets for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Rules of the Superior Courts, Order 77.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Office of the Accountant of the Courts of Justice ("The Office") in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the Accountant's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accountant has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Office's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



INDEPENDENT AUDITOR'S REPORT TO THE OFFICE OF THE ACCOUNTANT OF THE COURTS OF JUSTICE

Other information

The Accountant is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion the accounting records of the Office were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

In our opinion the information given in the Statement by the Chairman of the Investment Committee, the Accountant of the Courts of Justice's Report, the Investment Manager's Report, the Background Information and the Supplementary Information is consistent with the financial statements.

Respective responsibilities

Responsibilities of management for the financial statements

As explained more fully in the Statement of Accountant's Responsibilities statement, The Accountant is required by Order 77, Rule 83(1) of the Superior Court Rules to prepare an account, on or before the 31st day of January in each year, showing the total amount of funds paid or transferred into and out of Court in the year ended on the 30th September in the preceding year and the balance of funds in Court at the commencement and close of the year. Order 77, Rule 83 sub rule (2) requires the Accountant, not later than the 31st day of January in each year, arrange for an independent audit of the account referred to in sub rule (1) of this rule to be carried out by an independent auditor not later than the 31st day of March in each year immediately following the year to which the account relates. Order 77, Rule 83(3) requires copies of the said account, audited in accordance with sub rule 2 of this rule, shall be forwarded to the Minister for Justice and Equality, the Minister for Public Expenditure and Reform and the Minister for Finance. The Accountant is also responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



INDEPENDENT AUDITOR'S REPORT TO THE OFFICE OF THE ACCOUNTANT OF THE COURTS OF JUSTICE

In preparing the financial statements, the Accountant is responsible for assessing The Office's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accountant either intends to liquidate the Office or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing The Office's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Accountant, as a body, in accordance with the Rules of Superior Courts, Order 77, Rule 83. Our audit work has been undertaken so that we might state to the Office those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Office and the Office's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Bernard Gallo'.

for and on behalf of Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre,
Block 3
Harcourt Road
Dublin 2

Date: 23 March 2020

STATEMENT OF FINANCIAL POSITION AT 30TH SEPTEMBER 2019

	Notes	30/09/2019 €	30/09/2018 €
Financial assets at fair value through profit or loss	5	<u>1,908,397,304</u>	<u>1,862,642,100</u>
CURRENT ASSETS			
Debtors	6	34,837,734	39,028,915
Cash and cash equivalents	7	<u>29,277,536</u>	<u>29,214,739</u>
TOTAL CURRENT ASSETS		<u>64,115,270</u>	<u>68,243,654</u>
CURRENT LIABILITIES			
Creditors	8	<u>(1,615,838)</u>	<u>(1,565,285)</u>
TOTAL CURRENT LIABILITIES		<u>(1,615,838)</u>	<u>(1,565,285)</u>
NET CURRENT ASSETS		<u>62,499,432</u>	<u>66,678,369</u>
TOTAL NET ASSETS		<u>1,970,896,736</u>	<u>1,929,320,469</u>
Represented by:			
Funds held for beneficiaries	9	<u>1,970,896,736</u>	<u>1,929,320,469</u>

The financial statements were approved by the Accountant on 23 March 2020.



John Cleere
Accountant of the Courts of Justice

See accompanying notes to financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	Notes	30/09/2019 €	30/09/2018 €
NET REALISED AND UNREALISED GAINS			
Net realised gains on financial assets at fair value through profit or loss	11	9,798,200	11,905,340
Net change in unrealised gains on financial assets at fair value through profit or loss	12	1,173,465	19,862,663
Net gains/(losses) realised on transfers of assets	13	18,345	(6,504)
NET REALISED AND CHANGE IN UNREALISED GAINS		<u>10,990,010</u>	<u>31,761,499</u>
Investment income	14	78,578	75,629
		<u>11,068,588</u>	<u>31,837,128</u>
Expenses	15	(2,320,439)	(2,563,079)
INCREASE IN NET ASSETS FROM OPERATIONS		<u><u>8,748,149</u></u>	<u><u>29,274,049</u></u>

The financial statements were approved by the Accountant on 23 March 2020.



John Cleere
 Accountant of the Courts of Justice

See accompanying notes to financial statements

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	30/09/2019 €	30/09/2018 €
INCREASE IN NET ASSETS FROM OPERATIONS		
Investment income less expenses	(2,241,861)	(2,487,450)
Net realised gains on financial assets at fair value through profit or loss	9,798,200	11,905,340
Net change in unrealised gains on financial assets at fair value through profit or loss	1,173,465	19,862,663
Net gains/(losses) realised on transfers out during year	18,345	(6,504)
INCREASE IN NET ASSETS FROM OPERATIONS	<u>8,748,149</u>	<u>29,274,049</u>
CAPITAL TRANSACTIONS		
Receipts	293,997,083	361,268,549
Disbursements	(261,168,965)	(303,122,135)
INCREASE IN NET ASSETS FROM CAPITAL TRANSACTIONS	<u>32,828,118</u>	<u>58,146,414</u>
Total Increase in net assets for the year	41,576,267	87,420,463
Net assets at beginning of year	1,929,320,469	1,841,900,006
NET ASSETS AT END OF YEAR	<u><u>1,970,896,736</u></u>	<u><u>1,929,320,469</u></u>

See accompanying notes to financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2019

1. GENERAL – LEGAL STATUS

Court Funds are managed in a fiduciary capacity on behalf of beneficiaries by the Accountant of the Courts of Justice (“the Office”). The main primary and subordinate legislations governing the receipt, management and investment of Court controlled funds are as follows:

- Court Officers Act 1926
- The Trustee (Authorised Investments) Act 1958 and the Trustee (Authorised Investments) orders made thereunder
- The Rules of the Superior Courts
- The Rules of the Circuit Court
- The Rules of the District Court

2. ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the republic of Ireland. In conjunction with this, the financial statements have been prepared in accordance with the Rules of the Superior Courts, Order 77, Rule 83. The financial statements are presented in Euro (€) and also meet the criteria to avail of the exemptions under FRS 102 not to prepare a cash flow statement.

(b) Valuation of investments

Under FRS 102, the Office has opted to implement the recognition and measurement provisions of IFRS 9 Financial Instruments (formerly IAS 39): Recognition, and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments.

