

**The Court Funds Office is part of the Ministry of Justice and provides a banking and investment service for the civil courts in England and Wales, including the Court of Protection.**

## The Special Account

The special account is a type of account which is similar to a bank or building society deposit account, but which has some of the features of a current account. It is only available to those people who are entitled to hold monies in the Court Funds Office including children who have been awarded damages or where monies are invested for those who are deemed to lack the capacity to manage their own finances under a court order.

The special account:

- Pays interest at a single rate, regardless of the sum invested.
- Pays interest gross, without deduction of tax, so those who are not tax payers do not need to reclaim the tax.
- Pays a variable rate of interest – please contact the Court Funds Office Helpline or website for our latest rates.
- Credits interest to the account every six months, at the end of May and November each year.
- Has no fixed term of investment. Monies may be withdrawn with no loss of interest or notice period.
- Is protected by a government guarantee.
- Produces statements of account in April and if the account holds funds of £100,000 or more in October, on request or on closure of the account.
- Produces interest vouchers annually at the end of the tax year, on request or on closure of the account.

The Court Funds Office will make payments electronically if provided with verified bank account details. Otherwise payment will be made by warrant. It can:

- Pay an agreed amount to a litigation friend's bank account automatically on a monthly, quarterly, half-yearly or annual basis, if so directed by the court.
- Pay an agreed amount within five working days of receipt of a direction for payment from the court direct to the litigation friend's bank account.
- Pay interest to the litigation friend's account on receipt if so directed by the court.

## The Equity Index Tracker Fund

The Court Funds Office (CFO) also offers an investment vehicle called the Common Investment Fund Equity Index Tracker Fund (EITF). This is a form of unit trust managed by Legal and General on behalf of the Ministry of Justice. It is only available to certain people including children who have been awarded £10,000 or more and are under 13 years of age at the time of the investment hearing.

If the judge decides on an investment policy that requires investment in the stock market, the Court Funds Office will normally invest in the EITF and will:

- Invest a percentage of the child's award up to maximum of 70% and minimum of 30% depending on the size of the award and the length of time it will be held with the Court Funds Office.
- Review the child's fund on a yearly basis, and inform you if any changes have been made.
- Allow the child to either sell all of the units once they have reached their 18<sup>th</sup> birthday, transfer ownership into the child's own name, or sell some and transfer the balance into their name.

The EITF is a simple and cost-effective means of investing in the stock market over the medium to long term. The fund invests directly in Legal & General unit trusts which track each of the world's major markets with 55% held in the UK, 35% held overseas and the 10% held in emerging markets. An index tracker is a fund that invests in a representative sample of all the companies that make up the index they are tracking with the intention of delivering the return of the index tracked. They can be a cost effective way to invest in a wide range of different holdings, rather than investing in one, or a few individual holdings. As such it presents a lower risk although, as with any stock market investment, the value of the fund may go down as well as up.

Details of the amount of units held on behalf of the child will be provided on the regular statements of account. However, we are not able to provide valuations. These may be obtained by calling our customer services Helpline or by using financial information sources such as the Financial Times.

## How to contact the Court Funds Office

### Customer Helpline

0300 0200 199

### Email

enquiries@cfo.gov.uk

### Address

Court Funds Office  
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Sunderland 19