

COMMISSION FOR THE

PREVENTION

OF

CORRUPTION

ANNUAL REPORT

2013/2014

2013/2014

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Executive Summary

The Commission for the Prevention of Corruption was established under the Corruption (Prevention) Act, 2000 and its first members appointed with effect from May 1, 2001.

For the year in review the Commission met fourteen (14) times, this included three (3) extraordinary meetings held to consider the Protected Disclosures Act 2011, Procedural Guidelines for which Gazette instructions were issued during the 2013-2014 financial year.

The objective of the Commission is the reduction and prevention of corruption in the Public Sector.

Annually the Commission requires Public Sector Agencies to provide an update of Public Servants required to file Statutory Declaration of Assets, Liabilities and Income. The responses indicate that as of December 2013, thirty four thousand five hundred and seventy nine (34,579) Declarations were to be received by the Commission.

As at March 31, 2014, the Commission had received sixteen thousand two hundred and eighteen (16,218) Declarations for the period ending December 31, 2013. A compliance rate of only forty-seven percent (47%).

Arising from the continued failure of so many Public Servants to file declarations, the Commission is presently preparing a list of delinquent individuals which will shortly be forwarded to the Director of Public Prosecutions (DPP) and dialogue has commenced with Heads of Agencies as indicated in the abovementioned Act with the aim of developing strategies to address the matter of delinquency. Since the Commission's inception eight hundred and twenty-six (826) delinquent declarants have been prosecuted by the Director of Public Prosecutions.

For the year to which this report relates sixty-two (62) public servants were reported to the DPP for having been delinquent in furnishing their Statutory Declaration of Assets, Liabilities and Income to the Commission by the due date. Thirty-three (33) of those public servants reported had their cases disposed of in the court with fines of five hundred and thirteen thousand dollars (\$513,000) being imposed on them. Up to the date of this report one (1) matter before the Court had not yet been resolved. No action has been taken against the remaining twenty-eight public servants reported as the summonses in those matters have not been served as the delinquents could not be located.

The Commission had previously recommended that it be authorized to impose a penalty for the failure to file the Statutory Declaration of Assets, Liabilities and Income and has been advised by the Honorable Minister of Justice that this and

other recommendations will be addressed in new legislation shortly to be the subject of deliberations of a Joint Select Committee of the Houses of Parliament. That notwithstanding, the Commission continues to work with the office of The Director of Public Prosecutions (DPP) in its effort to have the delinquents brought before the Court.

The Commission enters all declarations received in its database, which is designed to facilitate the manipulation of the data furnished on the Statutory Declaration of Assets and Liabilities received from Public Servants.

During the year under review a sample of sixty (60) cases was chosen for analysis based on the Commission's selection criteria. All sixty (60) cases analysed were referred for detailed internal investigation.

The Commission had an inventory reflecting three hundred and sixty-eight (368) cases for the reporting year ending March 31, 2014 which required interviews and statements being collected from several Public Sector agencies and individuals to verify the accuracy of Statutory Declarations furnished.

For the year under review the Commission referred to the Director of Public Prosecutions five (5) cases involving allegations of serious breaches of The Corruption (Prevention) Act 2000, while fourteen (14) cases investigated were closed by the Commission as adequate information and explanations were received for the discrepancies identified.

The Commission has to date forwarded to the Office of the Director of Public Prosecutions twenty-three (23) cases of suspected serious breaches of the Corruption Prevention Act involving the offence of illicit enrichment, and awaits rulings in respect of fifteen (15) cases.

For the 2013-2014 reporting year the Commission has received rulings from the DPP in respect of four (4) of the matters previously referred to that office.

The Honorable Minister of Justice has previously by order in the Jamaica Gazette named the Commission for the Prevention of Corruption as the Designated Authority for the purposes of the Protected Disclosures Act, 2011. The Commission has met and developed procedural guidelines pursuant to the Act. These procedures have subsequently been published in The Jamaica Gazette dated April 25, 2014.

The Commission had proposed certain amendments to The Corruption Prevention Act in its Annual Reports for the years 2003-2007 and 2012 and is aware of the tabling of a Bill titled The Integrity Act and its subsequent referral to a Joint Select Committee of the Houses of Parliament. The Bill when passed by the Parliament will lead to the repeal of The Corruption Prevention Act, 2000 and its Regulations.

The Commission remains hopeful that its recommendations from previous Annual Reports which are to be considered for inclusion/adoption in The Integrity Act when passed will assist in advancing the fight against corruption.

Preface

The Commission for the Prevention of Corruption was established under the Corruption (Prevention) Act 2000 and its first members appointed with effect from May 1, 2001. The Corruption (Prevention) Regulations came into effect January 31, 2003.

The Commission consists of five (5) Members:

- (a) The Auditor General
- (b) Four (4) other persons (referred to as appointed members) appointed by the Governor General after consultation with the Prime Minister and the Leader of the Opposition from the following categories of persons:
 - (i) Members of the Privy Council
 - (ii) Retired Judges of Appeal and Retired Judges of the Supreme Court
 - (iii) Persons who, in the opinion of the Governor General, are of high integrity and are able to exercise competence, diligence and sound judgment in fulfilling their responsibilities under the Act.