Financial assets and financial liabilities at fair value through profit or loss are valued at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses arising from changes in fair value are recognised in the Statement of Comprehensive Income. Listed investments and investments in unitised funds are valued at their bid price where they are quoted on a recognised stock exchange. Insurance policies are valued at their surrender value as confirmed independently by the insurance companies. Other investments are valued at their deposit value including interest accrued at year-end.

(c) Income

Interest and dividend income is recorded on an accruals basis.

(d) Financial Instruments

All of the financial assets have been classified at fair value through profit or loss.

2. ACCOUNTING POLICIES (Continued)

(e) Net gain or loss on financial assets at fair value through profit or loss

This item includes changes in the fair value of financial assets through profit or loss and excludes interest and dividend income and expenses.

Realised gains and losses on sales of traded securities classified as at fair value through profit or loss are calculated using the first-in, first-out (FIFO) method. Realised gains and losses on sales of investments in unitised funds are calculated on an average basis.

Unrealised gains and losses comprise changes in fair value of financial instruments for the year and from the reversal of prior year's unrealised gains and losses for financial instruments which were realised in the reporting year.

Realised and change in unrealised gains and losses on financial assets are recorded in the statement of comprehensive income.

(f) Expenses

Expenses are accounted for on an accruals basis. Expenses are charged to the statement of operations, except for expenses incurred on the acquisition of an investment, which are included in the cost of such investments. Expenses relating to the managing of the unitised funds are charged to the net realised and change in unrealised gains on investments.

(g) Functional and Presentation Currency

The functional and presentational currency of the Office is Euro (€). This is the currency of the primary economic environment in which the Office operates.

(h) Cash and cash equivalents

Cash and cash equivalents include cash at bank and deposits held at call with banks. Cash equivalents consist of short term highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of change in value.

(i) Debtors

Debtors are court awards not yet received. Debtors are recognised initially at fair value less provision for impairment.

(j) Creditors

Creditors are exit taxes payable. Creditors are recognised at fair value.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Accountant's Office made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Office's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates. Management is of the opinion that there are no critical estimates and judgements that have a significant effect on the amounts recognised in the financial statements.

4. FEES AND EXPENSES

4.1 Court Fees

Many of the beneficiaries of court funds are among the most vulnerable members of society. This includes persons who are Wards of Court, and others who are Minors under the age of 18 years. The legal responsibility discharged by the courts, requires that funds and other assets held in trust on behalf of and for the benefit of beneficiaries are managed appropriately. To ensure that the Courts Service discharges its responsibility in supporting the courts and the judiciary in respect of these funds it is necessary to have in place appropriate resources and systems to manage these funds. This also includes the engagement of external resources, for example in the form of Investment Advisors and Auditors. As a contribution towards the costs of these operations, court fees and other charges are applied to the various transactions associated with the management of Court Funds. These charges are approved by the Minister for Justice and Equality and the Minister for Public Expenditure and Reform and are contained in the Supreme and High Court Fees Orders.

Fees amounting to €1,929,583 (30th September 2018: €2,083,801) have been charged as a result of transactions processed by the Accountants Office during the year ended 30th September 2019. In addition to these fees, €258,984 (30th September 2018: €323,022) in respect of court percentages was charged on funds held on behalf of Wards of Court.

4.2 SSGA Investment Management, Custodian and Administration Fees

At the commencement of the current investment strategies in October 2013, a scale of investment management, custodian and administration fees were agreed with State Street Global Advisors, the Investment Managers, and incorporated in the Investment Management Agreement. All fees are calculated and accrued on a weekly basis and are paid directly from each Portfolio on a monthly basis. The non management fee covers all reasonable fund related fees within the Spectrum and Master Funds (inclusive of non SSGA Funds), including but not limited to Trustee/Fiduciary fees, administration fees, transaction fees, Legal Fees, and Audit and Accounting fees. The investment management and non management fees charged on all the Court Funds invested in the SSGA Spectrum and GRU Funds during the period under review amounted to €3,464,086 (30th September 2018: €3,220,733). Total anti-dilution expenses amounted to €22,475 for the period under review (30th September 2018: €57,061).

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30/09/2019	30/09/2018
	€	€
SSGA Unitised funds	1,892,161,273	1,790,494,427
Managed funds	2,689,051	2,885,924
Equities	2,933,141	3,056,428
Deposit accounts	10,110,286	65,633,686
An Post Saving Certificates	42,182	41,734
Insurance policies	461,371	529,901
	<u>1,908,397,304</u>	<u>1,862,642,100</u>

6. DEBTORS	30/09/2019	30/09/2018
	€	€
Court awards not yet received	<u>34,837,734</u>	<u>39,028,915</u>
7. CASH AND CASH EQUIVALENTS	30/9/2019	30/9/2018
	€	€
Cash at bank	<u>29,277,536</u>	<u>29,214,739</u>
8. CREDITORS	30/09/2019	30/09/2018
	€	€
Exit tax payable (See Note 11)	<u>(1,615,838)</u>	<u>(1,565,285)</u>
9. FUNDS HELD FOR BENEFICIARIES	30/9/2019	30/9/2018
	€	€
Amounts held for wards of court	1,424,427,884	1,380,001,822
Amounts held for minors	335,912,832	329,497,574
Amounts held for pending further order cases	134,112,625	90,579,305
Amounts held for charitable bequests	1,972,520	2,200,025
Amounts held for lodgements with defence	15,525,620	20,407,572
Insurance Compensation Fund	-	55,242,755
Other*	<u>58,945,255</u>	<u>51,391,416</u>
	<u>1,970,896,736</u>	<u>1,929,320,469</u>

* Included in Other are case types, Security for Costs, Landlord & Tennant, Residential Institutional Redress Board, Dormancy etc.

10. FINANCIAL RISK MANAGEMENT

SSGA acts as the Investment Manager to the Trust pursuant to the Investment Management Agreement.

The Sub-Funds of State Street Spectrum Unit Trust invest substantially all their assets in one or a combination of the Sub-Funds of SSGA Gross Roll Up Unit Trust (together "the Funds") listed below.

