

Financial Management and Accountability

Governance Review

The CCJ's adoption of strategic planning and the implementation of its 2013-2017 strategic plan were of course motivated by a desire to bring the Court in line with good modern managerial practices. Beyond that, there is an overarching concern with good governance – the notion of how public institutions conduct public affairs and manage their resources. The Court is concerned with the process of decision-making and with implementation of these decisions. In particular, considering all the structures put in place to insulate the Court financially from external pressures, special attention is focused on good financial management and governance of the Court's monetary resources.

This is of great significance to the Court, given that the very notion of "good governance" often emerges as an instrument for comparing ineffective economies against thriving ones. The Court appreciates the need for it to responsibly handle its finances not only to ensure its own viability, but also and importantly, to ensure transparent accountability to its stakeholders. With a view to ensuring that good governance ruled the Court's financial management, a Commissioner of the Regional Judicial and Legal Services Commission, Ambassador Wendell Lawrence, was charged with conducting a governance review and making recommendations. Consequent to this exercise, a Financial Oversight Committee (FOC) was formed, comprising representatives of the Court, RJLSC, and the Trust Fund, with a mandate to ensure the application of a comprehensive set of financial and accounting policies.

In his report, Ambassador Lawrence averred that "the stakeholders of the CCJ ... have a right to expect that the resources they commit to the CCJ are used effectively, efficiently and with due regard for value-for-money considerations." The Court subscribes to this belief, and moreover, does not perceive "good governance" as being relative solely to administration of the Court's finances. Good governance also denotes satisfying stakeholders' desire to see that the Court is managed competently and tightly, with its operations transparent, its personnel accountable and its processes able to withstand the accusing light of scrutiny.

Further to this, in July 2013, the Court engaged a consultant company, whose very detailed and highly structured three-phased work plan involved project planning and mobilisation; review, assessment and recommendations, culminating in the production of an accounting policies and procedures manual. The rationale behind hiring these services was to ensure a thorough ventilation of the Court's financial management with a view to a complete overhaul of procedures (should this prove necessary) and installing the new financial regime firmly as part of the implementation of the CCJ's strategic plan.

There are very high aspirations for the Court at all levels across the Caribbean, and even beyond it. The Court is determined to live up to them, and to satisfy the demands made by its stakeholders.

Budget Committee

In April 2012, a budget committee comprising three (3) judges and representatives of court administration was established by the Court President to:

- review the existing budget process and develop a new budget framework that would guide budget development for the period 2013-2014;
- identify budget assumption priorities and objectives to guide unit heads;
- identify a budget ceiling;
- provide oversight in the development and creation of the budget;
- consider forecasted budgets compiled by units, ensure submissions are in keeping with stated priorities and budget objectives, and make any necessary recommendations;
- consider the financial impact of programmes developed by units and in particular the filling of any vacant positions; and
- evaluate any necessary changes throughout the life of the budget.

A new budget structure and supporting log frame was established, and a circular developed and approved. However, with the work of the recently contracted consultant, this format is expected to be reviewed and enhanced.

The budget circular directed that the preparation of the estimates for the period be guided by the Court's Performance Areas (Access to Justice, Expedition and Timeliness, Integrity, Fairness and Equality, Independence and Accountability, Public Trust and Confidence and Promoting and Protecting the Rule of Law), and should also take cognisance of the rules of court, policies, processes and strategies of the organisation. These performance areas are very much aligned to the Court's strategic plan and have smoothed the Court's transition in moving to its new agenda.

It should be noted that as a result of recommendations made by Ambassador Lawrence in his Governance Report, the RJLSC, CCJ and the Trust Fund jointly agreed to continuously develop a constructive, efficient and collaborative approach to strategic planning, budgeting and cooperation, which recognises the individual responsibilities of each institution without sacrificing their specific obligations and independence. The budget committee serves as the conduit for information regarding financial matters related to the Court. Additionally, with the establishment of the FOC, financial issues are brought to their attention for recommendations to the RJLSC.