The Members for the period under review were:

- The Honourable Mr. Justice Ferdinand Smith (Retired) C.D., – Chairman
- The Honourable Mr. Adrian Strachan, O.J., C.D., J.P., F.C.C.A., F.C.A.,
- The Honourable Mr. Justice Howard Cooke (Retired) C.D.,
- The Honourable Mr. Justice Karl Harrison (Retired) C.D.,
- Mrs. Pamela Monroe-Ellis- Auditor General, F.C.C.A., F.C.A., C.I S.A.

Meetings of the Commission

The Commission met fourteen (14) times during the 2013/2014 financial year, these meetings included three (3) extraordinary meetings.

Names of Members	Meetings Attended	Absent
Mr. Justice F. A. Smith	14	-
Mr. Justice Howard Cooke	12	2
Mr. Justice Karl Harrison	7	7
The Hon Mr. Adrian Strachan	14	-
Mrs. Pamela Monroe Ellis	11	3

The Protected Disclosures Act

The Hon. Minister of Justice by order dated August 2, 2012 and published in the Jamaica Gazette named the Commission for the Prevention of Corruption as the Designated Authority for the purposes of The Protected Disclosures Act, 2011. The Commission has finalized the drafting of procedural guidelines under that Act and has had them published in the Jamaica Gazette dated April 25, 2014. (See Appendix 1)

The Proposed Repeal of The Corruption (Prevention) Act, 2000

The Commission notes that The Integrity Act which will repeal The Corruption (Prevention) Act, 2000 has been tabled in the Parliament and will shortly be the subject of deliberations of a Joint Select Committee of the Houses of Parliament. The Commission has further been advised by the Honourable Minister of Justice that consideration has been given to include some of the recommendations submitted from its Annual Reports. The Commission remains hopeful that its recommendations from previous Annual Reports that will be considered for inclusion/adoption in the proposed legislation shall assist in stemming corruption in Jamaica.

The Secretariat of the Commission

The Commission, for the period under review, has an approved organization structure comprising twenty-nine (29) positions. Seven (7) new posts were deemed necessary after a review of the existing organization structure by the Corporate Management and Development Division of the Cabinet Office for the duties to be undertaken by the

Commission having been named as the Designated Authority for the purposes of The Protected Disclosures Act, 2011.

Twenty-one (21) positions are presently in operation, these include the Secretary/Manager, two (2) Secretaries, four (4) Financial Analysts, four (4) Investigators, one (1) Manager, Finance and Administration, one (1) accounting clerk, one (1) Records Officer, five (5) Data Entry Officers, one (1) Office Attendant and one (1) Driver and approval has lately been received for the Commission to contract the services of a Public Relations Officer.

In accordance with the Cabinet Office directive the fees and salaries of members of the Commission and senior staff are as indicated in Appendix 2 and Appendix 3 respectively.

The Commission's office is as indicated below:

Commission for the Prevention of Corruption
45-47 Barbados Avenue,
Kingston 5

Telephone: 968-6227/960-0470

Fax: 960-5617

Email: corruptionprevention@yahoo.com

Website: www.cpcpd.gov.jm

Statutory Declarations

The objective of the Commission is the reduction and prevention of corruption in the Public Sector.

The Corruption Prevention Act provides the following functions of the Commission:

1. To receive and keep on record Statutory Declarations furnished by Public Servants pursuant to the Act;
2. To examine such Statutory Declarations and to request from a Public Servant any information relevant to a Statutory Declaration made by him, which in its opinion would assist in its examination;
3. To make such independent enquiries and investigations relating to a Statutory Declaration as it thinks necessary;

4. To receive and investigate any complaint regarding an act of corruption;
5. To conduct an investigation into an act of corruption on its own initiative, if satisfied that there are reasonable grounds for such investigation.

Statutory Declarations are required from Public Servants whose total annual emoluments are two million dollars (\$2,000,000) and above and those categories indicated in Parts 1 and 2 of the Regulations issued under the Act.

Arising from the receipt of information from Government Ministries, Departments, Companies, Statutory Bodies, and Local Government Agencies, it was ascertained that Declarations were to be received as indicated in Table 1 below:

The Corruption (Prevention) Act, 2000 states that for a Statutory Declaration to be in compliance with the Act, it must be filed within (3) three months following the date to which it relates. Up to the date of this report, declarations were received as indicated in the following table (See Table 1):

Table 1 Outstanding Statutory Declarations

Declaration Period	Expected No. of Declarations	No. of Declarations Received	Outstanding Declarations	Outstanding Percentage
January 31, 2003	14,705	12,891	1,814	12%
December 31, 2003	14,705	11,258	3,447	23%
December 31, 2004	17,227	13,070	4,157	24%
December 31, 2005	14,104	9,381	4,723	33%
December 31, 2006	15,409	9,528	5,881	38%
December 31, 2007	20,684	13,155	7,529	36%
December 31, 2008	23,582	13,574	10,008	42%
December 31, 2009	25,921	13,856	12,065	47%
December 31, 2010	26,587	15,640	10,947	41%
December 31, 2011	27,818	15,950	11,868	43%
December 31, 2012	33,302	15,848	17,454	52%
December 31, 2013	34,579	16,218	18,361	53%
TOTAL	268,623	160,369	108,254	40%

As can be seen there remains a high incidence of outstanding declarations with that for the year under review being eighteen thousand three hundred and sixty-one (18,361) declarations which represent fifty-three percent (53%), of all declarations.