- SSGA GRU EMU Bond Index Fund
- SSGA GRU Euribor Plus Fund
- SSGA GRU Euro Cash Fund
- SSGA GRU Euro Index Equity Fund
- SSGA GRU World Ex Euro Index Equity Fund

SSGA Spectrum Growth Fund also invests a portion of its assets in other funds.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

In pursuing their investment objectives and policies, the Sub-Funds are exposed to a variety of financial risks either directly or through the Sub-Funds in SSGA Gross Roll Up Unit Trust or other Funds they invest in: market risk (including market price risk, currency risk, and interest rate risk), credit risk and liquidity risk that could result in a reduction in the Sub-Funds' net assets.

The risks, and the Investment Manager's approach to the management of the risks, are as follows:

Market Risk

(a) Market Price Risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

State Street Spectrum Cash Fund invested substantially all its assets in the SSGA GRU Euro Cash Fund and was therefore exposed to the same market risks as SSGA GRU Euro Cash Fund.

State Street Spectrum Euribor Plus Fund invested substantially all of its assets in SSGA GRU Euribor Plus Fund and was therefore exposed to the same market risks as SSGA GRU Euribor Plus Fund.

State Street Spectrum Cash and Short Term Bond, State Street Spectrum Moderate Balanced Fund, State Street Spectrum Moderate Diversified Fund, State Street Spectrum Diversified Fund and State Street Spectrum Growth Fund invested in a range of funds, some of which are index tracking funds, and their sensitivity to market price risk is highlighted in the table below.

The State Street Spectrum Growth Fund invests in a range of funds that are diversified over asset classes and geographies. The Investment Manager moderates market price risk within the State Street Spectrum Growth Fund by adhering to the investment restrictions and concentration limits set out in the Sub-Fund's supplemental Prospectus.

At the level of the Sub-Funds of SSGA Gross Roll Up Unit Trust, the following analysis explains the impact that a 20% movement in the relevant benchmark index (calculated in Euro terms) at 30 September 2019 and 30 September 2018, with all other variables held constant, would have had on the net assets attributable to redeemable unitholders of the various Funds.

Sub-Fund Name	Benchmark index	% change in Fund's net assets As at 30th September 2019	% change in Fund's net assets As at 30th September 2018
SSGA GRU Euro Index Equity Fund	FTSE Developed Eurozone Index	19.98%	19.99%
SSGA GRU World Ex Euro Index Equity Fund	FTSE Developed Ex Eurozone Index	19.98%	19.98%
SSGA GRU EMU Bond Index Fund	FTSE EMU Government Bond Index 1-3 Years	19.99%	19.99%

For example, the above analysis shows that if the FTSE Developed Eurozone Index in Euro terms at 30th September 2019 had increased by 20%, with all other variables held constant, this would have increased net assets attributable to redeemable unitholders of the SSGA GRU Euro Index Equity Fund by approximately 19.98% (2018: 19.99%).

10. FINANCIAL RISK MANAGEMENT (CONTINUED)**Market Risk (continued)****(a) Market Price Risk (continued)**

Conversely, if the FTSE Developed Eurozone Index in Euro terms had decreased by 20%, with all other variables held constant, this would have decreased net assets attributable to redeemable unitholders of the SSGA GRU Euro Index Equity Fund by approximately 19.98% (2018: 19.99%).

The following analysis explains the impact that a 1% movement in interest rates at 30th September 2019 and 30th September 2018 for SSGA GRU Euro Cash Fund and GRU Euribor Plus Cash Fund, with all other variables held constant, would have on the net assets attributable to redeemable unitholders of the various funds.

Sub-Fund Name Fund Name	Benchmark Index	As at 30th September 2019		As at 30th September 2018	
		Return	BM Return	Return	BM Return
SSGA GRU Euro Cash Fund	7 Day EUR LIBID	(0.11%)	(0.02%)	(0.12%)	(0.02%)
SSGA GRU Euribor Plus Fund	BofA Merrill Lynch Euro Currency 3-month LIBID Constant Maturity Index	(0.21%)	(0.25%)	(0.19%)	(0.25%)

(b) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

State Street Spectrum Growth Fund and State Street Spectrum Moderate Diversified Fund are Sub-Funds that do not exclusively invest in Euro denominated funds and is therefore directly exposed to currency risk.

As of 30 September 2019, some of the Sub-Funds are also indirectly exposed to the currency risks of the underlying funds they invest in.

In particular, at the year-end State Street Spectrum Growth Fund and State Street Spectrum Moderate Diversified Fund invested in funds with exposure to non-Euro currencies. Also, State Street Spectrum Moderate Balanced Fund, and State Street Spectrum Diversified Fund invested in SSGA GRU World Ex Euro Index Equity Fund. All of the SSGA GRU World Ex Euro Index Equity Fund's assets, liabilities and income are denominated in currencies other than Euro, the functional currency of all of the Sub-Funds. The significant currencies are US Dollar, British Pound, Japanese Yen, Canadian Dollar, Australian Dollar and Swiss Franc. It is, therefore, exposed to currency risk as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. Income denominated in foreign currencies is converted to Euro on receipt. Transactions in foreign currencies are translated into the functional currency of the Sub-Fund at the exchange rates ruling at the date of the transaction. Assets and liabilities are translated into the functional currency of the Sub-Fund at the exchange rate ruling at the year-end date.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market Risk (continued)

(b) Currency Risk (continued)

State Street Spectrum Euribor Plus Fund, State Street Spectrum Cash and Short Term Bond Fund and State Street Spectrum Cash Fund are not exposed to any foreign currency risks as the funds they invest in had all their assets and liabilities denominated in Euro, the functional currency of the Sub-Funds.

The Investment Manager monitors the currency exposures on a regular basis to ensure they remain within acceptable ranges.

There were no material changes to the Sub-Funds' policies and processes for managing currency risk and the methods used to measure risk during the year.

During the year, it was agreed that the Investment Manager will implement a currency hedging strategy which seeks to hedge 75% of the non-Euro exposure held by State Street Spectrum Growth Fund and State Street Spectrum Moderate Diversified Fund through the SSGA GRU World ex Euro Index Equity Fund.

This investment strategy was implemented using 1 month tenor FX forward contracts, with this methodology being seen as the best balance between cost and effectiveness.

The following table shows holdings and cash in each of the currencies for State Street Spectrum Growth Fund and the impact on the net assets attributable to redeemable unitholders of the Sub-Fund of a movement of +/-10% in any of these currencies at 30 September 2019.