Audited Financial Statements: 2011 and 2012

The CCJ is committed to ensuring transparency and accountability, with the belief that reliable financial information and compliance with the spirit and letter of International Financial Reporting Standards are fundamental to its operations.

Independent Audit

The public accounting firm of KPMG has audited the accompanying financial statements for the CCJ as of, and for the year ended 31 December 2011; and for the year ended December 2012, the Court's auditors were BDO. The auditors' reports on the financial statements and the financial statements are included in this Court Report at **Appendix A**.

The Court received unqualified audits of the 2011 and 2012 financial statements from its auditors. In addition, the auditors reported no internal control weaknesses for 2011 and the Court received two management letter points in 2012.

Financial Highlights

The assets of the Court exceeded its liabilities at the close of 2011 by USD1.412 million (net assets). Net assets in 2012 were USD1.518 million.

Current assets in 2011 were USD973,000 and USD797,000 in 2012; while, current liabilities were USD496,000 in 2011 and USD268,000 in 2012.

In fiscal 2012, administrative expenses increased by USD453,180 (7.45%). The largest increase occurred in pension costs; an increase of USD319,277. This increase was attributable to two judges having retired for one full year, and an increase in the number of staff being eligible for gratuities and pension.

Code of Judicial Conduct

During the period under review, a committee of judges headed by Mme Justice Bernard embarked on the task of drafting a Judicial Code of Ethics. There had been in existence a draft Code of Ethics prepared by draftsmen at the CARICOM Secretariat but which, though followed by the judges, had not formally been adopted.

The Committee studied and critically analysed the locus classicus of judicial codes, "The Bangalore Principles of Judicial Conduct." It consulted particularly the Commentary on the Bangalore Principles. In analysing the Commentary, the Committee considered parallel provisions in the codes of ethics for the Supreme Court in London, as well as codes of ethics

for judges in Australia, India and some jurisdictions within the United States. The final product is crafted in a simple, lucid style, and in addition to the usual topics, deals with matters such as propriety, independence, integrity, impartiality, equality, competence and diligence and accountability.

Code of Ethics and Social Networking Committee

In October 2011, the President appointed a Social Networking Committee, chaired by the Honourable Mr Justice Wit, to develop rules dealing with the ethical aspects of social networking. He also appointed Ms Paula Pierre, Registrar and Chief Marshal (in her capacity as Secretary of the RJLSC), Mrs Wendy Lewis-Callender, Deputy Court Executive Administrator (as the Human Resources representative), and Ms Carlene Cross, Systems Manager (as the IT representative) as members of the committee. He also decided that there should be a member/secretary, and appointed Ms Lisa Furlonge in this regard.

Right from its first meeting, the committee considered that it would not make much sense to make rules for the use of social networking, since such rules should be embedded in a wider code of ethics. Such a code, however, did not exist for members of staff. The committee therefore requested the President to broaden its scope to include the drafting of recommendations for a Code of Ethics including rules for social networking.

The committee conducted very successful workshop sessions on the Staff Code of Ethics and Social Networking held on 15 and 17 May, 2012, facilitated by the Right Honourable Sir Dennis Byron, the Honourable Mr Justice Saunders, and chaired by the Honourable Mr Justice Wit. The goal of the workshop was for staff members to contribute to the creation of a living code that would guide their ethical conduct. The objective of the workshop was that by the end of the sessions, participants would be able to (a) identify ethical dilemmas in four different office/court scenarios; and (b) state at least two reasons why it is important for the CCJ to have a Code of Ethics and Social Networking Policy.

The President also acceded to the committee's unanimous request to appoint three (3) staff representatives as members of the committee, in order to involve staff optimally from the very start. This process was completed and a successful election process was conducted on 20 June, 2012, during which the three representatives were elected and subsequently recommended to, and appointed by, the President. The representatives are: Mr Aaron Alexander, Ms Catherine Beard, and Ms Candis Cayona.

The committee has continued to meet and has developed a draft list of topics to be considered for the code. Information has also been compiled on each of the topics and is now being discussed, adapted and formatted, in order to prepare the final draft of a code suitable for the staff of the CCJ.