These results were further disaggregated by Agencies as indicated in Table 2 overleaf:

Table 2 - Outstanding Declarations

Employers	Declarations to be Filed 2013/14	No. of Declarations Filed 2013/14	No. of Outstanding Declarations 2013/14	Declarations to be Filed to Date	No. of Declarations Filed to Date	No. of Outstanding Declarations to Date
Airports Authority of Jamaica	93	33	60	590	372	218
Bank of Jamaica	373	268	105	2816	2070	746
Bureau of Standards Jamaica	152	107	45	1152	963	189
Financial Services Commission	78	67	11	779	514	265
Fiscal Services Limited	157	72	85	915	626	289
Heart Trust/Nta	626	141	485	3059	1123	1936
Jamaica Constabulary Force	12500	8059	4441	119069	87080	31989
Jamaica Defence Force	4237	3581	656	38210	27994	10216
Ministry of Agriculture & Fisheries	131	71	60	986	611	375
Ministry of Education	4589	31	4558	*9178	75	9103
Ministry of Foreign Affairs and Foreign Trade	114	48	66	1137	574	563
Ministry of Transport, Works and Housing	152	71	81	1042	600	442
National Environment And Planning Agency	141	98	43	613	537	76
National Housing Trust	1025	182	843	3382	1799	1583
National Land Agency	153	137	16	1063	907	156
National Works Agency	250	150	100	2231	1431	800
Office of the Prime Minister & Cabinet Office	102	22	80	700	302	398
Passport, Immigration & Citizenship Agency	278	128	150	2285	1095	1190
Planning Institute of Jamaica	83	22	61	494	194	300
Registrar General's Department	191	24	167	1829	557	1272
Social Development Commission	122	79	43	538	334	204
Tax Administration Jamaica	1032	9	1023	6507	1712	4795
The Port Authority of Jamaica	159	52	107	1113	399	714
University of Technology	1413	50	1363	5887	585	5302
Western Regional Health Authority	554	105	449	2402	634	1768
Other Agencies	5,874	2,611	3,263	51,648	26,875	24,773
Total	34,579	16,218	18,361	259,625	159,963	99,662

* Reflects the Periods 2012 & 2013 only.

The category 'Other Agencies' shown in Table 2 represents an amalgamation of several small reporting Agencies.

The Commission again wishes to highlight the tendency of many Public Servants to continually breach the Legislation having failed to furnish their Statutory Declaration of Assets, Liabilities and Income despite the heavy penalties under the Act and as a part of the strategy aimed at reducing delinquency has commenced dialogue with the heads of Agencies.

The Commission would like to convey its appreciation to the Offices of the Services Commission for having issued a general circular to all Ministries/Departments/Agencies reminding them of the obligation of the relevant public servants to furnish their Statutory Declaration of Assets, Liabilities and Income and the penalties which can be imposed if there is failure to adhere to the requirements of The Corruption (Prevention) Act, 2000.

During the year under review the names of sixty-two (62) public servants were reported to the Director of Public Prosecutions for Court action, thirty-four (34) of that number had their matters concluded before the Court resulting in fines totaling five hundred and thirteen thousand dollars (\$513,000) being imposed for failure to submit the Statutory Declarations by the due date. No action has been pursued against twenty-eight (28) delinquent public servants as the summonses were unable to be served on them as their present address is unknown. (See Table 3)

Since the Commission's inception the Director of Public Prosecutions has initiated prosecutions against eight hundred and twenty-six (826) delinquent declarants resulting in the imposition of fines totaling four million four hundred and sixty-nine thousand five hundred Dollars (\$4,469,500). (See Table 3)