Trading Currency	Traded market value	% holding	% movement	Impact to NAV
Australian Dollar	(7,241,625)	3.11%	10%	(0.31%)
British Pound Sterling	(16,038,832)	6.89%	10%	(0.69%)
Canadian Dollar	(8,962,818)	3.85%	10%	(0.39%)
Danish Krone	(1,683,981)	0.72%	10%	(0.07%)
Hong Kong Dollar	(3,713,718)	1.60%	10%	(0.16%)
Israeli New Shekel	(464,833)	0.20%	10%	(0.02%)
Japanese Yen	(24,481,207)	10.52%	10%	(1.05%)
New Zealand Dollar	(179,897)	0.08%	10%	(0.01%)
Norwegian Krone	(571,749)	0.25%	10%	(0.03%)
Singapore Dollar	(1,158,402)	0.50%	10%	(0.05%)
Swedish Krona	(2,365,111)	1.02%	10%	(0.10%)
Swiss Franc	(8,917,414)	3.83%	10%	(0.38%)
US Dollar	(156,838,089)	67.43%	10%	(6.74%)
Total	(232,617,676)			

The following table shows holdings and cash in each of the currencies for State Street Spectrum Growth Fund and the impact on the net assets attributable to redeemable unitholders of the Fund of a movement of +/-10% in any of these currencies at 30th September 2018.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)**Market Risk (continued)****(b) Currency Risk (continued)**

Trading Currency	Traded market value	% holding	% movement	Impact to NAV
Australian Dollar	(7,292,518)	3.09%	10%	(0.31%)
British Pound Sterling	(17,979,711)	7.62%	10%	(0.76%)
Canadian Dollar	(8,910,784)	3.78%	10%	(0.38%)
Danish Krone	(1,622,270)	0.69%	10%	(0.07%)
Hong Kong Dollar	(4,020,764)	1.70%	10%	(0.17%)
Israeli New Shekel	(624,635)	0.26%	10%	(0.03%)
Japanese Yen	(25,872,456)	10.97%	10%	(1.10%)
New Zealand Dollar	(178,536)	0.08%	10%	(0.01%)
Norwegian Krone	(557,724)	0.24%	10%	(0.02%)
Singapore Dollar	(1,315,016)	0.56%	10%	(0.06%)
Swedish Krona	(2,763,928)	1.17%	10%	(0.12%)
Swiss Franc	(8,264,866)	3.50%	10%	(0.35%)
US Dollar	(156,490,694)	66.34%	10%	(6.63%)
Total	(235,893,902)			

(c) Interest Rate Risk

A Sub-Fund's interest bearing financial assets and financial liabilities expose them to substantial risks. A Sub-Fund's interest bearing financial assets and financial liabilities expose them to substantial risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows.

The Sub-Funds are directly exposed to interest rate risk through their cash holdings and are indirectly exposed to interest rate risks through some of the collective investment schemes they invest in.

This is particularly true for State Street Spectrum Euribor Plus and State Street Spectrum Cash Fund which are, respectively, exposed to the same interest risks as SSGA GRU Euribor Plus Fund and SSGA GRU Euro Cash Fund.

State Street Spectrum Cash and Short-Term Bond Fund, State Street Spectrum Moderate Balanced Fund and State Street Spectrum Diversified Fund are exposed to the same interest rate risks as SSGA GRU Euribor Plus Fund and SSGA GRU EMU Bond Index Fund in proportion to their allocation. In addition, the State Street Spectrum Diversified Fund is exposed to the SSGA GRU Euro Cash Fund.

The SSGA GRU Euribor Plus Fund and SSGA GRU Euro Cash Fund hold interest-bearing assets and liabilities which expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial positions and cash flows.

The investment objective of the SSGA GRU EMU Bond Index Fund is to track as closely as

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market Risk (continued)

(c) Interest Rate Risk (continued)

reasonably possible the performance of the FTSE EMU Government Bond Index 1-3 Years. The Investment Manager will therefore invest in such investments which will ensure that the performance of the Sub-Fund tracks as closely as reasonably possible the performance of the underlying index. It does not directly seek to manage the interest rate risk exposure within the Sub-Fund.

Interest rate risk for the SSGA GRU Euribor Plus Fund and SSGA GRU Euro Cash Fund is managed, in part, by the investment selection process of the Investment Manager which includes predictions of future events and their impact on interest rates, diversification and duration. In accordance with Sub-Fund policy, the Investment Manager monitors the Sub-Fund's overall interest sensitivity on a daily basis.

The SSGA GRU Euro Index Equity Fund and the SSGA GRU World Ex Euro Index Equity Funds do not hold interest-bearing securities and therefore no interest rate risk exposure arises in respect of these Sub-Funds.

There were no material changes to the Sub-Funds' policies and processes for managing interest rate risk and the methods used to measure risk since the prior year end.

Interest rate sensitivity is measured by duration, being the measurement of what effect on the NAV of the Sub-Fund a 1% change in interest rates would have. The SSGA GRU Euro Cash Fund has a duration of 41 days at 30th September 2019 (2018: 44 days). The SSGA GRU Euribor Plus Fund has a duration of 76 days at 30th September 2019 (2018: 68 days). The SSGA Growth Fund has a duration of 1.54 years at 30th September 2019 (2018: 1.55 years). All other Sub-Funds are indexed.

The Investment Manager does not expect this position to change in the next reporting year.

(d) Credit Risk

Credit risk, is the risk that a counterparty or issuer will be unable to pay amounts in full when due.

As of 30th September 2019, the Sub-Funds are also indirectly exposed to the same credit risks as the funds they invest in.

As of 30th September 2019, State Street Spectrum Cash Fund invested substantially all its assets in the SSGA GRU Euro Cash Fund and was therefore exposed to substantially the same credit risk as SSGA GRU Euro Cash Fund and SSGA Spectrum Euribor Plus Fund invested all its assets in SSGA GRU Euribor Plus Fund.

The SSGA Money Market Desk and the Investment Advisor's Portfolio Compliance Team monitor the current credit rating for all positions within these Sub-Funds on a daily basis, to ensure that the Sub-Fund continues to meet the credit rating requirements and restrictions for the Sub-Fund as outlined in the Sub-Fund documentation.

