

The Office of the Accountant of the Courts of Justice

REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2023



An tSeirbhís Chúirteanna
Courts Service



TABLE OF CONTENTS

| | PAGE |
|---|---------|
| INVESTMENT COMMITTEE AND OTHER INFORMATION | 2 - 3 |
| BACKGROUND INFORMATION | 4 |
| COURT FUNDS HIGHLIGHTS 2023 | 5 |
| FOREWORD BY THE CHAIRPERSON OF THE INVESTMENT COMMITTEE | 6 |
| INVESTMENT COMMITTEE | 7 |
| REPORT OF THE ACCOUNTANT OF THE COURTS OF JUSTICE | 8 - 21 |
| THE ROLE OF THE OFFICE OF THE WARDS OF COURT | 22 - 23 |
| INVESTMENT MANAGER'S REPORT | 24 - 29 |
| STATEMENT OF ACCOUNTANT'S RESPONSIBILITIES | 30 - 31 |
| INDEPENDENT AUDITOR'S REPORT | 32 - 34 |
| STATEMENT OF FINANCIAL POSITION | 35 |
| STATEMENT OF COMPREHENSIVE INCOME | 36 |
| STATEMENT OF CHANGES IN NET ASSETS | 37 |
| NOTES TO THE FINANCIAL STATEMENTS | 38 - 54 |
| SUPPLEMENTARY INFORMATION | 55 |
| HIGH COURT FUNDS | 56 - 58 |
| CIRCUIT COURT FUNDS | 59 - 61 |
| DISTRICT COURT FUNDS | 62 - 64 |

INVESTMENT COMMITTEE AND OTHER INFORMATION

INVESTMENT COMMITTEE Judge David Barniville, President of the High Court
Judge Seamus Noonan, Court of Appeal
Judge Michael P. Walsh, Circuit Court
Judge Fiona Lydon, District Court
John Cleere, Accountant of the Courts of Justice and Assistant Secretary, Corporate Services
Alice White, Registrar, Office of the Wards of Court
Barbara Harte, Head of Court Funds
Sean Quigley, Chartered Accountant, Independent Member
Kieran Bristow, Independent Member, National Treasury Management Agency
David B. Deasy, Chartered Accountant, Independent Member
MaryRose McGovern, Deputy Financial Services and Pensions Ombudsman, Independent Member

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TRUSTEE Northern Trust Fiduciary Services (Ireland) Limited
Georges Court
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Northern Trust International Fund Administration Services (Ireland) Limited
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| | |
|---------------------------|---|
| INVESTMENT ADVISOR | Mercer Ireland Charlotte House Charlemont Street Dublin 2 Ireland. |
| LEGAL ADVISORS | Byrne Wallace Solicitors 88 Harcourt Street Dublin 2 Ireland. |
| AUDITORS | Mazars Chartered Accountants and Registered Auditors 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
- Proceeds of compulsory land purchases where the beneficiary is unknown

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 €2.486 billion as at 30th September 2023 (€2.337 billion as at 30th September 2022).

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 2023

The Office of the Accountant of the Courts of Justice



Net increase
in funds



€149.9
million

Wards of
Court



No: 2,943
Value: €1.893 billion

Minors



No: 17,581
Value: €354 million

Transactions
processed



56,139

Value of
funds



€2.486 billion

Total
beneficiaries



21,779

Increase in
Net Assets
from Capital
Transaction



€91.8
million

Capital
receipts



€304.5
million

Capital
disbursements



€211.8
million

Exit tax
collected



€10.8
million

FOREWORD BY THE CHAIRPERSON 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 2023.

At the year ending 30th September 2023, the total value of funds managed by the Accountant's Office was €2.486 billion (2022: €2.337 billion), which represented an increase of €149.9 million (6.3%) compared with the previous financial year. The growth in the value of funds managed over the most recent financial year stemmed from an additional €92.7 million being lodged with the Accountant's Office and a €57.2 million increase related to investment performance.

At the end of the financial year and after a prolonged period of negative interest rates, the European Central Bank (ECB) monetary policy abolished negative interest rates in late 2022. This has meant that cash-based funds are now generating positive returns which is a significant change to the previous twelve months. This is particularly welcome given that for the year under review a large proportion of our funds are held in cash-based assets.

During the 12 months to 30th September 2023 the ECB raised their key policy rate by 3.25% to 4.5%. However, against this backdrop there were concerns around core inflation. The Central banks remained keen to keep interest rates high and financial conditions tight, to ensure that inflation continued to decline.

Notwithstanding the above market conditions, growth has been far better and inflation much lower than feared and five of the six strategies outperformed their respective benchmarks as of the financial year ended, 30th September 2023.

The Assisted Decision Making (Capacity) Act 2015 (as amended) came into effect in April 2023 and the Decision Support Service (DSS) started accepting applications from that date. The Courts Service Investment Committee along with our investment advisors, Mercer Ireland, continued to meet during the year to monitor the impact the Act will have on the investment arrangements for Wards of Court. From the date of commencement of the relevant parts of the Act no new adult wardship applications have been accepted in the Wards of Court Office (i.e., persons over the age of 18) and all adult wards must be discharged from wardship within 3 years by order of Court. The Act will impact Court Funds and in particular adult Wards of Court, accordingly, funds held in the Growth Fund (ceased in October 2021) and the Moderate Diversified Fund were de-risked in preparation for the Act and in anticipation of the discharge from wardship.

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

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

Finally, I would also like to acknowledge the excellent contribution of the staff in the Accountant's Office throughout the year which has been of immense assistance and reassurance to me.



David Barniville
President of the High Court
Chairperson of the Investment Committee

12 February 2024

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 five occasions during the year to 30th September 2023. Membership as at 30th September 2023 comprised of the following individuals:

Judge David Barniville, President of the High Court, Chairperson

Judge Seamus Noonan, Court of Appeal

Judge Michael P. Walsh, Circuit Court

Judge Fiona Lydon, District Court

Mr. John Cleere, Accountant of the Courts of Justice and Assistant Secretary, Corporate Services

Ms. Alice White, Registrar, Office of the Wards of Court

Ms. Barbara Harte, Head of Court Funds, The Courts Service

Mr. Sean Quigley, Chartered Accountant, Independent Member

Mr. Kieran Bristow, Independent Member, National Treasury Management Agency

Mr. David B. Deasy, Chartered Accountant, Independent Member

Ms. MaryRose McGovern, Deputy Financial Services and Pensions Ombudsman, Independent Member

Mr. Olivier Santamaria and Ms. Orla Aherne who represent Mercer Ireland, attended all five 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 2023, the Accountants Office was managing €2.486 billion in a fiduciary capacity (2022: €2.337 billion) on behalf of 21,779 beneficiaries. Of which 2,943 beneficiaries are persons who have been declared Wards of Court (2022: 2,901) with funds valued at €1.893 billion as at 30th September 2023 (2022: €1.750 billion). A further 17,581 are minors (2022: 18,069) with funds valued at €354 million (2022: €356 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 €2.486 billion is further analysed between the three Court jurisdictions in Table 1 below.

The increase in the total value of funds by €149.9 million is attributable to a net increase from net capital transactions of €92.7 million (i.e., net excess receipts over disbursements) for the year and an increase in investment performance of €57.2 million.

Table 1: Total Net Assets under Management, by Jurisdiction as at 30th September 2023

| Jurisdiction | Net Assets € at 30/09/2022 | % | Net Assets € at 30/09/2023 | % | % Increase / (Decrease) in Net Assets |
|----------------|-------------------------------|-------------|-------------------------------|-------------|---|
| High Court | 2,120,585,883 | 90.7% | 2,271,007,756 | 91.3% | 7.1% |
| Circuit Court | 183,497,691 | 7.9% | 181,567,967 | 7.3% | -1.1% |
| District Court | 32,913,224 | 1.4% | 34,333,879 | 1.4% | 4.3% |
| Total | €2,336,996,798 | 100% | €2,486,909,602 | 100% | 6.4% |

Public Accountability

Court funds that are managed by the Accountant's 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 by our current auditor Mazars. The provision of an independent audit report is critical in providing assurance to all persons who have funds under the protection of the Courts.

In seeking to further demonstrate transparency and accountability The Courts Service has engaged with Oireachtas Committees such as the Public Accounts Committee, the Justice Committee and Deputies of the Dáil and continues to be available to do so.

Investment Protocol

During the year to 30th September 2023, 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 performance of all funds during the year 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 Assisted Decision Making (Capacity) Act 2015, (The Act) came into effect in April 2023. The provision of The Act provides for all adult wards to be discharged from Wardship over a three-year period from the date of commencement of the Act. The Act has had a significant impact on the Growth Fund and to a lesser extent the Moderate Diversified Fund. On foot of the Act, and as part of the measures put in place, its commencement will mean that when Ward Minors turn age 18, they too will be discharged from Wardship.

The commencement of Part VI of the Act will result in significant numbers of beneficiaries being discharged from Wardship. In preparation for the Act the Investment Committee approved a de-risking process for those beneficiaries whose funds will be impacted to reduce the risk of their funds incurring a financial loss between now and their date of discharge. Following consultation with our investment advisors, Mercer Ireland, the process of preparing for the transfer out of court of all adult wardship funds commenced and was completed in Q4 2021. Accordingly, all adult wardship funds were de-risked into shorter-term investment funds, this was deemed an appropriate and necessary step in managing adult ward's funds to their date of discharge. These measures are in line with our duty to act in the best interest of Wards of Court. While it is not possible to eliminate risk altogether the level of risk can potentially be materially reduced from current levels. Following this de-risking exercise, the Growth Fund was wound up in October 2021.

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. These 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 and 18 of this report.

Table 2: Courts Service Investment Protocol for the Investment of all funds as at 30th September 2023

| 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. | <ul style="list-style-type: none"> • Minors aged 17¾ years old or more, • Miscellaneous. |
| Euribor Plus Fund | Capital Preservation Objective with time horizon between 3 months - 3 years. | <ul style="list-style-type: none"> • Minors aged 15 years old or over but less than 17¾ years, • Cases Pending Further Court order, • Deceased Wards and Wards under 5 years, • Ward Minors under 5 years, • Charitable Bequests, etc. • ADM ** Wards and Ward Minors previously invested in the Moderate Balanced Fund, Diversified Fund and Moderate Diversified Funds. • 1 year worth of cash flow in respect of Ward Minors invested in the Diversified Fund for whom regular pay-outs are required. |
| Cash & Short Term Bond Fund | Between 3 - 5 years. | <ul style="list-style-type: none"> • Minors with time horizon 3 - 5 years, • Ward Minors with time horizon less than 5 years, • Wards & Ward Minors with a time horizon over 5 years with less than €100,000. |
| Moderate Balanced Fund Includes Currency Hedge | Between 5 - 8 years. | <ul style="list-style-type: none"> • Minors aged 10 years old or over but less than 13 years old. • ADM** Wards of Courts with (a) time horizon of > 5 years and > €100k (b) more than 18 months to discharge (c) Ward Minors between 18 months to 8 years to discharge. |
| Diversified Fund Includes Target Volatility Triggers (TVT)* Overlay and Currency Hedge | More than 8 years. | <ul style="list-style-type: none"> • Minors aged under 10 years old. • ADM** Ward Minors (a) under the age of 13 and > 100k (b) Ward Minors continuing to Wardship and (c) Ward Minors with > 8 years to discharge. |

| SSGA Spectrum Strategy | Time Horizon of Funds held in Court | Class of Beneficiary |
|---------------------------|--|--|
| 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. | <ul style="list-style-type: none"> Wards who have received a court award following a catastrophic injury (based on the precedent set in the Russell v HSE judgement) and have > 18 months to expected discharge date |

* SSGA's Target Volatility Triggers (TVT) strategy dynamically adjusts the exposure to equities within a portfolio to target a specific level of portfolio risk. It should be noted that the aim of the TVT strategy is to protect against very large falls in equity markets and it will not protect against all market declines. The normal ebb and flow of markets will not be eliminated but it would seek to protect against the catastrophic falls that can have such long-lasting negative impacts on beneficiaries' funds.