Table 3 - Delinquent Declarants Reported to DPP

Employer	Delinquent Declarants Reported to the DPP 2013/14	Delinquent Declarants Taken before Court 2013/14	Fines Levied 2013/14	Delinquent Declarants Reported to the DPP to Date	Delinquent Declarants Taken before Court to Date	Fines Levied to Date
Anti-Dumping and Subsidies Commission				1	1	\$ 20,000.00
Coconut Industry Board				3	3	\$ -
Consumer Affairs Commission				2	2	\$ 30,000.00
Jamaica Constabulary Force				429	238	\$ 2,585,500.00
Jamaica Customs Department	1	1	\$ 15,000.00	39	8	\$ 125,000.00
Jamaica Defence Force				61	2	\$ -
Jamaica Social Investment Fund				4	4	\$ 180,000.00
Management Institute for National Development				2	1	\$ -
Manchester Parish Council				5	4	\$ 74,000.00
Ministry of Foreign Affairs and Foreign Trade				28		\$ -
Ministry of Health				7	2	\$ -
Ministry of Science, Technology, Energy & Mining	1	1		1		\$ -
National Land Agency				6	1	\$ 15,000.00
National Solid Waste Management Authority				2	1	\$ 19,000.00
National Works Agency	60	32	\$ 498,000.00	69	37	\$ 593,000.00
North-East Regional Health Authority				6	4	\$ 95,000.00
Port Authority of Jamaica				1	1	\$ 50,000.00
Portland Parish Council				5	4	\$ 190,000.00
St. Ann Parish Council				15	13	\$ 447,000.00
St. Elizabeth Parish Council				1	1	\$ 24,000.00
Tax Administration Jamaica				15	3	\$ -
Western Regional Health Authority				5	3	\$ -
Other Agencies				119	15	\$ 22,000.00
Total	62	34	\$ 513,000.00	826	348	\$ 4,469,500.00

Public Sensitization Seminars/Programs

The Commission as a part of its on-going efforts to sensitize public servants of their obligation imposed by The Corruption Prevention Act, 2000 and in conjunction with the Ministry of Justice has launched its website (www.cpcpd.gov.jm) aimed at offering further assistance to public servants and the general public.

The website amongst other things contains all previous reports of the Commission, in addition an interactive version of the Statutory Declaration of Assets, Liabilities and Income previously requested by several public servants and also information which shall be needed by relevant parties/agencies to aid their compliance with the provisions of The Protected Disclosures Act, 2011.

The Commission undertakes on request public education seminars in Ministries/Departments/ Agencies of the public service and since its inception ninety-nine such seminars have been held with a total of two thousand two hundred and thirty-five (2235) attendees. (See Table 7)

For the year to which this report relates sixteen (16) such seminars were held with four hundred and sixty-three (463) public servants in attendance.

Table 7- Public Sensitization Seminars held

Year	Number of Agencies	Public Service Attendees
2007/8	44	658
2008/9	8	299
2011/12	15	476
2012/13	16	339
2013/14	16	463
Totals	99	2235

Update of Database

The Commission annually makes a request of Public Sector Agencies for an update of persons required to file the Statutory Declaration of Assets, Liabilities and Income and has received responses from one hundred and twenty-seven (127) Ministries/Departments/ Agencies of the one hundred and seventy-seven (177) entities written to in December 2013. The Commission is in contact with the agencies that have not responded to date with a view to receiving the necessary correspondence.

Analysis of Declarations Filed

The Commission maintains a database comprising all the information supplied by declarants on their Statutory Declarations.

The year under review saw a continuation of the analysis of declarations filed by declarants employed by agencies.

During this reporting year a total of sixty (60) cases were examined, bringing to six hundred and eighty-five (685) the number of cases examined to date. All sixty (60) of these cases were referred for detailed internal investigation.

These figures indicate that most of the cases examined had material issues warranting further investigation. (See Tables 4-5)

Table 4

Analysis of Declarations Filed

Total Cases Examined	60
Cases Forwarded for Investigations	60
Cases with no Further Action Taken	-

The main issues of concern noted were the following:

- Acquisition of assets with no evidence of financing
- Non-declaration of assets e.g. properties, motor vehicles
- Omission of the source of funds
- Insufficient information submitted on declarations [particularly in relation to receipt of gifts].
- Non-declaration of business interests/income

Table 5 - Cases Analysed

Employer	Cases Analyzed 2013/14	Cases Analyzed to Date
Electoral Office of Jamaica	2	2
Financial Investigations Division		48
Financial Services Commission		8
Island Traffic Authority	1	15
Jamaica Constabulary Force	29	271
Jamaica Customs Department	3	91
Jamaica Defence Force	1	4
Maritime Authority of Jamaica	1	1
Ministry of Labour	2	2
Ministry of Transport, Works and Housing		13
National Health Fund	2	2
National Land Agency	1	1
National Works Agency	4	42
National Solid Waste Management Authority	3	3
Office of Utilities Regulation	1	15
Passport, Immigration and Citizenship Agency	1	43
Port Authority of Jamaica	3	12
Spectrum Management Authority		9
St. Mary Parish Council	4	4
Tax Administration Jamaica	2	38
Other Agencies		61
Total	60	685