The SSGA Money Market Desk and the Investment Manager's Portfolio Compliance Team also ensure that there is appropriate investment diversification and that risk is not overly concentrated with a particular counterparty or issuer at any time.

As of 30th September 2019, State Street Spectrum Euribor Plus Fund and State Street Spectrum Cash Fund invest all of their assets in respectively SSGA GRU Euribor Plus Fund and SSGA GRU

10. FINANCIAL RISK MANAGEMENT (CONTINUED)**Market Risk (continued)****(d) Credit Risk (continued)**

Euro Cash Fund, State Street Spectrum Cash and Short Term Bond Fund, State Street Spectrum Moderate Balanced Fund and State Street Spectrum Diversified Fund are exposed to the same counterparty risks as SSGA GRU Euribor Plus Fund and SSGA GRU EMU Bond Index Fund in proportion to their allocation. In addition, the State Street Spectrum Diversified Fund is exposed to the SSGA GRU Euro Cash Fund. In SSGA GRU EMU Bond Index Fund, the Investment Manager also ensures that there is appropriate investment diversification and that risk is not overly concentrated with a particular counterparty or issuer at any time, while focusing on the core objective for the Sub-Fund which is to track as closely as reasonably possible the performance of its benchmark.

The SSGA GRU Euro Cash Fund, SSGA GRU Euribor Plus Fund and the SSGA GRU EMU Bond Index Fund hold interest-bearing securities with the following credit exposures as at 30th September 2019 and 30th September 2018.

Fund name	As at 30th September 2019		As at 30th September 2018	
	Investment grade	Non - investment grade	Investment grade	Non - investment grade
SSGA GRU Euro Cash Fund	100.00%	-	100.00%	-
SSGA GRU EMU Bond Index Fund	100.00%	-	100.00%	-
SSGA GRU Euribor Plus Fund	100.00%	-	100.00%	-

The Funds' credit exposure also comprises:

- the risk that cash, all held with The Northern Trust Company ("TNTC") at the reporting date, may be lost; and
- the risk that brokers may fail to pay for securities received from the Sub-Funds, or to deliver securities paid for by the Sub-Funds.

Northern Trust Fiduciary Services (Ireland) Limited ("NTFSIL") is the appointed Depositary of the Sub-Funds, responsible for the safe-keeping of assets. NTFSIL has appointed TNTC as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation ("NTC"). As at 30 September 2019 Northern Trust Corporation had a long-term rating from NTC had a long-term credit rating from Standard & Poor's of A+. (2018: Northern Trust Corporation: A+).

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland and Canada. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depositary duties, verifies the Sub-Fund's ownership of Other Assets, (as defined Art 21 (8)(b) of Directive 2011/61/EU)), by assessing whether the Sub-Fund holds the ownership based on information or documents provided by the Sub-Fund or where available, on external evidence.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market Risk (continued)

(d) Credit Risk (continued)

TNTC, in the discharge of its delegated depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Sub-Fund, clearly identifiable as belonging to the Sub-Fund, and distinct and separately from the proprietary assets of TNTC, NTFSIL and NTC.

In addition TNTC, as banker, holds cash of the Sub-Funds on deposit. Such cash is held on the Statement of Financial Position of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Sub-Fund will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Insolvency of NTFSIL and or one of its agents or affiliates may cause the Sub-Fund's rights with respect to its assets to be delayed.

The Investment Manager manages risk by monitoring the credit quality and financial position of the Depositary and such risk is further managed by the Depositary monitoring the credit quality and financial positions of sub-custodian appointments.

(e) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets.

At 30th September 2019, the Sub-Funds are indirectly exposed to the same liquidity risks as the Sub-Funds they invest in.

The underlying funds invest their assets in investments that are traded in an active market and can be readily disposed of.

The Sub-Funds are limited to weekly dealing and invest in funds that are themselves exposed to weekly dealing except for SSGA GRU Euro Cash Fund which offers daily dealing. Redemptions of redeemable units in the Sub-Funds and Sub-Funds they invest in are payable within 3 business days of the dealing day on which the redemption takes place. In addition the State Street Spectrum Growth Fund holds Exchange Traded Funds which can be readily traded on active markets.

For these reasons, the Investment Manager has assessed the risk of the Sub-Funds being affected by the lack of liquidity as low.

The Investment Manager reviews the current and future forecasted liquidity position of the Sub-Funds on a daily basis and ensures that any cash required to meet the settlement of redemption requests is generated as appropriate.

**11. NET REALISED GAINS ON FINANCIAL ASSETS
 AT FAIR VALUE THROUGH PROFIT OR LOSS**

	30/09/2019	30/09/2018
	€	€
Realised gains on financial assets at fair value through profit or loss disposed of during the year	16,928,770	18,975,050
Less:		
Exit tax (i)/(ii)	(7,108,768)	(7,044,002)
Anti-dilution levy and brokers commission (iii)	(21,802)	(25,708)
Net realised gain on financial assets at fair value disposed of during the year	<u>9,798,200</u>	<u>11,905,340</u>

(i) Under current law and practice the Trust qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. It is not chargeable to Irish tax on its income or capital gains.

(ii) The Finance Act 2003 authorises the Courts Service to deduct at source and account for exit taxes arising from the disposal of investments in the unitised funds under a Trust deed established by SSGA. The tax is calculated at the rate of 41% (2018: 41%), in accordance with the Finance Act and is payable to Revenue.

(iii) The anti-dilution levy are fees charged by the Fund Manager on subscriptions and redemptions from the unitised funds. A dilution levy is an allocation of a fund's trading costs to the investments which have created those costs. It is used to protect the majority of investors from the costs of trading by a minority.

**12. NET CHANGE IN UNREALISED GAINS ON FINANCIAL
 ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	30/09/2019	30/09/2018
	€	€
Change in unrealised gains on financial assets at fair value Through profit or loss during the year	4,638,223	23,114,749
Less:		
Investment management fees (Note 4.2)	(2,168,025)	(2,086,462)
Miscellaneous managed funds' fees (i)	(1,296,060)	(1,134,271)
Anti-dilution levy and brokers commission (ii)	(673)	(31,353)
Net change in unrealised gains on financial assets at fair value through profit or loss	<u>1,173,465</u>	<u>19,862,663</u>

(i) These fees include transaction charges, audit fees, safe-keeping fees, other professional fees, trustee fees and bank interest.