** ADM – Refers to the phased de-risking of Wards and Ward Minors as a result of the Assisted Decision Making (Capacity) Act 2015 and in advance of their discharge.

Based on an assessment of adult wards and in light of the Assisted Decision-Making (Capacity) Act 2015, the investment time horizon of adult wards is now more predictable. Accordingly, de-risking measures saw the movement of funds from the Growth Fund (which was wound up in October 2021) and the Moderate Diversified Fund into shorter term investment funds namely the Diversified Fund, the Moderate Diversified Fund and the Euribor Plus Fund. The class of beneficiary is set out in the Table 2 above. This was a necessary step in protecting beneficiaries' funds between now and their date of discharge. These beneficiaries in turn will be further de-risked to the Euribor Plus Fund when circa 18 months from their expected date of discharge.

Separate Cash Holding

For those Ward Minors who were previously invested in the Growth Fund, where regular pay outs are required, but who have been switched to the Diversified Fund, an estimate of 1 year of regular cash flow will be made. At present this sum is kept in the Euribor Plus Fund where the remainder will be available for investment in another strategy.

SSGA's Target Volatility Triggers (TVT) Strategy

The SSGA Target Volatility Triggers (TVT) Strategy came into effect in April 2015 for both the SSGA Spectrum Diversified Fund and the SSGA Spectrum Growth Fund, however the SSGA Spectrum Growth Fund was wound up in October 2021 in preparation for the Assisted Decision (Making) Capacity Act and TVT for this fund ceased from that date. 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. 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 SSGA TVT Strategy operates to reduce the allocation to equities at times of market volatility, and thereby provides a degree of protection to beneficiaries while ensuring that they could still benefit from gains on 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 impacts on beneficiaries' funds. One of the most significant benefits of using TVT for Court Fund beneficiaries has been the reduction in volatility. The cost of operating the TVT is an additional 2.7bps for the Spectrum Diversified Fund.

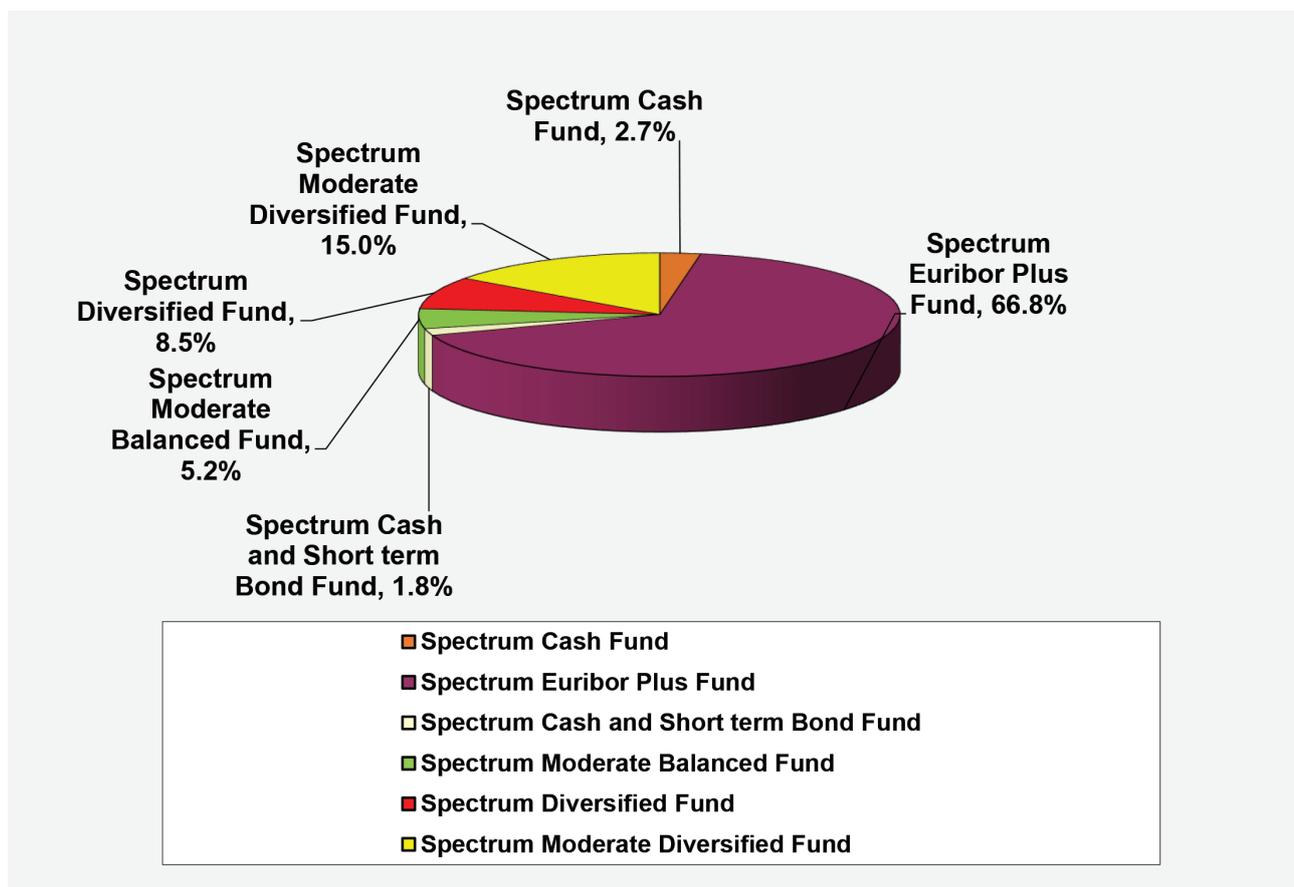
SSGA's Currency Hedge Overlay

A currency hedge overlay was implemented in November 2016 on both the SSGA Spectrum Moderate Balanced Fund and the SSGA Spectrum Diversified Fund. Its aim is to protect against significant currency fluctuations. 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 0.05% and 0.15% on the SSGA Spectrum Moderate Balanced and Diversified Funds respectively.

SSGA's Investment Strategies

As at the 30th September 2023 in excess of €2.402 billion or 96% of the Accountant's Office total funds under management, were invested in the SSGA Investment Strategies (2022: €2.213 billion or 95%). An analysis of these funds by the underlying individual Spectrum Strategies is shown in **Table 3** below, which reflects de-risking measures taken in preparation for the Act 2015.

Table 3: Percentage Allocation of Court Funds to each SSGA Spectrum Investment Strategy as at the 30th September 2023



The total amount of €2.402 billion invested in the unitised funds can be further analysed between the High Court (€2.194 billion), Circuit Courts (€175 million) and District Courts (€33 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 2023

| Jurisdiction | Investments In SSGA Strategies € at 30/09/2022 | % | Investments In SSGA Strategies € at 30/09/2023 | % | % Increase or (Decrease) in Funds Invested in SSGA Investments |
|----------------|--|-------------|--|-------------|--|
| High Court | 2,004,117,854 | 90.5% | 2,193,688,942 | 91.3% | +0.8% |
| Circuit Court | 177,581,285 | 8.0% | 175,165,281 | 7.3% | -0.7% |
| District Court | 32,081,100 | 1.5% | 33,568,219 | 1.4% | -0.1% |
| Total | 2,213,780,239 | 100% | 2,402,422,442 | 100% | |

Overall, there was an increase of 8.5% in the value of Court Funds invested in the SSGA Investment Strategies in the period under review.

Table 5 shows the target composition mix of assets that each strategy invests in. Each fund is rebalanced on a quarterly basis as per the benchmark weights shown below, except for the equity allocation in the SSGA Spectrum Diversified which is rebalanced to the TVT position at the quarter end. There were four Target Volatility Trigger (TVT) adjustments made to the equity weightings in respect of the Spectrum Diversified strategy during the financial year under review. These occurred on 18th January 2023, 1st March 2023, 24th May 2023, and 21st June 2023. The latter resulting in the composition mix for the strategy being returned to its original weighting.

Table 5: Target Composition Mix of the Investment Strategies since Inception and as at 30th September 2023

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

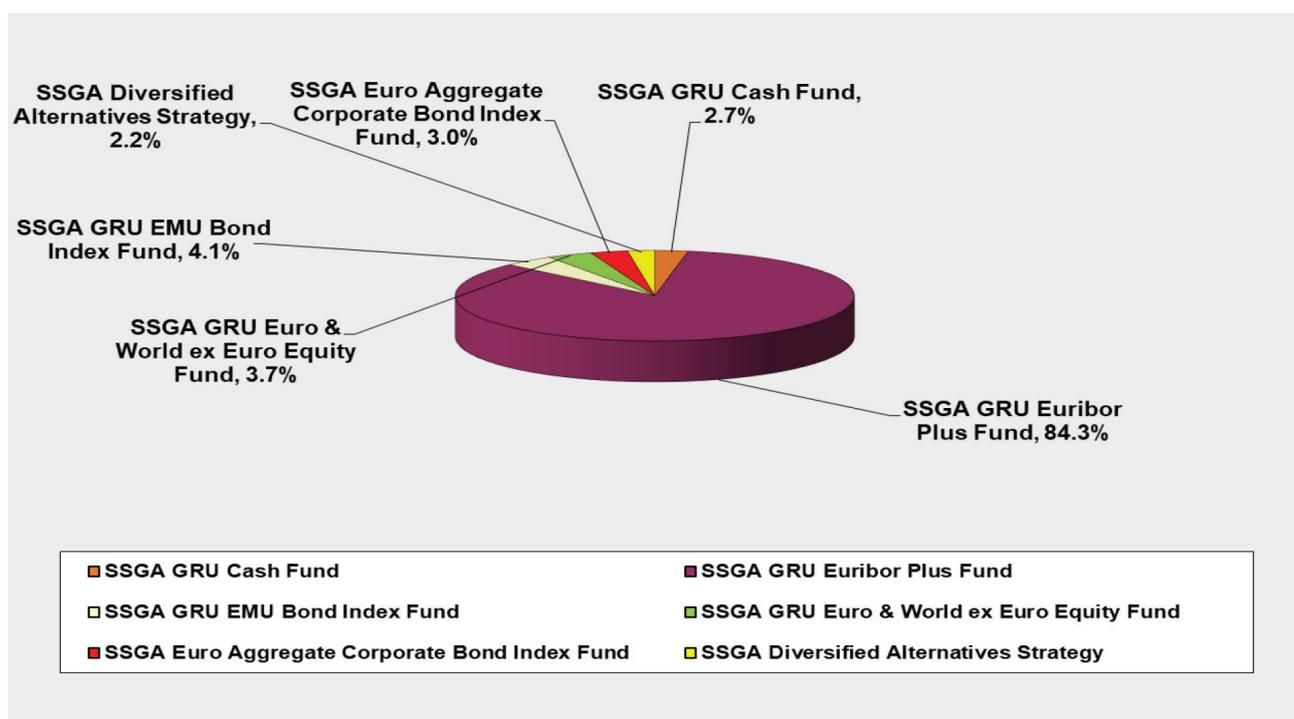
* Gross Rolled Up (GRU).