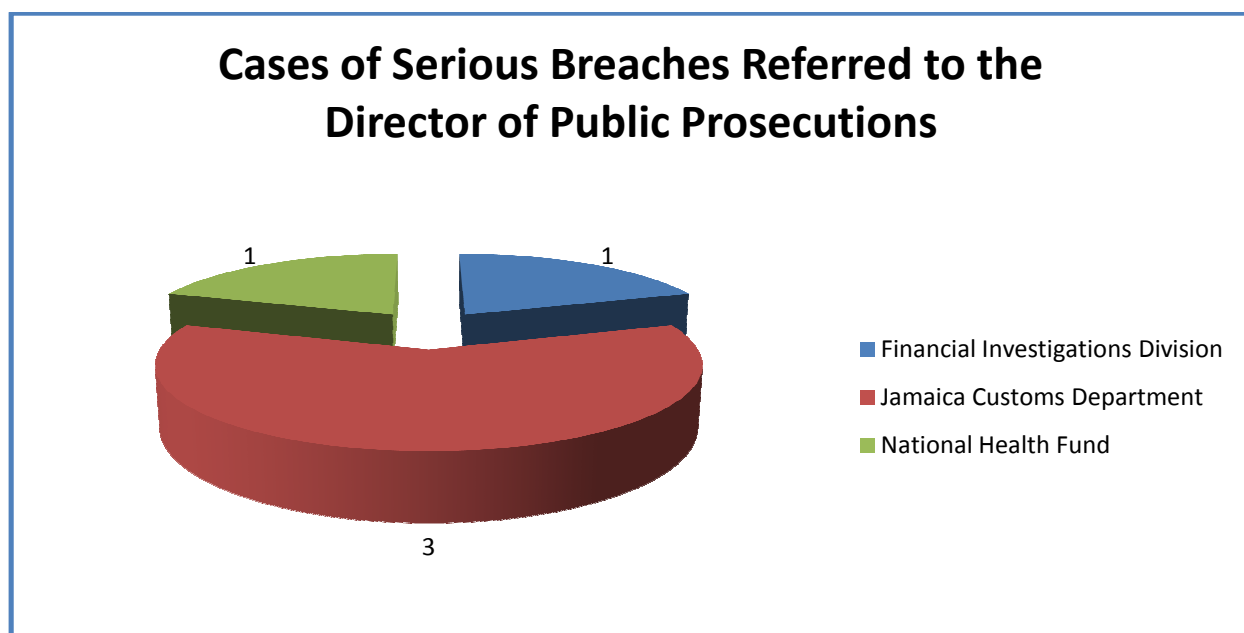
Investigation of Declarations

During the period under review the Commission had an inventory of two hundred and sixty-five (265) cases under investigation. Arising from investigations undertaken by the Commission fourteen (14) cases were closed as sufficient explanations were offered for the discrepancies indicated and no further action was warranted. (See Table 6).

Table 6 – Cases Investigated

Employer	Investigation Cases 2013/14	Cases Closed 2013/14	Cases Referred to DPP 2013/14	Cases Referred to Other Authority, Boards, Commissions 2013/14	Investigation Cases to Date	Cases Closed to Date	Cases Referred to DPP to Date	Cases Referred to Other Authority, Boards, Commissions to Date
Bank of Jamaica					3			
Department of Correctional Services					2			
Factories Corporation of Jamaica					1	1	1	
Financial Investigations Division	4		1		37	16	1	
Financial Services Commission					5			
Housing Agency of Jamaica					2			
Island Traffic Authority				1	17	11	4	2
Jamaica Constabulary Force	9	4			86	28	4	1
Jamaica Customs Department	8	5	3		72	30	9	1
Kingston & St. Andrew Corporation	1	1			2	1		
Maritime Authority of Jamaica					2			
Ministry of National Security					2			
Ministry of Transport and Works	3				6	1		
National Health Fund			1		3	1	1	1
National Works Agency	7	4			29	13	3	
Office of Utilities Regulation					10			
Passport, Immigration and Citizenship Agency					20			
Port Authority of Jamaica	1				9	1		
Spectrum Management Authority					5			
Tax Administration Jamaica					17			
Other Agencies	3				38			
Total	36	14	5	1	368	103	23	5

Chart 1: Cases of Serious Breaches Referred to the Director of Public Prosecution to Date



Five (5) cases of suspected serious breaches of The Corruption (Prevention) Act, 2000 involving allegations of illicit enrichment pursuant to Section 14 (5) of that Act and also the failure without reasonable cause to give such information as requested by the Commission in relation to a Statutory Declaration (Sections 15 (2) (a) and (c) of The Corruption (Prevention) Act, 2000 refer) were referred to the Director of Public Prosecutions (DPP) in this reporting year, making a total of twenty-three (23) such cases referred to that office since the inception of the Commission. (See Table 6 and Chart 1)

One matter was successfully concluded in the Courts by the Office of the Director of Public Prosecutions and a fine of ten thousand dollars imposed (\$10,000) (See Appendix 4) bringing the total matters concluded to five (5) and fines imposed totaling one million six hundred and sixty thousand dollars (\$1,660,000) since the Commission's inception .