(ii) The anti-dilution levy are fees charged on subscriptions and redemptions from the unitised funds.

13. NET GAINS/(LOSSES) REALISED ON TRANSFER OF ASSETS	30/09/2019	30/09/2018
	€	€
Net gains/(losses) on transfers out during year	<u>18,345</u>	<u>(6,504)</u>

These net gains arose on the transfer of equities out of the custody of the court, held in the name of the Accountant of the Courts of Justice. These equities were originally brought into court when a person was made a Ward of Court, and recorded in the accounts at their market value at that time. The net gain represents a net increase in the value of equities at the time the equities were transferred out of court, as directed by a court order. The net gain referred to is a paper gain as the equities were not actually sold.

14. INVESTMENT INCOME	30/09/2019	30/09/2018
	€	€
Dividends	73,954	69,305
Shares in lieu of dividends	4,175	5,419
Interest on other investments	449	905
	<u>78,578</u>	<u>75,629</u>

Investment income is shown net of withholding tax.

15. EXPENSES	30/09/2019	30/09/2018
	€	€
Court fees (Note 4.1)	2,171,441	2,310,069
Bank charges	148,998	253,010
	<u>2,320,439</u>	<u>2,563,079</u>

16. FAIR VALUE MEASUREMENT

The Office of the Accountant of the Courts of Justice has adopted FRS 102. This requires the Office of the Accountant of the Courts of Justice to classify financial instruments measured at fair value into the following hierarchy:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

16. FAIR VALUE MEASUREMENT (continued)

At 30th September 2019 and 30th September 2018, the SSGA Funds' holdings consisted of investments in a range of Sub-Funds of SSGA Gross Roll Up Unit Trust and other investment funds. These investments were classified as Level 2, with the exception of the ETFs held by the SSGA Spectrum Growth Fund and State Street Spectrum Moderate Diversified Fund. The ETFs, with a fair value of €64,789,204 (30th September 2018: €55,192,235) were classified as Level 1. There have been no movements between levels in the current year.

The following table analyses within the fair value hierarchy the Office of the Accountant of the Courts of Justice's financial assets and liabilities (by class) measured at fair value at 30th September 2019:

	Level 1 €	Level 2 €	Level 3 €	Total €
Investments				
- SSGA Unitised funds	64,789,204	1,827,372,069	-	1,892,161,273
- Managed funds	-	2,689,051	-	2,689,051
- Equities	2,933,141	-	-	2,933,141
- Deposit accounts	10,110,286	-	-	10,110,286
- An Post Savings Certificates	42,182	-	-	42,182
- Insurance policies	-	-	461,371	461,371
Total	77,874,813	1,830,061,120	461,371	1,908,397,304

The following table analyses within the fair value hierarchy the Office of the Accountant of the Courts of Justice's financial assets and liabilities (by class) measured at fair value at 30th September 2018.

	Level 1 €	Level 2 €	Level 3 €	Total €
Investments				
- SSGA Unitised funds	55,192,235	1,735,302,192	-	1,790,494,427
- Managed funds	-	2,885,924	-	2,885,924
- Equities	3,056,428	-	-	3,056,428
- Deposit accounts	65,633,686	-	-	65,633,686
- An Post Savings Certificates	41,734	-	-	41,734
- Insurance policies	-	-	529,901	529,901
Total	123,924,083	1,738,188,116	529,901	1,862,642,100

16. FAIR VALUE MEASUREMENT (continued)

The Level 3 investments relate to investments held in insurance policies which are not quoted on an exchange or actively traded. In the absence of any market information the Accountant has valued these investments based on values provided by the insurance company. The Accountant believes that this approximates the fair value and any adjustment required to value these investments at fair value would not result in a material adjustment to the financial statements.

The following table includes the reconciliation of the amounts for the year ended 30th September 2019 for financial instruments classified within Level 3. The classification of a financial instrument within Level 3 is based upon the significance of the unobservable inputs to the overall fair value measurement.

Insurance Policies	€
Opening balance	529,901
Transfer Out	(102,171)
Movement in net unrealised appreciation	33,641
Closing balance 30th September 2019	461,371

There were no transfers between levels during the year.

The following table includes the reconciliation of the amounts for the year ended 30th September 2018 for financial instruments classified within Level 3. The classification of a financial instrument within Level 3 is based upon the significance of the unobservable inputs to the overall fair value measurement.

Insurance Policies	€
Opening balance	567,267
Transfer Out	(34,102)
Movement in net unrealised appreciation	3,264
Closing balance 30th September 2018	529,901

The net unrealised gains that relate to insurance policies still held at 30th September 2019 are €157,859 (2018: €169,049).

17. INVESTMENTS IN COLLECTIVE INVESTMENT SCHEMES

The table below illustrates the investment of the Funds in underlying Collective Investment Schemes.

Underlying Fund	Domicile	Regulatory Status	Investment Manager	TER*
State Street Spectrum Growth Fund				
ETFs Longer Dated All Commodities Go UCITS ETF	Ireland	UCITS	Go ETF Solutions LLP	0.30% (TER which includes management and other expenses)
SPDR Bloomberg Barclays Emerging Markets Local Bond	Ireland	UCITS	State Street Global Advisors Limited	0.55% (TER which includes management and other expenses)
SPDR Bloomberg Barclays Euro High Yield Bond UCITS ETF	Ireland	UCITS	State Street Global Advisors Limited	0.40% (TER which includes management and other expenses)
SPDR Bloomberg Barclays High Yield Bond ETF	US	Regulated US Fund	SSGA Funds Management, Inc	0.40% (TER which includes management and other expenses)
SPDR Dow Jones Global Real Estate UCITS ETF	Ireland	UCITS	State Street Global Advisors Limited	0.40% (TER which includes management and other expenses)
SPDR Morningstar Multi-Asset Global Infrastructure UCITS ETF	US	UCITS	State Street Global Advisors Limited	0.40% (TER which includes management and other expenses)
State Street Euro Corporate Bond Index Fund	Luxembourg	UCITS	State Street Global Advisors Limited	0.04% (TER which includes management and other expenses)
State Street Flexible Asset Allocation Fund	Luxembourg	UCITS	State Street Global Advisors Limited	0.04% (TER which Includes management and other expenses)
SSGA GRU EMU Bond Index Fund	Ireland	UCITS	State Street Global Advisors Limited	0.05% (TER which Includes management and other expenses)
State Street ICAV Emerging Markets Hard Currency Government Bond Index Fund	Ireland	UCITS	State Street Global Advisors Limited	0.10% (TER which Includes management and other expenses)
SSGA GRU Euribor Index Equity Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which Includes management And other expenses)
State Street Spectrum Euribor Plus Fund				
SSGA GRU Euribor Plus Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which Includes management And other expenses)