** The TVT triggered four times during the year ended 30th September 2023.

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 €2.090 billion (2022: €1.867 billion) or 87% (2022: 84.4%) of funds invested in the SSGA investment strategies, are held in cash-based assets. The increase in cash-based assets is a direct result of the de-risking measures taken in advance of the commencement of the Assisted Decision-Making (Capacity) Act 2015. A total of €311.7 million (2022: €346.9 million) or 13% (2022: 15.6%) is invested in 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 2023



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 funds results relative to their investment objectives and benchmarks. The Committee, along with its Investment Advisors (Mercer Ireland) and Fund Managers (State Street Global Advisors) monitor investment performance of all funds and report at 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 five of the six strategies exceeded their respective benchmarks on a gross basis, with the exception of the Diversified Fund. The Diversified Fund underperformed its benchmark by -0.55% which is a result of the alternatives component of this fund. Performance trends for the remaining five funds are consistent with the investment benchmarks of each strategy.

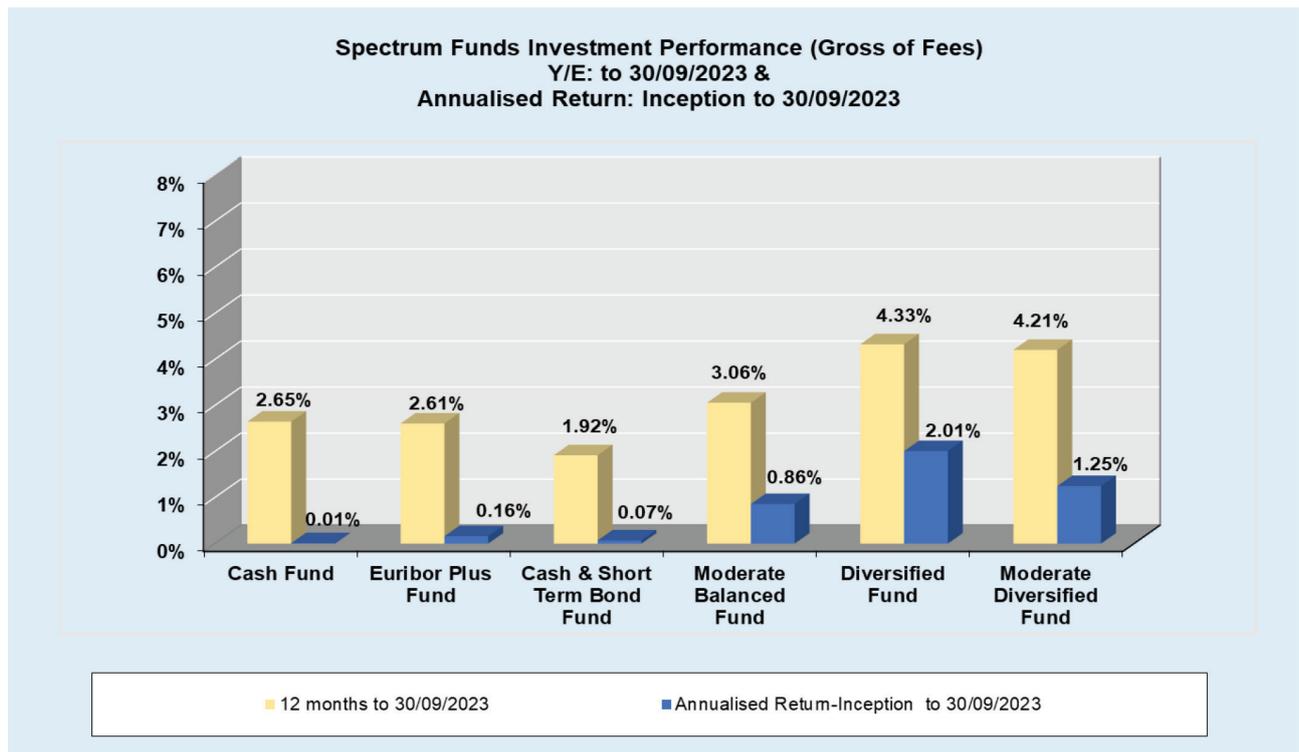
Table 7: Spectrum Funds Gross Returns v Benchmark for the year to 30th September 2023

| SSGA Spectrum Portfolio Return | Cash Fund | Euribor Plus Fund | Cash & Short Term Bond Fund | Moderate Balanced Fund | Diversified Fund | Moderate Diversified Fund |
|--|-----------|-------------------|-----------------------------|------------------------|------------------|---------------------------|
| Gross Return 1 Year | 2.65% | 2.61% | 1.92% | 3.06% | 4.33% | 4.21% |
| Fund Benchmark Return 1 Year % | 2.50% | 2.11% | 1.57% | 2.71% | 4.88% | 3.87% |
| Out/(Under) Perform Benchmark (Gross Return Basis) | 0.15% | 0.50% | 0.35% | 0.35% | -0.55% | 0.34% |

Table 8 shows the investment performance gross of fees for all strategies for the current financial year, covering the period from 1st October 2022 to 30th September 2023 and the annualised return since inception. The gross returns, before management, custodian, and administration fees, for the year ending 30th September 2023 were as follows:

Cash Fund 2.65%, Euribor Plus Fund 2.61%, Cash and Short Term Bond Fund 1.92%, Moderate Balanced Fund 3.06%, Diversified Fund 4.33%, and Moderate Diversified Fund 4.21%.

Table 8: SSGA Spectrum Funds Cumulative Investment Performance (Gross of Fees) to 30th September 2023



Negative interest rates had been the norm in recent years as a result of the ECB monetary policy. At the end of the financial year and after a prolonged period of negative interest rates, the European Central Bank (ECB) monetary policy abolished negative interest rates in late 2022. The result of which has meant that cash-based funds (i.e., Cash Fund, Euribor Plus Fund and the Cash & Short Term Bond Fund) are now generating positive returns which is a significant change to the previous twelve months. This is particularly welcome given that for the year under review a large proportion of our funds are held in cash-based assets. The performance of these funds gross of fees were Cash Fund 2.65%, Euribor Plus Fund 2.61% and Cash & Short Term Bond Fund 1.92%. This compares favourably over the previous year when the comparatives were -0.43%, -0.52% and -1.69% respectively.

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 24th 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 (as set out in **Table 9**), 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 Sub-Funds (each a 'Sub-Fund' or the 'Sub-Funds'):

Table 9: Spectrum Unit Trust Fund Structure and Launch Date

| Sub-Fund | Launch Date |
|---|--------------------|
| State Street Spectrum Euribor Plus Fund | 10th December 2003 |
| State Street Spectrum Cash Fund | 10th December 2003 |
| State Street Spectrum Cash and Short-Term Bond Fund | 10th December 2003 |
| State Street Spectrum Diversified Fund | 9th October 2013 |
| State Street Spectrum Moderate Balanced Fund | 9th October 2013 |
| State Street Spectrum Moderate Diversified Fund | 20th March 2019 |
| State Street Spectrum Growth Fund* | 10th December 2003 |

**The State Street Spectrum Growth Fund was liquidated on 20th October 2021*

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

Fund Objectives

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. The investment objective of the Sub-Fund is to achieve enhanced cash returns in excess of the ICE BofA Euro Currency 3-Month Deposit Bid Rate Constant Maturity Index using a fundamental macro and credit research approach. In order to meet this objective, the Sub-Fund invests up to 100% of its assets in State Street 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. This Fund is aimed at Minors aged 15 years old or over but less than 17 $\frac{3}{4}$, Deceased Wards and Wards under 5 years, Ward Minors under 5 years, Wards 3 years cash holding requirement, Charitable Bequests amongst others. As a result of the Assisted Decision Making (Capacity) Act this Fund includes Wards and Ward Minors as part of de-risking measures undertaken in preparation for their expected date of discharge.

The benchmark for the State Street Spectrum Euribor Plus Fund is the ICE BofA Euro Currency 3-Month Deposit Bid Rate Constant Maturity Index.

SSGA Spectrum Cash Fund:

This is the lowest risk strategy available and is aimed primarily at beneficiaries with very short-term investment horizons. The investment objective of the Sub-Fund is 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% of its assets in State Street GRU Euro Cash Fund.

The benchmark for the State Street Spectrum Cash Fund is the 7 Bloomberg Xestron Index.

SSGA Spectrum Cash & Short Term Bond Plus Fund:

The investment objective of the Sub-Fund is to generate income while maintaining a high level of risk control. This is to be achieved primarily by the Sub-Fund investing in the State Street GRU Euribor Plus Fund and in the State Street GRU EMU Bond Index Fund. This Fund is aimed at Minors aged 13 years old or over but less than 15, Ward Minors over 5 years with less than €100,000.

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

SSGA Spectrum Diversified Fund:

The investment 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 State Street GRU Euribor Plus Fund and other Sub-Funds of State Street Gross Roll Up Unit Trust such as State Street GRU Euro Index Equity Fund, State Street GRU World Ex Euro Index Equity Fund and State Street GRU EMU Bond Index Fund.

In 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. TVT was implemented in November 2016. The Fund is aimed primarily at beneficiaries with an investment time horizon for more than 8 years. This Fund is aimed at Minors aged under 10 years old. As a result of the Assisted Decision Making (Capacity) Act this Fund includes Wards and Ward Minors as part of de-risking measures undertaken in preparation for their expected date of discharge.

The benchmark for the State Street Spectrum Diversified Fund is a composite of 50% ICE BofA Euro Currency 3-Month Deposit Bid Rate Constant Maturity Index, 22.50% FTSE All World Developed Index (75% Hedged) and 27.50% FTSE EMU Government Bond Index 1-3 Years.

SSGA Spectrum Moderate Balanced Fund:

The investment 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 State Street GRU Euribor Plus Fund and other Sub-Funds of State Street Gross Roll Up Unit Trust such as State Street GRU Euro Index Equity Fund, State Street GRU World Ex Euro Index Equity Fund and State Street GRU EMU Bond Index Fund. The Fund is aimed primarily at beneficiaries with an investment time horizon of between 5-8 years. This Fund is aimed at Minors aged 10 years old or over but less than 13 years old.

The benchmark the State Street Spectrum Moderate Balanced Fund is a composite of 70% ICE BofA Euro Currency 3-Month Deposit Bid Rate 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 investment objective of the Sub-Fund is primarily to seek to achieve a moderate level of growth over the medium to long term. This is to be primarily achieved by investing the assets of the Sub-Fund in State Street GRU Euribor Plus Fund and other Sub-Funds of State Street Gross Roll Up Unit Trust such as State Street GRU Euro Index Equity Fund and State Street GRU World Ex Euro Index Equity Fund. As a result of the Assisted Decision Making (Capacity) Act this fund was partially de-risked in Q4 2021 in preparation of the commencement of this Act.