For the period to which this report relates the Commission has received rulings in respect of four (4) matters and inclusive of the more recent referrals fifteen matters await rulings from that office. (See Table 8)

Table 8 – Cases Investigated

Year	Number of Cases Reported to the DPP	Rulings Received from the DPP	Number Taken Before the Court	Outcome in the Court	Fines Paid	Number of Cases Awaiting the DPP's Decision
2008	2					2
2009	2	2	2	2	\$ 1,300,000.00	
2010	4	1	1	1	\$ 300,000.00	3
2011	2					2
2012	8	1	1	1	\$ 50,000.00	7
2013	5	4	2	1	\$ 10,000.00	1
Total	23	8	6	5	\$ 1,660,000.00	15

As mentioned in earlier reports many of the cases investigated to date, have revealed instances in which public servants were in receipt of gifts and income from various sources for which adequate documentary evidence was not presented to allow verification.

Legislative Issues

The Commission has proposed amendments to the Act in its Reports for the years 2003, 2004, 2005, 2006, 2007 and 2012. The Commission is in receipt of correspondence from the Honorable Minister of Justice advising of the intention to place before the Parliament a bill entitled The Integrity Act which will then be referred to a Joint Select Committee of the Houses of Parliament. The Bill when passed will lead to the repeal of The Corruption Prevention Act, 2000.

The Honourable Minister of Justice indicated that certain of the recommendations made by the Commission in its Annual Reports have been incorporated in the Bill.

The Commission wants to express its appreciation to Tax Administration Jamaica/Ministry of Finance which has lately acceded to its request made in its 2003 report to have online access to relevant computerized Tax Administration Jamaica (Inland Revenue) records.

Signed:



**The Honourable Mr. Justice Ferdinand A Smith (Retired) C.D.
Chairman – Commission for the Prevention of Corruption**

Independent auditors' report

To the Members of The Commission for the Prevention of Corruption

Report on the Financial Statements

We have audited the accompanying financial statements of the Commission for the Prevention of Corruption, which comprise the statement of financial position as at March 31, 2014, the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Barrett & Company
Chartered Accountants

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Kingston 10, Jamaica W.I.
Tel: (876) 929-6878;
929-7662; 960-8602
Fax: (876) 929-0573

Independent auditors' report (cont'd)

**To the Members of
The Commission for the Prevention of Corruption**

Auditors' Responsibility (cont'd)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Commission as at March 31, 2014, and of the Commission's financial performance, changes in reserves and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities and the Corruption (Prevention) Act 2000 in the manner so required.

Kingston, Jamaica

August 20, 2014



Chartered Accountants

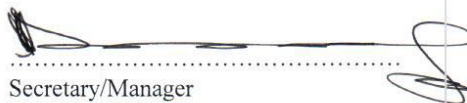
COMMISSION FOR THE PREVENTION OF CORRUPTION
STATEMENT OF FINANCIAL POSTION
MARCH 31, 2014

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	NOTE	2014	2013
ASSETS		\$	\$
Furniture and equipment	5	1,050,984	1,439,304
Long-term receivables	14	1,616,478	2,322,804
Total Non-current Assets		2,667,462	3,762,108
Cash and cash equivalents	3	4,900,083	6,963,691
Receivables - current portion	14	622,728	548,868
Taxation recoverable	15	143,671	137,417
Total Current Assets		5,666,482	7,649,976
Total Assets		<u>8,333,944</u>	<u>11,412,084</u>
LIABILITIES			
Payables	4	<u>9,098,733</u>	<u>14,103,787</u>
Total Current Liabilities		<u>9,098,733</u>	<u>14,103,787</u>
RESERVES			
Accumulated fund		<u>(764,789)</u>	<u>(2,691,703)</u>
Total Reserves		<u>(764,789)</u>	<u>(2,691,703)</u>
Total Liabilities and Reserves		<u>8,333,944</u>	<u>11,412,084</u>

Approved by the Commissioners on August 20, 2014 and signed on their behalf by:


.....
Chairman


.....
Secretary/Manager

COMMISSION FOR THE PREVENTION OF CORRUPTION
STATEMENT OF CHANGES IN RESERVES
YEAR ENDED MARCH 31, 2014

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	Accumulated Fund
	\$
Balance as at March 31, 2012	3,749,024
Deficit for the year	<u>(6,440,727)</u>
Balance as at March 31, 2013	(2,691,703)
Surplus for the year	<u>1,926,914</u>
Balance as at March 31, 2014	<u><u>(764,789)</u></u>

COMMISSION FOR THE PREVENTION OF CORRUPTION
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED MARCH 31, 2014

PAGE 5

	NOTE	2014 \$	2013 \$
Income	(2c & 6)	<u>67,909,014</u>	<u>57,010,952</u>
Administrative expenses	9	(65,503,497)	(62,919,120)
Other expense	10	(478,603)	(532,559)
Surplus/Deficit for the year		<u><u>1,926,914</u></u>	<u><u>(6,440,727)</u></u>