17. INVESTMENTS IN COLLECTIVE INVESTMENT SCHEMES (continued)

Underlying Fund	Domicile	Regulatory	Investment Manager	TER*
SSGA Spectrum Cash Fund				
SSGA GRU Euro Cash Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.06% (TER which includes management and other expenses)
State Street Spectrum Cash and Short Term Bond Fund				
SSGA GRU EMU Bond Index Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)
SSGA GRU Euribor Plus Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)
State Street Spectrum Diversified Fund				
SSGA GRU EMU Bond Index Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)
SSGA GRU Euribor Plus Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)
SSGA GRU Euro Index Equity Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.06% (TER which includes management and other expenses)
SSGA GRU World Ex Euro Index Equity Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)
State Street Spectrum Moderate Balanced Fund				
SSGA GRU EMU Bond Index Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)
SSGA GRU Euribor Plus Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)
SSGA GRU Euro Index Equity Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.06% (TER which includes management and other expenses)
SSGA GRU World Ex Euro Index Equity Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)

17. INVESTMENTS IN COLLECTIVE INVESTMENT SCHEMES (continued)

Underlying Fund	Domicile	Regulatory	Investment Manager	TER*
State Street Spectrum Moderate Diversified Fund				
ETFS longer Dated All Commodities Go UCITS ETF	Ireland	UCITS	Go ETF Solutions LLP	0.30% (TER which includes management and other expenses)
SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.55% (TER which includes management and other expenses)
SPDR Morningstar Multi-Asset Global Infrastructure UCITS ETF	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.40% (TER which includes management and other expenses)
SPDR Bloomberg Barclays High Yield Bond ETF	US	Regulated US Fund	SSGA Funds Management, Inc	0.40% (TER which includes management and other expenses)
SPDR Dow Jones Global Real Estate UCITS ETF	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.40% (TER which includes management and other expenses)
State Street Euro Corporate Bond Index Fund	Luxembourg	UCITS	State Street Global Advisors Ireland Limited	0.04% (TER which includes management and other expenses)
State Street Flexible Asset Allocation Fund	Luxembourg	UCITS	State Street Global Advisors Ireland Limited	0.10% (TER which includes management and other expenses)
State Street ICAV Emerging Markets Hard Currency Government	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.10% (TER which includes management and other expenses)
SSGA GRU Euribor Plus Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)
SSGA GRU Euro Index Equity Fund	Ireland	UCITS	State Street Global Advisors Ireland Limited	0.06% (TER which includes management and other expenses)
SSGA GRU World Ex Euro Index Equity Fund	Ireland	Ireland	State Street Global Advisors Ireland Limited	0.05% (TER which includes management and other expenses)

* The Funds may invest in collective investment schemes which incur costs, represented by their total expense ratios. These ratios may be subject to periodic change.

18. POST BALANCE SHEET EVENTS

There were no material post balance sheet events, which would require revision of the figures on disclosure in the financial statements.

19. COMPARATIVE PERIOD

The comparative information covers the year ended 30th September 2018.

20. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Accountant of the Courts of Justice on 23 March 2020.

SUPPLEMENTARY INFORMATION

(NOT COVERED BY INDEPENDENT AUDITOR'S REPORT)

HIGH COURT FUNDS

STATEMENT OF FINANCIAL POSITION AT 30TH SEPTEMBER 2019

	30/09/2019 €	30/09/2018 €
Financial assets at fair value through profit or loss	<u>1,704,289,944</u>	<u>1,676,025,655</u>
CURRENT ASSETS		
Debtors	31,990,216	36,856,067
Cash and cash equivalents	<u>26,818,842</u>	<u>26,114,715</u>
TOTAL CURRENT ASSETS	<u>58,809,058</u>	<u>62,970,782</u>
CURRENT LIABILITIES		
Creditors	<u>(1,542,789)</u>	<u>(1,523,913)</u>
TOTAL LIABILITIES	<u>(1,542,789)</u>	<u>(1,523,913)</u>
NET CURRENT ASSETS	<u>57,266,269</u>	<u>61,446,869</u>
TOTAL NET ASSETS	<u><u>1,761,556,213</u></u>	<u><u>1,737,472,524</u></u>
REPRESENTED BY:		
Funds held for beneficiaries at year end	<u><u>1,761,556,213</u></u>	<u><u>1,737,472,524</u></u>

HIGH COURT FUNDS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	30/09/2019	30/09/2018
	€	€
NET REALISED AND UNREALISED GAINS		
Net realised gains on Financial assets at fair value through profit or loss	9,526,403	11,707,749
Net movement in unrealised gains on Financial assets at fair value through profit or loss	1,228,173	19,191,867
Gains/(losses) realised on transfer out during the year	18,345	(6,504)
NET REALISED AND UNREALISED GAINS	<u>10,772,921</u>	<u>30,893,112</u>
Investment income	<u>78,130</u>	<u>74,727</u>
	10,851,051	30,967,839
Expenses	<u>(2,320,439)</u>	<u>(2,563,535)</u>
INCREASE IN NET ASSETS FROM OPERATIONS	<u><u>8,530,612</u></u>	<u><u>28,404,304</u></u>