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% ICE BofA Euro Currency 3-Month Deposit Bid Rate Constant Maturity Index.

This Fund is aimed primarily at Wards of Court cases where the award was determined using a lower rate of return established in the Russell v HSE judgement.

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:** The Board of the Courts Service in 2001 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 7). The Committee is guided in its work by independent investment advice from its investment advisors Mercer Ireland. The Committee meet on a regular basis to monitor investment performance and ongoing suitability of investment strategies. It also reviews reports from the Accountant of the Courts of Justice, Investment Advisors, and Investment Managers.
- **Investment Advisors:** During the year under review Mercer 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 the Fund managers. They will also support the Courts Service and Investment Committee in the selection and appointment of investment managers and custodians.
- **Investment Managers:** State Street Global Advisors Funds Management Limited were appointed Fund managers in 2012. An 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. The Investment Managers contract went to tender in late 2023 and it is anticipated that the contract for such services will be awarded in 2024. The Courts Service and the Investment Committee has a practice of tendering for the provision of Investment Management Services. The purpose of which is to ensure that the Courts have the most suitable Investment Manager in place who can best help in achieving our objectives and ensuring value-for-money for beneficiaries.
- **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 an independent external auditor. Due to the previous contract expiring following the audit of the 2022 financial statements it was necessary to re-tender for these services. A Supplementary Request for Tender (SRFT) for provision of services of an independent external auditor was issued in May 2023 and a new contract was awarded to Mazars in June 2023. The annual financial statements are required to be submitted to the Minister for Justice and the Minister for Public Expenditure, NDP delivery and Reform.

- **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 appropriate 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

Negative ECB interest rates were eradicated in late 2022 which was very welcome. For the year under review Bank of Ireland (BOI) charged the Accountant's Office bank charges only on its current account. The Courts Service do not pass these charges on to beneficiaries. The total bank charges paid by the Accountant's Office to Bank of Ireland during the year ended 30th September 2023 amounted to €3,635 (2022: €427,904, which included negative interest rates as charged by the bank).

At the year ended 30th September 2023, the total value of funds managed by the Accountant's Office was €2.486 billion (2022: €2.337 billion), which represented an increase of €149.9 million (6.3%) compared with the previous financial year. During the year under review 56,139 financial transactions (2022: 51,719) were processed by the Accountant's Office. The number of beneficiaries decreased to 21,779 from 22,345 for the year ending 30th September 2023. Over 95% of all payments processed in the Accountant's Office for the financial year under review were within the key performance indicators with 68% of all the payments processed electronically.

The investment of Court funds is kept under constant review and the value of investments recorded as at the 30th September 2023 are subject to market fluctuations and any prevailing unforeseen events which could impact on the market and the value of investments held.

Assisted Decision Making

The Assisted Decision Making (Capacity) Act came into effect in April 2023 and the Decision Support Service (DSS) started accepting applications from the 26th April 2023. From the date of commencement of the relevant parts of the Act no new adult wardship applications have been accepted in the Wards of Court Office (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 Courts Service Investment Committee considered the impact of the Act, in particular the commencement of Part VI of the Act. The implementation of the provisions of the legislation will

have significant implications for the investment of court funds. In October and November 2021, the Investment Committee, in consultation with our investment advisors Mercer, decided to move all funds out of the Growth Fund, in addition to adult wards in the Moderate Diversified Fund, into shorter term investment funds. The Growth fund was wound down in October 2021 as a result. Similarly, Wards of Court upon reaching the age of 16.5 years are also de-risked into the Euribor Plus Fund in preparation for their discharge. These necessary steps are designed to protect beneficiaries' funds between now and the date of discharge and is in line with our fiduciary duty to act in the best interest of these wards of court.

Appreciation

I would like to thank all the staff of the Accountant's Office for their continued excellent work throughout another challenging year. Through their dedication and commitment, they have contributed significantly to delivering an excellent service to both beneficiaries and stakeholders alike. 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: 12 February 2024

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 €1.893 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, they have the responsibility for the management of affairs of Wards of Court. The day-to-day management is delegated by them 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, in conjunction with the Investment Committee, 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, their ongoing financial needs and life expectancy.

The Assisted Decision Making (Capacity) Act 2015 (the 2015 Act) will bring into effect a new legislative framework for supported decision-making in Ireland. It includes new statutory principles and practical supports for persons who may have difficulties with their decision-making capacity, including but not limited to persons with an intellectual disability, psychiatric illness, acquired brain injury, or age-related condition such as dementia.

This new legal framework introduces a tiered system of supports based on the different levels of support that a person requires to make a specific decision at a specific time. There are three levels of support for people who currently, or may shortly, face challenges when making certain decisions:

1. Decision-making assistant agreement
2. Co-decision-making agreement
3. Decision-making representation order

The Act commenced on the 26th April 2023 and the Decision Support Service started accepting applications at that time. From the date of commencement of the relevant parts of the Act no new adult wardship applications have been accepted in the Wards of Court Office (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 Act will impact Court Funds and as such the Growth Fund and the Moderate Diversified Fund were de-risked in preparation for the 2015 Act with the Growth Fund being wound down in October 2021.

The Wards of Court Office continues its planning for the Act and the discharge of all adult wards of court, this includes preparation and distribution of information to Committees and Wards, participation in various webinars and online Q&A sessions for Committees and Wards of Court.

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 investment 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 one year period ending 30 September 2023 (the "Reporting Period") global bond markets were initially volatile, with inflation remaining the key concern. While headline inflation was observed to be lower, and commodity prices had declined, pockets of core inflation remained a concern for investors and policy makers. The global tightening cycle of major central banks were quite advanced, however central banks remained keen to keep rates high and financial conditions tight, to ensure that inflation continued to decline. During the Reporting Period, the US Federal Reserve ("the Fed") raised US policy rates by a total of 2.25%, while the European Central Bank (the "ECB") raised their key policy rate by 3.25% to 4.5%.

The collapse of Silicon Valley Bank and Credit Suisse demonstrated how fragile investor confidence had become and this resulted in significant market turbulence. However, despite the collapse of Credit Suisse and the forced take-over by UBS, the financial sector contagion was relatively contained in Europe, primarily due to the far stricter regulatory environment in which European banks operate, from both a liquidity and capital perspective. Despite the challenging backdrop, bond returns remained quite resilient midway into the Reporting Period, as investors anticipated the potential ending of the tightening cycle. Investor sentiment however stabilized and broader contagion did not materialize.

Late in the Reporting Period, economic growth resilience in the US, a robust labour market and concerns over rising US debt issuances weighed in on the Treasury markets returns. The US 10 year Treasuries closed at 4.57% ending September, an increase of 0.74% from the start of the Reporting Period. In China, growth data that was released highlighted the real estate sector's drag on the Chinese economic recovery. In an effort to bolster the shaky economy, the People's Bank of China lowered its one-year loan prime rate by 10 bps to 3.45% in August, which is a record low.

Meanwhile in Europe, inflation was mostly on a downward trajectory during the Reporting Period. The HCOB Eurozone Composite Purchasing Managers Index ("PMI") came in at 47.20 at the end of the Reporting Period, falling consistently in the last few months. The latest numbers for the PMI signalled a stalling of the region's economy due to a deepening downturn in factor output and softer expansion in services activity. Yields on German 10 year bunds increased to 2.84%, from the level of 1.96% during the beginning of the Reporting Period. Italian and Spanish 10 year bonds rose to 4.22% and 3.93% from the levels of 4.14% and 3.29% respectively. The shorter end of the European yield curves also saw slight movement late in the Reporting Period, with the 2 year German bunds closing at 3.20%. Corporates outperformed Treasuries with credit spreads narrowing. Despite a weaker growth trajectory, Euro credit outperformed their USD counterparts.

Equity Review

The global stock markets experienced significant fluctuations over the Reporting Period as they encountered various difficulties and opportunities. The year commenced with a robust recovery in the last quarter of 2022, propelled by China's relaxation of its Covid-19 measures and a surge in European equities. However, escalating inflation and monetary contraction by major central banks impaired the market confidence and elevated the government bond yields. Commodities, particularly industrial metals, profited from the global demand revival. In the first quarter of 2023, the markets disregarded the impact of Silicon Valley Bank's failure and persisted to advance, with growth stocks surpassing value stocks. Government bond yields declined as recession concerns diminished. In the second quarter of 2023, the US market spearheaded the global progress, stimulated by the Artificial Intelligence ("AI") industry. Interest rates were increased by most central banks, except the US Fed,

which maintained its policy, unaltered, in June. Government bond yields ascended again as inflation anticipations intensified. In the third quarter of 2023, the markets reversed their gains and registered a negative return, as investors became prudent about the global growth prospects. Government bonds also incurred losses, while commodities, especially energy, soared amid supply limitations from major oil producers.

The MSCI All Country World Index gained 12.30% (in EUR) during the Reporting Period. Developed markets (“DM”) performed better as compared to emerging markets (“EM”), during the Reporting Period.

The Eurozone stock market had a mixed performance in the Reporting Period, as it faced various headwinds and tailwinds. While MSCI Europe returned 20% over the period, there was significant dispersion in returns, for example, MSCI Switzerland, which was the centre point of the banking crisis in Europe, returned only 8.4% (in EUR terms). The market started the Reporting Period with a strong rally in the last quarter of 2022, outpacing other regions and benefiting from a broad-based recovery in cyclical sectors. The momentum continued in the beginning of 2023, despite some turbulence in the banking sector due to the collapse of Silicon Valley Bank and the rescue of Credit Suisse. The information technology (“IT”) sector led the gains, supported by the demand for semiconductors and the prospects of AI. Later in the Reporting Period, the market advanced further, with the financial and IT sectors leading the way. However, the IT sector faced some challenges from the Dutch government’s decision to restrict chip exports to China. Towards the end of the Reporting Period, the market declined, as investors worried about the impact of higher interest rates on economic growth and consumer spending. However, inflation data showed some signs of easing, which could allow the ECB to stop raising rates. The consumer discretionary and IT sectors were among the worst performers in the quarter.

The UK stock market had a volatile year over the Reporting Period, as it faced political and economic uncertainties. The market rose towards the end of 2022, as the new Chancellor pledged fiscal discipline after a September crisis. The market continued to rise through the early months of 2023, as cyclical sectors recovered from the energy crisis and hopes for lower interest rates emerged. However, as commodity prices weakened, sterling strengthened, and the Bank of England raised rates twice, the markets fell briefly. Towards the end of the Reporting Period, markets rose, as energy and materials sectors rebounded, consumer confidence improved, and inflation eased. Market interest rates were stable, unlike other major economies.