COMMISSION FOR THE PREVENTION OF CORRUPTION
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2014

PAGE 6

SOURCES (USES) OF CASH	2014	2013
OPERATING ACTIVITIES		
	\$	\$
Surplus/Deficit for the year	1,926,914	(6,440,727)
Item not affecting cash		
Depreciation	478,603	532,559
	2,405,517	(5,908,168)
Changes in non-cash working capital components		
Payables	(5,005,054)	7,142,866
Taxation recoverable	(6,254)	(10,239)
Long-term receivables	706,326	(1,134,911)
Current portion of long term receivables	(73,860)	431,569
	(4,378,842)	6,429,285
Cash (used in) provided by operating activities	(1,973,325)	521,117
INVESTING ACTIVITIES		
Additions to fixed assets	(90,283)	(42,071)
(Decrease) Increase in net cash and cash equivalent	(2,063,608)	479,046
Net cash and cash equivalent at the beginning of the year	6,963,691	6,484,645
Net cash and cash equivalent at the end of the year	4,900,083	6,963,691

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

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1. Identification and Activities

The Commission for the Prevention of Corruption is a body established under The Corruption (Prevention) Act 2000. The Commission is domiciled in Jamaica with offices located at 45 - 47 Barbados Avenue Kingston 5.

The functions of the Commission are as follows:

- (i) to receive and keep on record statutory declarations furnished by public servants pursuant to the Act.
- (ii) to examine such statutory declarations and to request from a public servant any information relevant to a statutory declaration made by him, which in its opinion would assist it in its examination;
- (iii) to make such independent enquiries and investigations relating to a statutory declaration as it thinks necessary.
- (iv) to receive and investigate any complaint regarding an act of corruption.
- (v) to conduct an investigation into an act of corruption on its own initiative, if it is satisfied that there are reasonable grounds for such investigation.

These financial statements are stated in Jamaican dollars.

2. Significant Accounting Policies

(a) Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs) and have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

The standard is applicable to Small and Medium-Sized Entities (SMEs) that:

- (i) Do not have public accountability.
- (ii) Do not publish general purpose financial statements for external users.

An entity has public accountability if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market. An entity also has public accountability if it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

PAGE 8

2. Significant Accounting Policies Cont'd

The objective of a set of accounts prepared under the standard is to provide information on the financial position, performance, and cash flows of the entity.

The standard does not prescribe the sequence or format in which items are to be presented in the statement of financial position.

The preparation of financial statements in conformity with IFRS for SMEs requires management to make assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year of the revision and future years, where applicable.

(b) Furniture and Equipment

(i) Items of furniture and equipment are stated at cost less accumulated depreciation.

(ii) Depreciation is charged on assets from the date of acquisition.

Depreciation is provided on the straight line basis at such rates as will write off the cost of the assets over the period of their expected useful lives. The rates are as follows:

Furniture, fixtures, equipment, computers	10-25%
Motor vehicles	20%

(c) Revenue Recognition

Revenue comprises recurrent subvention received from the government of Jamaica and interest income. Government subvention is recognized when received and interest income is recognized when earned in accordance with the relevant agreements in place.

(d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits held on call with banks and other short- term highly liquid investments with original maturity dates of three (3) months or less.

2. **Significant Accounting Policies (Cont'd)**

(e) Payables

Payables are classified as financial liabilities measured at amortized cost. Initially they were recognized at the original invoiced amount (which represents fair value) and subsequently measured at amortized cost.

(f) Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. Financial instruments are recognised in the Commission's statement of financial position when it has become a party to the contractual provisions of the instruments.

The financial instruments carried in the statement of financial position are cash and cash equivalents and payables. The particular recognition methods adopted are disclosed in the respective accounting policies associated with each item.

(g) Reserves

Accumulated fund includes all current and prior period results as disclosed in the statement of comprehensive income.

(h) Expenses

Expenses are accounted for on the accruals basis.

(i) Foreign Currencies

Transactions in foreign currencies are converted at the rates of exchange ruling at the date of those transactions. Foreign currency balances are translated at the applicable rates of exchange ruling at the financial position date. Exchange difference as a result of fluctuations in exchange rates are reflected in the statement of comprehensive income

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENT

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2. **Significant Accounting Policies (Cont'd)**

- (j) **Impairment of Non-Current Assets**
Equipment and other non-current assets are reviewed for impairment whenever events or changes indicate that the carrying amount may not be recoverable. An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable value.
- (k) **Comparative Information**
Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.
- (l) **Pension and Gratuities**
The Commission contributes 25% of the pensionable salary of eight employees to the Accountant General. This contribution is made in order to preserve their pension right within the government service.

Some employees are paid a gratuity on satisfaction of certain stated conditions.
- (m) **Employee Benefits**
Employee benefits include current or short-term benefits such as salaries, travelling, gratuity, NIS contributions paid, annual leave, and non-monetary benefits such as medical care, post employment benefits such as pensions.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS

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3. Cash and Cash Equivalents

	2014	2013
	\$	\$
Cash	15,000	15,000
Bank current account	2,296,155	5,001,251
Bank savings account	<u>2,588,928</u>	<u>1,947,440</u>
	<u>4,900,083</u>	<u>6,963,691</u>

The cash in the savings account is earmarked to fund revolving car loans.