HIGH COURT FUNDS

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	30/09/2019	30/09/2018
	€	€
INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		
Investment income less expenses	(2,242,309)	(2,488,808)
Net realised gains on Financial assets at fair value through profit or loss	9,526,403	11,707,749
Net unrealised gains on Financial assets at fair value through profit or loss	1,228,173	19,191,867
Gains/(losses) realised on transfer out during the year	18,345	(6,504)
INCREASE IN NET ASSETS FROM OPERATIONS	<u>8,530,612</u>	<u>28,404,304</u>
CAPITAL TRANSACTIONS		
Receipts	258,317,852	325,580,562
Disbursements	<u>(242,764,775)</u>	<u>(285,130,506)</u>
INCREASE IN NET ASSETS FROM CAPITAL TRANSACTIONS	<u>15,553,077</u>	<u>40,450,056</u>
Increase in Net Assets	24,083,689	68,854,360
Net assets at beginning of year	<u>1,737,472,524</u>	<u>1,668,618,164</u>
NET ASSETS AT END OF YEAR	<u><u>1,761,556,213</u></u>	<u><u>1,737,472,524</u></u>

CIRCUIT COURT FUNDS

STATEMENT OF FINANCIAL POSITION
AT 30TH SEPTEMBER 2019

	30/09/2019	30/09/2018
	€	€
Financial assets at fair value through profit or loss	<u>178,483,073</u>	<u>164,726,381</u>
CURRENT ASSETS		
Debtors	2,248,190	1,683,714
Cash and cash equivalents	<u>2,314,043</u>	<u>2,981,195</u>
TOTAL CURRENT ASSETS	<u>4,562,233</u>	<u>4,664,909</u>
CURRENT LIABILITIES		
Creditors	<u>(69,825)</u>	<u>(39,795)</u>
TOTAL LIABILITIES	<u>(69,825)</u>	<u>(39,795)</u>
NET CURRENT ASSETS	<u>4,492,408</u>	<u>4,625,114</u>
TOTAL NET ASSETS	<u><u>182,975,481</u></u>	<u><u>169,351,495</u></u>
REPRESENTED BY:		
Funds held for beneficiaries at year end	<u><u>182,975,481</u></u>	<u><u>169,351,495</u></u>

CIRCUIT COURT FUNDS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	30/09/2019	30/09/2018
	€	€
NET REALISED AND UNREALISED GAINS		
Net realised gains on Financial assets at fair value through profit or loss	265,295	190,711
Net movement in unrealised gains on Financial assets at fair value through profit or loss	<u>(119,969)</u>	<u>526,323</u>
NET REALISED AND UNREALISED GAINS	145,326	717,034
Investment income	<u>236</u>	<u>465</u>
	145,562	717,499
Expenses	<u>-</u>	<u>334</u>
INCREASE IN NET ASSETS FROM OPERATIONS	<u><u>145,562</u></u>	<u><u>717,833</u></u>

CIRCUIT COURT FUNDS

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	30/09/2019	30/09/2018
	€	€
INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		
Investment income less expenses	236	799
Net realised gains on Financial assets at fair value through profit or loss	265,295	190,711
Net unrealised gains on Financial assets at fair value through profit or loss	<u>(119,969)</u>	<u>526,323</u>
INCREASE IN NET ASSETS FROM OPERATIONS	<u>145,562</u>	<u>717,833</u>
CAPITAL TRANSACTIONS		
Receipts	30,353,149	30,061,114
Disbursements	<u>(16,874,725)</u>	<u>(16,816,937)</u>
INCREASE IN NET ASSETS FROM CAPITAL TRANSACTIONS	<u>13,478,424</u>	<u>13,244,177</u>
Increase in Net Assets	13,623,986	13,962,010
Net Assets at beginning of year	<u>169,351,495</u>	<u>155,389,485</u>
NET ASSETS AT END OF YEAR	<u><u>182,975,481</u></u>	<u><u>169,351,495</u></u>

DISTRICT COURT FUNDS

STATEMENT OF FINANCIAL POSITION AT 30TH SEPTEMBER 2019

	30/09/2019	30/09/2018
	€	€
Financial assets at fair value through profit or loss	<u>25,624,287</u>	<u>21,890,064</u>
CURRENT ASSETS		
Debtors	599,328	489,134
Cash and cash equivalents	<u>144,651</u>	<u>118,829</u>
TOTAL CURRENT ASSETS	<u>743,979</u>	<u>607,963</u>
CURRENT LIABILITIES		
Creditors	<u>(3,224)</u>	<u>(1,577)</u>
TOTAL LIABILITIES	<u>(3,224)</u>	<u>(1,577)</u>
NET CURRENT ASSETS	<u>740,755</u>	<u>606,386</u>
TOTAL NET ASSETS	<u><u>26,365,042</u></u>	<u><u>22,496,450</u></u>
REPRESENTED BY:		
Funds held for beneficiaries at year end	<u><u>26,365,042</u></u>	<u><u>22,496,450</u></u>

DISTRICT COURT FUNDS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	30/09/2019	30/09/2018
	€	€
NET REALISED AND UNREALISED GAINS		
Net realised gains on Financial assets at fair value through profit or loss	6,502	6,880
Net movement in unrealised gains on Financial assets at fair value through profit or loss	65,260	144,473
	<hr/>	<hr/>
NET REALISED AND UNREALISED GAINS	71,762	151,353
Investment income	213	437
	<hr/>	<hr/>
	71,975	151,790
Expenses	-	122
	<hr/>	<hr/>
INCREASE IN NET ASSETS FROM OPERATIONS	<u>71,975</u>	<u>151,912</u>

DISTRICT COURT FUNDS

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	30/09/2019	30/09/2018
	€	€
INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		
Investment income less expenses	213	559
Net realised gains on Financial assets at fair value through profit or loss	6,502	6,880
Net unrealised gains on Financial assets at fair value through profit or loss	65,260	144,473
INCREASE IN NET ASSETS FROM OPERATIONS	<u>71,975</u>	<u>151,912</u>
CAPITAL TRANSACTIONS		
Receipts	5,326,082	5,626,873
Disbursements	<u>(1,529,465)</u>	<u>(1,174,692)</u>
INCREASE IN NET ASSETS FROM CAPITAL TRANSACTIONS	<u>3,796,617</u>	<u>4,452,181</u>
Increase in Net Assets	3,868,592	4,604,093
Net Assets at beginning of year	<u>22,496,450</u>	<u>17,892,357</u>
NET ASSETS AT END OF YEAR	<u><u>26,365,042</u></u>	<u><u>22,496,450</u></u>



An tSeirbhís Chúirteanna
Courts Service

Accountants Office, Courts Service,
15/24 Phoenix Street North, Smithfield, Dublin 7.
T: 01 888 6000
www.courts.ie