Over the Reporting Period, S&P 500 returned 12.50% in EUR terms; however, the picture was quite different in small and mid-caps, with the S&P 400 returning 6.90% and Russell 2000 returning 0.80%. At the beginning of the Reporting Period, the market rose strongly, led by energy stocks, and supported by signs of slowing inflation and policy tightening. As 2023 set in, the market continued to rise, despite the Silicon Valley Bank turmoil, as the Fed raised rates twice and inflation cooled further. Technology stocks were the main drivers of growth, while energy and healthcare lagged. IT stocks also gained over the period amid AI enthusiasm. In the first half of 2023, consumer discretionary and communication services also did well, while energy and utilities underperformed. Towards the end of the Reporting Period, the market fell, as investors lost confidence in the Fed’s “soft landing” scenario and feared a prolonged period of higher rates. The revised dot plot (which displays the interest rate projections of individual FOMC members) indicated more rate hikes ahead. Energy stocks were relatively stable, but most sectors declined, especially IT and real estate. The Magnificent Seven also weighed on the market.

EM outperformed DM in the beginning of the Reporting Period, helped by a weaker US dollar, and expectations of a shallow recession, as the markets expected the Fed to slow down on tightening (i.e., slow down on rate hikes). An earlier and more comprehensive than expected relaxation of the dynamic Zero - Covid policy by the Chinese authorities also boosted sentiment. However, in 2023, EM

lagged the MSCI World index. Tension between the US and China was a contributing factor behind EM underperformance, as were concerns about China's slow economic recovery. US debt ceiling uncertainty added to the negative mood, although this was resolved in early June. Towards the end of the Reporting Period, concerns that strength in the US economy will keep interest rates higher for longer had a negative impact on risk appetite. This, combined with ongoing weakness in the Chinese economy, along with concerns about the property sector dragged EM lower. EM were lower by 3.80% over the Reporting Period in EUR terms.

Performance and Strategy Review

| Gross of fees performance (% for the year ended 30 September 2023) | | | |
|--|-------------------|------------------|--------------------------|
| Sub-Fund | Sub-Fund Return % | Benchmark Return | Performance vs benchmark |
| State Street Spectrum Cash Fund | 2.65% | 2.50% | 0.15% |
| State Street Spectrum Moderate Balanced Fund | 3.06% | 2.71% | 0.36% |
| State Street Spectrum Moderate Diversified Fund | 4.21% | 3.87% | 0.34% |
| State Street Spectrum Diversified Fund | 4.33% | 4.88% | (0.55)% |
| State Street Spectrum Cash and Short Term Bond Fund | 1.92% | 1.57% | 0.35% |
| State Street Spectrum Euribor Plus Fund | 2.61% | 2.11% | 0.50% |

Notes:

Returns are for the 12 months from 1 October 2022 to 30 September 2023 and are in Euro terms.

The benchmark for the State Street Spectrum Cash Fund is the Bloomberg Xestron Index.

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

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 and 55% ICE BofA Euro Currency 3-Month Deposit Bid Rate Constant Maturity Index.

The benchmark for the State Street Spectrum Diversified Fund is a composite of 50% ICE BofA Euro Currency 3-Month, Deposit Bid Rate 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 for the State Street Spectrum Cash and Short Term Bond Fund is a composite of 70% ICE BofA Euro Currency 3-Month Deposit Bid Rate Constant Maturity Index and 30% FTSE EMU Government Bond Index 1-3 Years.

The benchmark for the State Street Spectrum Euribor Plus Fund is the ICE BofA Euro Currency 3-Month Deposit Bid Rate Constant Maturity Index.

State Street Spectrum Euribor Plus Fund

For the Reporting Period the gross return for the Sub-Fund was 2.61% (net return 2.49%), and the benchmark return was 2.11%. The Sub-Fund invests substantially all of its assets in State Street GRU Euribor Plus Fund which invests in a diversified portfolio of high quality, Euro denominated money market instruments and short-term debt and debt related instruments.

State Street Spectrum Cash Fund

For the Reporting Period the gross return for the Sub-Fund was 2.65% (net of fees 2.54%), and the Benchmark return was 2.50%. The Sub-Fund invests substantially all of its assets in State Street 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, and earn current income.

State Street Spectrum Cash and Short Term Bond Fund

For the Reporting Period the gross return for the Sub-Fund was 1.92% (net return 1.70%), and the benchmark return was 1.57%. The Sub-Fund primarily invests in the State Street GRU Euribor Plus Fund and in the State Street GRU EMU Bond Index Fund (in the ratio 70%/30%), seeking to generate income while maintaining a high level of risk control.

The State Street GRU Euribor Plus Fund was the major contributor to the Sub-Fund's relative performance, which comprises approximately 70% of the State Street Spectrum Cash and Short-Term Bond Fund.

State Street Spectrum Diversified Fund

For the Reporting Period the Sub-Fund returned 4.33% vs benchmark of 4.88%. The Sub-Fund underperformed its benchmark by 55 bps.

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. At the end of April 2015, the Sub-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 Sub-Fund in periods of heightened volatility thus offering an element of protection to unit holders.

On an absolute basis, developed market equities and cash were the major contributors to the Sub-Fund's total performance. Equities rallied amid easing inflation, optimism around artificial intelligence technologies, stronger-than-expected corporate earnings and a deal to raise the US debt ceiling. Cash contributed positively amid rising yields.

The top positive contributor to the Sub-Fund's relative performance during the Reporting Period:

- SSGA GRU Euribor Plus Fund, which outperformed its underlying benchmark, was the major contributor to the Sub-Fund's relative performance.

The top negative contributor to the Sub-Fund's relative performance during the Reporting Period:

- Developed market ("DM") equities were the major detractors. Given that the DM TVT strategy had not fully re-risked during the first half of the Reporting Period, the portfolio did not fully participate in all of the equity market rally. The developed equity component had a negative contribution of 0.82% to the Sub-Fund's relative performance.

TVT strategy

At the beginning of the Reporting Period, the strategy's equity exposure was approximately 64%. Forecasted volatility for developed markets remained elevated and above the 12% target volatility in the last quarter of 2022 as global economic activity continued to be on course for a sharp slowdown, with purchasing manager indices having slipped into contraction, inflation remained higher, supporting hawkish action from central banks. There were no trades implemented during the last quarter of 2022, as the changes in forecasted volatility did not trigger the 10% trading threshold.

Our volatility forecasts for DM equities trended down in 2023 as several incoming signals supported the peak inflation narrative and engendering hopes of an end to the rate increasing cycle. The decline in the forecasted volatility triggered a series of trades designed to invest back into developed market equities. The strategy was gradually re-risked since January, moving the equity exposure to 85% by early March, 96% by the end of May and 100% by mid-June. At the end of the Reporting Period, when viewed as a percentage of the developed market equity allocation, the TVT strategy was fully invested.

Since inception, the strategy has returned 6.1% p.a. It has achieved this return whilst taking on less risk (12%) than the FTSE All World Developed Index (15.70%) resulting in a Sharpe ratio of 0.51, against a benchmark Sharpe ratio of 0.52. The strategy's maximum drawdown since inception was -22.6%, whereas the FTSE All World Developed Index maximum drawdown since inception was -33.7%. In addition, the beta of the strategy to the market has been 0.72 since inception.

Standard deviation: The standard deviation is often used by investors to measure the risk of a portfolio. The basic idea is that the standard deviation is a measure of volatility: the more a portfolio's returns vary from the portfolio's average return, the more volatile the portfolios.

Sharpe ratio: A measure that indicates the average return minus the risk-free return divided by the standard deviation of return on an investment. A higher Sharpe ratio, the higher the excess return over cash is generated for each unit of risk.

Beta: By definition, the market (the FTSE All World Developed Index) has a beta of 1.0. A portfolio swings more than the market over time has a beta above 1.0. If a portfolio moves less than the market, the portfolio's beta is less than 1.0. A beta of less than 1.0 also means that the portfolio is less correlated than the market.

State Street Spectrum Moderate Balanced Fund

For the Reporting Period the Sub-Fund returned 3.06% versus benchmark of 2.71%. The Sub-Fund outperformed its benchmark by 0.36%.

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.

On an absolute basis, cash and developed market equities were the major contributors to the Sub-Fund's total performance. Cash contributed positively amid rising yields. Equities rallied driven by easing inflation, optimism around artificial intelligence technologies, stronger-than-expected corporate earnings and a deal to raise the US debt ceiling.

The top positive contributor to the Sub-Fund's relative performance during the Reporting Period:

- SSGA GRU Euribor Plus Fund, which outperformed its underlying benchmark, was the primary driver of relative performance.

There were no major negative contributors.

State Street Spectrum Moderate Diversified Fund

For the Reporting Period the Sub-Fund returned 4.21% versus benchmark of 3.87%. The Sub-Fund outperformed its benchmark by 0.34%.

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 Euribor Plus Fund, SSGA GRU Euro Index Equity Fund and SSGA GRU World ex-EU Equity Index 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.

On an absolute basis, developed market equities were the primary drivers of the Sub-Fund's strong performance driven by easing inflation, optimism around artificial intelligence technologies, stronger-than-expected corporate earnings and a deal to raise the US debt ceiling. Cash contributed positively amid rising yields. Euro corporate bonds aided total performance as spreads narrowed during the Reporting Period.

The top positive contributors to the Sub-Fund's relative performance during the Reporting Period:

- SSGA GRU Euribor Plus Fund, which outperformed its underlying benchmark, was the major positive contributor to the Sub-Fund's relative performance.
- Within Diversified Alternatives, high yield bonds, emerging market bonds and corporate bonds along with the absolute return component were also major positive contributors.

The top negative contributors to the Sub-Fund's relative performance during the Reporting Period:

- The Diversified Alternatives component, which is measured against cash benchmark, posted positive returns but underperformed its cash benchmark, thereby having a modest negative impact on Sub-Fund's relative performance.
- Commodities, real estate, and infrastructure detracted against the backdrop of higher interest rates, weaker economic growth, and a stronger Euro.

State Street Global Advisors Ireland Limited December 2023

STATEMENT OF ACCOUNTANT'S RESPONSIBILITIES

The Office of the Accountant of the Courts of Justice (ACJ) and the position of Accountant were 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, must 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 the Minister for Public Expenditure and Reform. The basis of preparation and the accounting policies are set out on page 38 and 39.

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; and
- 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 2023 have been prepared in accordance with the accounting standards issued by the Financial Reporting Council 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. This is a continuous process, and its effectiveness is kept under ongoing review.

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 with 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: 12 February 2024



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 2023, 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 2023 and of its movement 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

In auditing the financial statements, we have concluded that the Accountant's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Office's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Accountant with respect to going concern are described in the relevant sections of this report.

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 and includes the Foreword by the Chairperson 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. 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 course of 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.

Respective responsibilities

Responsibilities of management for the financial statements

As explained more fully in the Statement of Accountant's Responsibilities, 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, to 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 the Minister for Public Expenditure and Reform. 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 determined necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Office of the Accountant of the Courts of Justice, 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.



Mazars
for and on behalf of Mazars
Chartered Accountants & Statutory Audit Firm Dublin 2

12 February 2024

STATEMENT OF FINANCIAL POSITION AT 30TH SEPTEMBER 2023

| | Notes | 30/09/2023 € | 30/09/2022 € |
|---|-------|----------------------|----------------------|
| Financial assets at fair value through profit or loss | 5 | <u>2,415,881,180</u> | <u>2,227,493,245</u> |
| CURRENT ASSETS | | | |
| Debtors | 6 | 52,535,448 | 50,797,337 |
| Cash and cash equivalents | 7 | <u>23,018,067</u> | <u>60,988,106</u> |
| TOTAL CURRENT ASSETS | | <u>75,553,515</u> | <u>111,785,443</u> |
| CURRENT LIABILITIES | | | |
| Creditors | 8 | <u>(4,525,093)</u> | <u>(2,281,890)</u> |
| TOTAL CURRENT LIABILITIES | | <u>(4,525,093)</u> | <u>(2,281,890)</u> |
| NET CURRENT ASSETS | | <u>71,028,422</u> | <u>109,503,553</u> |
| TOTAL NET ASSETS | | <u>2,486,909,602</u> | <u>2,336,996,798</u> |
| Represented by: | | | |
| Funds held for beneficiaries | 9 | <u>2,486,909,602</u> | <u>2,336,996,798</u> |

The financial statements were approved by the Accountant on 12 February 2024.



John Cleere
 Accountant of the Courts of Justice

See accompanying notes to financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2023

| | Notes | 30/09/2023 € | 30/09/2022 € |
|--|-------|--------------------------|----------------------------|
| NET REALISED AND UNREALISED GAINS / (LOSSES) | | | |
| Net realised gains on financial assets at fair value through profit or loss | 11 | 17,852,730 | 13,432,052 |
| Net change in unrealised gains / (losses) on financial assets at fair value through profit or loss | 12 | 41,343,732 | (49,331,851) |
| Net (losses) realised on transfers of assets | 13 | (83,356) | (620,869) |
| NET REALISED AND CHANGE IN UNREALISED GAINS / (LOSSES) | | <u>59,113,106</u> | <u>(36,520,668)</u> |
| Investment income | 14 | 160,940 | 68,933 |
| | | <u>59,274,046</u> | <u>(36,451,735)</u> |
| Expenses | 15 | (2,051,955) | (1,878,164) |
| INCREASE / (DECREASE) IN NET ASSETS FROM OPERATIONS | | <u><u>57,222,091</u></u> | <u><u>(38,329,899)</u></u> |

The financial statements were approved by the Accountant on 12 February 2024.



John Cleere
Accountant of the Courts of Justice

See accompanying notes to financial statements

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 SEPTEMBER 2023

| | 30/09/2023 | 30/09/2022 |
|---|-----------------------------|-----------------------------|
| | € | € |
| INCREASE / (DECREASE) IN NET ASSETS FROM OPERATIONS | | |
| Investment income less expenses | (1,891,015) | (1,809,231) |
| Net realised gains on financial assets at fair value through profit or loss | 17,852,730 | 13,432,052 |
| Net change in unrealised gains / (losses) on financial assets at fair value through profit or loss | 41,343,732 | (49,331,851) |
| Net (losses) realised on transfers out during year | (83,356) | (620,869) |
| | <hr/> | <hr/> |
| INCREASE / (DECREASE) IN NET ASSETS FROM OPERATIONS | <u>57,222,091</u> | <u>(38,329,899)</u> |
| CAPITAL TRANSACTIONS | | |
| Receipts | 304,475,319 | 410,533,468 |
| Disbursements | (211,784,606) | (254,443,165) |
| | <hr/> | <hr/> |
| INCREASE IN NET ASSETS FROM CAPITAL TRANSACTIONS | <u>92,690,713</u> | <u>156,090,303</u> |
| Total Increase in net assets for the year | 149,912,804 | 117,760,404 |
| Net assets at beginning of year | 2,336,996,798 | 2,219,236,394 |
| | <hr/> | <hr/> |
| NET ASSETS AT END OF YEAR | <u><u>2,486,909,602</u></u> | <u><u>2,336,996,798</u></u> |

See accompanying notes to financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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 cashflow 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 a cash receipts 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 the 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 changes in unrealised gains and losses on financial assets are recorded in the Statement of Comprehensive Income.

(f) Expenses

Expenses are charged to the Statement of Comprehensive Income, 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 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 makes 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 the Minister for Public Expenditure, NDP delivery and Reform and are contained in the Supreme and High Court Fees Orders.

Fees amounting to €2,048,320 (30th September 2022: €1,450,260) have been charged as a result of transactions processed by the Accountant's Office during the year ended 30th September 2023.

Included in these fees is €106,643 (30th September 2022: €129,273) in respect of Court percentages that 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 €3,176,410 (30th September 2022: €3,165,489). Total anti-dilution expenses amounted to €19,483 for the period under review (30th September 2022: €53,317).

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | 30/09/2023 | 30/09/2022 |
|-----------------------------|----------------------|----------------------|
| | € | € |
| SSGA Unitised funds | 2,402,422,442 | 2,213,780,239 |
| Managed funds | 2,432,416 | 2,667,258 |
| Equities | 2,965,352 | 2,595,764 |
| Deposit accounts | 7,604,546 | 8,035,542 |
| An Post Saving Certificates | 37,616 | 42,241 |
| Insurance policies | 418,808 | 372,201 |
| | <u>2,415,881,180</u> | <u>2,227,493,245</u> |

| | | |
|--|----------------------|----------------------|
| 6. DEBTORS | 30/09/2023 | 30/09/2022 |
| | € | € |
| Court awards not yet received | <u>52,535,448</u> | <u>50,797,337</u> |
| 7. CASH AND CASH EQUIVALENTS | 30/09/2023 | 30/09/2022 |
| | € | € |
| Cash at bank | <u>23,018,067</u> | <u>60,988,106</u> |
| 8. CREDITORS | 30/09/2023 | 30/09/2022 |
| | € | € |
| Exit tax payable | <u>(4,525,093)</u> | <u>(2,281,890)</u> |
| 9. FUNDS HELD FOR BENEFICIARIES | 30/09/2023 | 30/09/2022 |
| | € | € |
| Amounts held for wards of Court | 1,893,158,117 | 1,752,735,130 |
| Amounts held for minors | 354,226,867 | 356,286,066 |
| Amounts held for pending further order cases | 166,065,281 | 156,884,214 |
| Amounts held for charitable bequests | 2,417,362 | 2,167,681 |
| Amounts held for lodgements with defence | 10,959,391 | 11,304,721 |
| Other* | <u>60,082,584</u> | <u>57,618,986</u> |
| | <u>2,486,909,602</u> | <u>2,336,996,798</u> |

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

10. FINANCIAL RISK MANAGEMENT

State Street Global Advisors Europe Limited 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 listed below.

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

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.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

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

(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 State Street GRU Euro Cash Fund and was therefore exposed to the same market risks as State Street GRU Euro Cash Fund.

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

State Street Spectrum Cash and Short Term Bond, State Street Spectrum Moderate Balanced Fund, State Street Spectrum Moderate Diversified Fund and State Street Spectrum Diversified 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.

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 2023 and 30 September 2022, 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 Sub-Fund's net assets As at 30th September 2023 | % change in Fund's net assets As at 30th September 2022 |
|--|--|---|---|
| State Street GRU Euro Index Equity Fund | FTSE Developed Eurozone Index | 19.96% | 19.98% |
| State Street GRU World Ex Euro Index Equity Fund | FTSE Developed EX Eurobloc | 19.99% | 19.99% |
| State Street GRU EMU Bond Index Fund | FTSE EMU Government Bond Index 1-3 Years | 19.99% | 19.96% |

For example, the above analysis shows that if the FTSE Developed Eurozone Index in Euro terms at 30 September 2023 had increased by 20%, with all other variables held constant, this would have increased net assets attributable to redeemable unitholders of the State Street GRU Euro Index Equity Fund by approximately 19.96% (30 September 2022: 19.98%).

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 State Street GRU Euro Index Equity Fund by approximately 19.96% (30 September 2022: 19.98%).

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

(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 Moderate Diversified Fund is a Sub-Fund that does not exclusively invest in Euro denominated funds and is therefore directly exposed to currency risk.

As of 30 September 2023, 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 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 State Street GRU World Ex Euro Index Equity Fund. All of the State Street 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.

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 Moderate Diversified Fund through the State Street 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 Moderate Diversified 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 2023.

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

| Trading Currency | Traded Market Value | % Holding | % Movement | % Impact to NAV |
|------------------------|---------------------|-----------|------------|-----------------|
| Australian Dollar | (710,133) | 8.68% | 10% | (0.87%) |
| British Pound Sterling | (1,226,045) | 14.98% | 10% | (1.50%) |
| Canadian Dollar | (789,838) | 9.65% | 10% | (0.97%) |
| Danish Krone | (168,590) | 2.06% | 10% | (0.21%) |
| Hong Kong Dollar | (253,314) | 3.10% | 10% | (0.31%) |
| Japanese Yen | (1,808,926) | 22.11% | 10% | (2.20%) |
| Swedish Krona | (175,874) | 2.15% | 10% | (0.22%) |
| Swiss Franc | (832,877) | 10.18% | 10% | (1.02%) |
| US Dollar | (2,217,142) | 27.09% | 10% | (2.70%) |
| Total | (8,182,739) | | | |

The State Street Spectrum Growth Fund had no currency risk as at 30 September 2023 as it was liquidated on 20 October 2021 and is closed to further subscriptions. 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 2022.

| Trading Currency | Traded Market Value | % Holding | % Movement | % Impact to NAV |
|------------------|---------------------|-----------|------------|-----------------|
| US Dollar | 50,476 | 100.00% | 10% | (10.00%) |
| Total | 50,476 | | | |

The following table shows holdings and cash in each of the currencies for State Street Moderate Diversified 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 2022.

| Trading Currency | Traded Market Value | % Holding | % Movement | % Impact to NAV |
|------------------------|---------------------|-----------|------------|-----------------|
| Australian Dollar | (571,876) | 8.44% | 10% | (0.84%) |
| British Pound Sterling | (1,043,134) | 15.39% | 10% | (1.54%) |
| Canadian Dollar | (751,107) | 11.08% | 10% | (1.11%) |
| Danish Krone | (169,058) | 2.49% | 10% | (0.25%) |
| Hong Kong Dollar | (273,049) | 4.03% | 10% | (0.40%) |
| Japanese Yen | (1,643,687) | 24.25% | 10% | (2.43%) |
| Swedish Krona | (329,192) | 4.86% | 10% | (0.49%) |
| Swiss Franc | (774,915) | 11.43% | 10% | (1.14%) |
| US Dollar | (1,221,700) | 18.03% | 10% | (1.80%) |
| Total | (6,777,718) | | | |

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Interest Rate Risk

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 State Street GRU Euribor Plus Fund and State Street 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 State Street GRU Euribor Plus Fund and State Street GRU EMU Bond Index Fund in proportion to their allocation. In addition, the State Street Spectrum Diversified Fund is exposed to the State Street GRU Euro Cash Fund.

The State Street GRU Euribor Plus Fund and State Street 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 State Street GRU EMU Bond Index Fund is to track as closely as 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 State Street GRU Euribor Plus Fund and State Street 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 State Street GRU Euro Index Equity Fund and the State Street 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 State Street GRU Euro Cash Fund has a duration of 34.3 days at 30 September 2023 (30 September 2022: 29.3 days). The State Street GRU Euribor Plus Fund has a duration of 83.6 days at 30 September 2023 (30 September 2022: 55 days). All other Sub-Funds are indexed.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Interest Rate Risk (continued)

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

The following analysis explains the impact that a 1% movement in interest rates at 30 September 2023 and 30 September 2022 for State Street 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 Sub-Funds.

| Sub-Fund name | Benchmark Index | As at 30th September 2023 | | As at 30th September 2022 | |
|------------------------------------|---|---------------------------|------------------|---------------------------|------------------|
| | | Return | Benchmark return | Return | Benchmark return |
| State Street GRU Euro Cash Fund | 7 Day EUR LIBID | 2.59% | 2.50% | (0.50%) | (0.47%) |
| State Street GRU Euribor Plus Fund | ICE BofA Euro Currency 3-Month Deposit Bid Rate Constant Maturity Index | 2.56% | 2.50% | (0.58%) | (0.80%) |

(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 30 September 2023, the Sub-Funds are also indirectly exposed to the same credit risks as the funds they invest in.

As of 30 September 2023, State Street Spectrum Cash Fund invested substantially all its assets in the State Street GRU Euro Cash Fund and was therefore exposed to substantially the same credit risk as State Street GRU Euro Cash Fund and State Street Spectrum Euribor Plus Fund invested all its assets in State Street 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 30 September 2023, State Street Spectrum Euribor Plus Fund and State Street Spectrum Cash Fund invest all of their assets in respectively State Street GRU Euribor Plus Fund and State Street 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 counterparty risks as State Street GRU Euribor Plus Fund and State Street GRU EMU Bond Index Fund in proportion to their allocation. In State Street 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.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Credit Risk (continued)

The State Street GRU Euro Cash Fund, State Street GRU Euribor Plus Fund and the State Street GRU EMU Bond Index Fund hold interest-bearing securities with the following credit exposures as at 30 September 2023 and 30 September 2022.

| Sub-Fund name | As at 30th September 2023 | | As at 30th September 2022 | |
|--------------------------------------|---------------------------|------------------------|---------------------------|------------------------|
| | Investment grade | Non - investment grade | Investment grade | Non - investment grade |
| State Street GRU Euro Cash Fund | 100.00% | - | 100.00% | - |
| State Street GRU EMU Bond Index Fund | 100.00% | - | 100.00% | - |
| State Street GRU Euribor Plus Fund | 100.00% | - | 100.00% | - |

The Sub-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 Depository 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 2023, Northern Trust Corporation had a long term rating from Standard & Poor's of A+ (30 September 2022: 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, Canada, Belgium, France, Germany, Netherlands, and Saudi Arabia. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depository 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.

TNTC, in the discharge of its delegated depository 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.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Credit Risk (continued)

Where relevant please note the following currencies, Jordanian Dinar, Saudi Riyal, cash in the onshore China market (principally the currency of Chinese Yuan Renminbi, and any other currencies remitted into accounts in the onshore China market), are no longer held on the Balance Sheet of TNTC. For these off-book currencies, clients' cash exposure is directly to the relevant local sub-custodian / financial institution in the market.

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

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.

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 | 30/09/2023 | 30/09/2022 |
|---|-------------------|-------------------|
| | € | € |
| Realised gains on financial assets at fair value through profit or loss disposed of during the year | 28,613,064 | 21,207,753 |
| Less: | | |
| Exit tax (i)/(ii) | (10,752,681) | (7,760,917) |
| Anti-dilution levy and brokers commission (iii) | (7,653) | (14,784) |
| Net realised gain on financial assets at fair value disposed of during the year | <u>17,852,730</u> | <u>13,432,052</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%, in accordance with the Finance Act and is payable to Revenue.

11. NET REALISED GAINS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(iii) The anti-dilution levies are charged by the Fund Manager on subscriptions and redemptions from the unitised funds. An anti-dilution levy is an allocation of a Funds trading costs to the investments. The anti-dilution levy is used to protect the majority of investors from the costs of trading by a minority.

| 12. NET CHANGE IN UNREALISED GAINS / (LOSSES) ON FINANCIAL ASSETS AT FAIR VALUE | 30/09/2023 | 30/09/2022 |
|--|-------------------|---------------------|
| | € | € |
| Change in unrealised gains / (losses) on financial assets at fair value through profit or loss during the year | 44,531,972 | (46,127,829) |
| Less: | | |
| Investment management fees (Note 4.2) | (1,586,889) | (1,657,507) |
| Miscellaneous managed funds' fees (Note 4.2) & (i) | (1,589,521) | (1,507,982) |
| Anti-dilution levy and brokers commission (ii) | (11,830) | (38,533) |
| Net change in unrealised gains / (losses) on financial assets at fair value | <u>41,343,732</u> | <u>(49,331,851)</u> |

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

(ii) The anti-dilution levies are charged by the Fund Manager on subscriptions and redemptions from the unitised funds.

| 13. NET (LOSSES) REALISED ON TRANSFER OF ASSETS | 30/09/2023 | 30/09/2022 |
|--|-------------------|-------------------|
| | € | € |
| Net (losses) on transfers out during year | <u>(83,356)</u> | <u>(620,869)</u> |

These net losses 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 losses represent a net decrease in the value of equities at the time the equities were transferred out of Court, as directed by a Court order. The net losses referred to are a paper loss as the equities were not actually sold.

| 14. INVESTMENT INCOME | 30/09/2023 | 30/09/2022 |
|-------------------------------|-------------------|-------------------|
| | € | € |
| Deposit Interest | 3 | 0 |
| Dividends | 77,424 | 67,977 |
| Interest on other investments | 83,513 | 956 |
| | <u>160,940</u> | <u>68,933</u> |

Investment income is shown net of withholding tax.

| | | |
|------------------------------------|------------------|------------------|
| 15. EXPENSES | 30/09/2023 | 30/09/2022 |
| | € | € |
| Court fees (Note 4.1) | 2,048,320 | 1,450,260 |
| Bank charges and negative interest | 3,635 | 427,904 |
| | <u>2,051,955</u> | <u>1,878,164</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).

At 30 September 2023 and 30 September 2022, the Sub-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 SSGA Spectrum Moderate Diversified Fund. The ETFs, with a fair value of €14,851,478 (30 September 2022: €14,327,465) 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 2023:

| | Level 1 | Level 2 | Level 3 | Total |
|--------------------------------|-------------------|----------------------|----------------|----------------------|
| | € | € | € | € |
| Investments | | | | |
| - SSGA Unitised funds | 14,851,478 | 2,387,570,964 | - | 2,402,422,442 |
| - Managed funds | - | 2,432,416 | - | 2,432,416 |
| - Equities | 2,965,352 | - | - | 2,965,352 |
| - Deposit accounts | 7,604,546 | - | - | 7,604,546 |
| - An Post Savings Certificates | 37,616 | - | - | 37,616 |
| - Insurance policies | - | - | 418,808 | 418,808 |
| Total | 25,458,992 | 2,390,003,380 | 418,808 | 2,415,881,180 |

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 2022:

| | Level 1 | Level 2 | Level 3 | Total |
|--------------------------------|-------------------|----------------------|----------------|----------------------|
| | € | € | € | € |
| Investments | | | | |
| - SSGA Unitised funds | 14,327,465 | 2,199,452,774 | - | 2,213,780,239 |
| - Managed funds | - | 2,667,258 | - | 2,667,258 |
| - Equities | 2,595,764 | - | - | 2,595,764 |
| - Deposit accounts | 8,035,542 | - | - | 8,035,542 |
| - An Post Savings Certificates | 42,241 | - | - | 42,241 |
| - Insurance policies | - | - | 372,201 | 372,201 |
| Total | 25,001,012 | 2,202,120,032 | 372,201 | 2,227,493,245 |

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 2023 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 | 372,201 |
| Transfer Out | - |
| Movement in net unrealised appreciation | 46,607 |
| Closing balance 30th September 2023 | 418,808 |

There were no transfers between levels during the year.

The following table includes the reconciliation of the amounts for the year ended 30th September 2022 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 | 511,398 |
| Transfer Out | - |
| Movement in net unrealised appreciation | (139,197) |
| Closing balance 30th September 2022 | 372,201 |

The net unrealised gains that relate to insurance policies still held at 30th September 2023 are €197,687 (2022: €151,080).

17. INVESTMENTS IN COLLECTIVE INVESTMENT SCHEMES

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

| Underlying Fund | Domicile | Regulatory Status | Investment Manager | TER* |
|--|----------|-------------------|---|---|
| State Street Spectrum Euribor Plus Fund | | | | |
| State Street GRU Euribor Plus Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which Includes management And Other expenses) 0.02% (Transaction Costs) |
| SSGA Spectrum Cash Fund | | | | |
| State Street GRU Euro Cash Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.07% (TER which Includes management And other expenses) 0.05% (Transaction Costs) |
| State Street Spectrum Cash and Short Term Bond Fund | | | | |
| State Street GRU EMU Bond Index Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which Includes management And other expenses) 0.07% (Transaction Costs) |
| State Street GRU Euribor Plus Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which Includes management And other expenses) 0.02% (Transaction Costs) |
| State Street Spectrum Diversified Fund | | | | |
| State Street GRU EMU Bond Index Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which Includes management And other expenses) 0.07% (Transaction Costs) |
| State Street GRU Euribor Plus Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which Includes management And other expenses) 0.02% (Transaction Costs) |
| State Street GRU Euro Index Equity Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.06% (TER which Includes management And other expenses) 0.03% (Transaction Costs) |
| State Street GRU World Ex Euro Index Equity Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which Includes management And other expenses) 0.02% (Transaction Costs) |

17. INVESTMENTS IN COLLECTIVE INVESTMENT SCHEMES (continued)

| Underlying Fund | Domicile | Regulatory Status | Investment Manager | TER* |
|---|------------|-------------------|---|---|
| State Street Spectrum Moderate Balanced Fund | | | | |
| State Street GRU EMU Bond Index Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which includes management and other expenses) 0.07% (Transaction Costs) |
| State Street GRU Euribor Plus Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which includes management and other expenses) 0.02% (Transaction Costs) |
| State Street GRU Euro Index Equity Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.06% (TER which includes management and other expenses) 0.03% (Transaction Costs) |
| State Street GRU World Ex Euro Index Equity Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which includes management and other expenses) 0.02% (Transaction Costs) |
| State Street Spectrum Moderate Diversified Fund | | | | |
| L&G Longer Dated All Commodities UCITS ETF | Ireland | UCITS | Go ETF Solutions LLP | 0.30% (TER which includes management and other expenses) |
| SPDR Dow Jones Global Real Estate UCITS ETF | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.40% (TER which includes management and other expenses) 0.02% (Transaction Costs) |
| SPDR Morningstar Multi-Asset Global Infrastructure UCITS ETF | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.40% (TER which includes management and other expenses) 0.02% (Transaction Costs) |
| State Street Emerging Markets Local Currency Government Bond Index Fund | Luxembourg | UCITS | State Street Global Advisors Europe Limited | 0.07% (TER which includes management and other expenses) |
| State Street Euro Corporate Bond ESG Screened Index Fund | Luxembourg | UCITS | State Street Global Advisors Europe Limited | 0.04% (TER which includes management and other expenses) 0.03% (Transaction Costs) |

17. INVESTMENTS IN COLLECTIVE INVESTMENT SCHEMES (continued)

| Underlying Fund | Domicile | Regulatory Status | Investment Manager | TER* |
|---|------------|-------------------|---|--|
| State Street Spectrum Moderate Diversified Fund cont'd | | | | |
| State Street Flexible Asset Allocation Plus Fund | Luxembourg | UCITS | State Street Global Advisors Europe Limited | 0.10% (TER which includes management and other expenses) 0.25% (Transaction Costs) |
| State Street Global High Yield Bond ESG Screened Index Fund | Luxembourg | UCITS | State Street Global Advisors Europe Limited | 0.11% (TER which includes management and other expenses) |
| State Street GRU Euribor Plus Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which includes management and other expenses) 0.02% (Transaction Costs) |
| State Street GRU Euro Index Equity Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.06% (TER which includes management and other expenses) 0.03% (Transaction Costs) |
| State Street GRU World Ex Euro Index Equity Fund | Ireland | UCITS | State Street Global Advisors Europe Limited | 0.05% (TER which includes management and other expenses) 0.02% (Transaction Costs) |
| State Street Emerging Markets Local Currency Government Bond Index Fund | Luxembourg | UCITS | State Street Global Advisors Europe Limited | 0.11% (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 or disclosure in the financial statements.

19. COMPARATIVE PERIOD

The comparative information covers the year ended 30th September 2022.

20. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Accountant of the Courts of Justice on 12 February 2024.

SUPPLEMENTARY INFORMATION

(NOT COVERED BY INDEPENDENT AUDITOR'S REPORT)

HIGH COURT FUNDS

STATEMENT OF FINANCIAL POSITION AT 30TH SEPTEMBER 2023

| | 30/09/2023 € | 30/09/2022 € |
|---|-----------------------------|-----------------------------|
| Financial assets at fair value through profit or loss | <u>2,205,615,105</u> | <u>2,016,297,004</u> |
| CURRENT ASSETS | | |
| Debtors | 49,814,617 | 48,575,453 |
| Cash and cash equivalents | <u>19,927,409</u> | <u>57,880,713</u> |
| TOTAL CURRENT ASSETS | <u>69,742,026</u> | <u>106,456,166</u> |
| CURRENT LIABILITIES | | |
| Creditors | <u>(4,349,375)</u> | <u>(2,167,287)</u> |
| TOTAL LIABILITIES | <u>(4,349,375)</u> | <u>(2,167,287)</u> |
| NET CURRENT ASSETS | <u>65,392,651</u> | <u>104,288,879</u> |
| TOTAL NET ASSETS | <u><u>2,271,007,756</u></u> | <u><u>2,120,585,883</u></u> |
| REPRESENTED BY: | | |
| Funds held for beneficiaries at year end | <u><u>2,271,007,756</u></u> | <u><u>2,120,585,883</u></u> |

HIGH COURT FUNDS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH SEPTEMBER 2023

| | 30/09/2023 | 30/09/2022 |
|--|--------------------------|----------------------------|
| | € | € |
| NET REALISED AND UNREALISED GAINS / (LOSSES) | | |
| Net realised gains on financial assets at fair value through profit or loss | 17,223,368 | 13,057,758 |
| Net movement in unrealised gains / (losses) on financial assets at fair value through profit or loss | 35,469,554 | (42,547,578) |
| (Losses) realised on transfers out during the year | (83,356) | (620,869) |
| NET REALISED AND UNREALISED GAINS / (LOSSES) | <u>52,609,566</u> | <u>(30,110,689)</u> |
| Investment income | <u>160,482</u> | <u>67,977</u> |
| | 52,770,048 | (30,042,712) |
| Expenses | <u>(2,051,955)</u> | <u>(1,878,164)</u> |
| INCREASE / (DECREASE) IN NET ASSETS FROM OPERATIONS | <u><u>50,718,093</u></u> | <u><u>(31,920,876)</u></u> |

HIGH COURT FUNDS

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH SEPTEMBER 2023

| | 30/09/2023 | 30/09/2022 |
|--|-----------------------------|-----------------------------|
| | € | € |
| INCREASE / (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS | | |
| Investment income less expenses | (1,891,473) | (1,810,187) |
| Net realised gains on financial assets at fair value through profit or loss | 17,223,368 | 13,057,758 |
| Net unrealised gains / (losses) on financial assets at fair value through profit or loss | 35,469,554 | (42,547,578) |
| (Losses) realised on transfers out during the year | (83,356) | (620,869) |
| INCREASE / (DECREASE) IN NET ASSETS FROM OPERATIONS | <u>50,718,093</u> | <u>(31,920,876)</u> |
| CAPITAL TRANSACTIONS | | |
| Receipts | 287,282,623 | 392,707,445 |
| Disbursements | <u>(187,578,843)</u> | <u>(230,879,495)</u> |
| INCREASE IN NET ASSETS FROM CAPITAL TRANSACTIONS | <u>99,703,780</u> | <u>161,827,950</u> |
| Increase in net assets | 150,421,873 | 129,907,074 |
| Net assets at beginning of year | <u>2,120,585,883</u> | <u>1,990,678,809</u> |
| NET ASSETS AT END OF YEAR | <u><u>2,271,007,756</u></u> | <u><u>2,120,585,883</u></u> |

CIRCUIT COURT FUNDS

STATEMENT OF FINANCIAL POSITION AT 30TH SEPTEMBER 2023

| | 30/09/2023 € | 30/09/2022 € |
|---|--------------------|--------------------|
| Financial assets at fair value through profit or loss | <u>176,646,955</u> | <u>179,047,884</u> |
| CURRENT ASSETS | | |
| Debtors | 2,175,137 | 1,784,985 |
| Cash and cash equivalents | <u>2,908,533</u> | <u>2,772,725</u> |
| TOTAL CURRENT ASSETS | <u>5,083,670</u> | <u>4,557,710</u> |
| CURRENT LIABILITIES | | |
| Creditors | <u>(162,658)</u> | <u>(107,903)</u> |
| TOTAL LIABILITIES | <u>(162,658)</u> | <u>(107,903)</u> |
| NET CURRENT ASSETS | <u>4,921,012</u> | <u>4,449,807</u> |
| TOTAL NET ASSETS | <u>181,567,967</u> | <u>183,497,691</u> |
| REPRESENTED BY: | | |
| Funds held for beneficiaries at year end | <u>181,567,967</u> | <u>183,497,691</u> |

CIRCUIT COURT FUNDS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH SEPTEMBER 2023

| | 30/09/2023 | 30/09/2022 |
|--|------------|-------------|
| | € | € |
| NET REALISED AND UNREALISED GAINS / (LOSSES) | | |
| Net realised gains on financial assets at fair value through profit or loss | 605,620 | 363,974 |
| Net movement in unrealised gains / (losses) on financial assets at fair value through profit or loss | 4,781,483 | (5,751,364) |
| NET REALISED AND UNREALISED GAINS / (LOSSES) | 5,387,103 | (5,387,390) |
| Investment income | 232 | 129 |
| INCREASE / (DECREASE) IN NET ASSETS FROM OPERATIONS | 5,387,335 | (5,387,261) |

CIRCUIT COURT FUNDS

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH SEPTEMBER 2023

| | 30/09/2023 | 30/09/2022 |
|--|---------------------------|---------------------------|
| | € | € |
| INCREASE / (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS | | |
| Investment income less expenses | 232 | 129 |
| Net realised gains on financial assets at fair value through profit or loss | 605,620 | 363,974 |
| Net unrealised gains / (losses) on financial assets at fair value through profit or loss | <u>4,781,483</u> | <u>(5,751,364)</u> |
| INCREASE / (DECREASE) IN NET ASSETS FROM OPERATIONS | <u>5,387,335</u> | <u>(5,387,261)</u> |
| CAPITAL TRANSACTIONS | | |
| Receipts | 14,206,379 | 14,305,491 |
| Disbursements | <u>(21,523,438)</u> | <u>(21,018,073)</u> |
| (DECREASE) IN NET ASSETS FROM CAPITAL TRANSACTIONS | <u>(7,317,059)</u> | <u>(6,712,582)</u> |
| (Decrease) in net assets | (1,929,724) | (12,099,843) |
| Net assets at beginning of year | <u>183,497,691</u> | <u>195,597,534</u> |
| NET ASSETS AT END OF YEAR | <u><u>181,567,967</u></u> | <u><u>183,497,691</u></u> |

DISTRICT COURT FUNDS

STATEMENT OF FINANCIAL POSITION AT 30TH SEPTEMBER 2023

| | 30/09/2023 | 30/09/2022 |
|---|-------------------|-------------------|
| | € | € |
| Financial assets at fair value through profit or loss | <u>33,619,120</u> | <u>32,148,357</u> |
| CURRENT ASSETS | | |
| Debtors | 545,694 | 436,899 |
| Cash and cash equivalents | <u>182,125</u> | <u>334,668</u> |
| TOTAL CURRENT ASSETS | <u>727,819</u> | <u>771,567</u> |
| CURRENT LIABILITIES | | |
| Creditors | <u>(13,060)</u> | <u>(6,700)</u> |
| TOTAL LIABILITIES | <u>(13,060)</u> | <u>(6,700)</u> |
| NET CURRENT ASSETS | <u>714,759</u> | <u>764,867</u> |
| TOTAL NET ASSETS | <u>34,333,879</u> | <u>32,913,224</u> |
| REPRESENTED BY: | | |
| Funds held for beneficiaries at year end | <u>34,333,879</u> | <u>32,913,224</u> |

DISTRICT COURT FUNDS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH SEPTEMBER 2023

| | 30/09/2023 | 30/09/2022 |
|--|------------|-------------|
| | € | € |
| NET REALISED AND UNREALISED GAINS / (LOSSES) | | |
| Net realised gains on financial assets at fair value through profit or loss | 23,742 | 10,320 |
| Net movement in unrealised gains / (losses) on financial assets at fair value through profit or loss | 1,092,695 | (1,032,909) |
| NET REALISED AND UNREALISED GAINS / (LOSSES) | 1,116,437 | (1,022,589) |
| Investment income | 226 | 827 |
| INCREASE / (DECREASE) IN NET ASSETS FROM OPERATIONS | 1,116,663 | (1,021,762) |

DISTRICT COURT FUNDS

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH SEPTEMBER 2023

| | 30/09/2023 | 30/09/2022 |
|--|--------------------------|--------------------------|
| | € | € |
| INCREASE / (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS | | |
| Investment income less expenses | 226 | 827 |
| Net realised gains on financial assets at fair value through profit or loss | 23,742 | 10,320 |
| Net unrealised gains / (losses) on financial assets at fair value through profit or loss | 1,092,695 | (1,032,909) |
| INCREASE / (DECREASE) IN NET ASSETS FROM OPERATIONS | <u>1,116,663</u> | <u>(1,021,762)</u> |
| CAPITAL TRANSACTIONS | | |
| Receipts | 2,986,317 | 3,520,532 |
| Disbursements | (2,682,325) | (2,545,597) |
| INCREASE IN NET ASSETS FROM CAPITAL TRANSACTIONS | <u>303,992</u> | <u>974,935</u> |
| Increase / (Decrease) in net assets | 1,420,655 | (46,827) |
| Net assets at beginning of year | <u>32,913,224</u> | <u>32,960,051</u> |
| NET ASSETS AT END OF YEAR | <u><u>34,333,879</u></u> | <u><u>32,913,224</u></u> |



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