4. Payables and Accruals

	NOTE	2014	2013
		\$	\$
Audit fee accrued		320,000	300,000
Consultancy and professional fees		115,000	115,000
Vacation leave		6,362,621	4,903,871
Travelling allowance		1,007,622	978,753
Electricity		-	275,865
National Housing Trust		1,050	-
Salaries - (arrears 2009-2011)	18	722,319	2,181,853
Telephone		-	23,395
Advertisement		-	96,420
Postage		-	17,720
One-off payment	18	525,000	525,000
Pension contribution outstanding	2 (l)	-	4,640,789
Commissioners fee		<u>45,121</u>	<u>45,121</u>
		<u>9,098,733</u>	<u>14,103,787</u>

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS

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5. Furniture & Equipment Comprise:

	Furniture fixtures \$	Office equipment \$	Computer \$	Motor vehicles \$	Totals \$
Carrying amount at March 31, 2012	730,506	839,656	359,630	-	1,929,792
Additions	-	38,104	3,967	-	42,071
Depreciation for the Year	(219,339)	(163,319)	(149,901)	-	(532,559)
Carrying amount at March 31, 2013	511,167	714,441	213,696	-	1,439,304
Additions	15,074	5,999	69,210	-	90,283
Depreciation for the Year	(220,846)	(95,219)	(162,538)	-	(478,603)
Carrying amount at March 31, 2014	305,395	625,221	120,368	-	1,050,984

	Furniture fixtures \$	Office equipment \$	Computer \$	Motor vehicles \$	Totals \$
Gross carrying amount	2,193,383	2,138,718	3,515,280	992,611	8,839,992
Accumulated depreciation	(1,462,877)	(1,299,062)	(3,155,650)	(992,611)	(6,910,200)
Carrying amount at March 31, 2012	730,506	839,656	359,630	-	1,929,792
Gross carrying amount	2,193,383	2,176,822	3,519,247	992,611	8,882,063
Accumulated depreciation	(1,682,216)	(1,462,381)	(3,305,551)	(992,611)	(7,442,759)
Carrying amount at March 31, 2013	511,167	714,441	213,696	-	1,439,304
Gross carrying amount	2,208,457	2,182,821	3,588,457	992,611	8,972,346
Accumulated depreciation	(1,903,062)	(1,557,600)	(3,468,089)	(992,611)	(7,921,362)
Carrying amount at March 31, 2014	305,395	625,221	120,368	-	1,050,984

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS

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6. **Income**

	2014	2013
	\$	\$
GOJ subvention received	67,884,000	56,970,000
Interest income	<u>25,014</u>	<u>40,952</u>
	<u>67,909,014</u>	<u>57,010,952</u>

7. **Deficit for the year**

Deficit for the year is stated after charging the following items:

	2014	2013
	\$	\$
Executive compensation	14,691,260	11,457,190
Auditors' remuneration	320,000	300,000
Interest income	(25,014)	(40,952)
Commissioners fee	2,280,000	2,175,806
Depreciation	<u>478,603</u>	<u>532,559</u>

8. **Taxation**

The Commission is exempt from Income Tax. Under the General Consumption Tax Act, it is entitled to acquire goods and services at a zero rate of tax.

9. **Expenses by Nature**

Total administrative and other operating expenses

	NOTE	2014	2013
		\$	\$
Employee benefits	11	47,536,347	46,633,278
Rental of office and parking lot		8,900,484	7,800,152
Utilities	17	3,677,155	3,400,624
Auditors remuneration		320,000	300,000
Commissioners fee		2,280,000	2,175,806
Purchase of other goods and service	16	<u>2,789,511</u>	<u>2,609,260</u>
		<u>65,503,497</u>	<u>62,919,120</u>

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS

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10. Other Expense

	2014	2013
	\$	\$
Depreciation	<u>478,603</u>	<u>532,559</u>

11. Employee Benefits

	NOTE	2014	2013
		\$	\$
Salaries		31,680,230	28,594,938
Employer's contribution (NIS, Ed. Tax & NHT)		1,493,422	1,402,933
Travelling allowance		6,240,455	5,557,538
Pension and gratuity	2 (l)	7,587,240	6,863,420
Training and seminar expenses		10,000	53,027
Salaries - (arrears - 2009-2011)	18	-	3,636,422
One-off payment	18	<u>525,000</u>	<u>525,000</u>
		<u>47,536,347</u>	<u>46,633,278</u>

Included in employee benefits is the compensation of senior executives made up as follows:

Compensation

	2014	2013
	\$	\$
Salary	11,710,820	8,496,016
Travelling allowance	2,980,440	2,004,720
Personal pensionable allowance	-	177,473
Seniority allowance	<u>-</u>	<u>778,981</u>
	<u>14,691,260</u>	<u>11,457,190</u>

12. Financial Risk Management Policies

The Commission is exposed to a variety of financial risks in respect of its financial instruments: interest rate risk, credit risk, liquidity risk and cash flow interest rate risk. The Commission seeks to manage these risks by close monitoring of each class of its financial instruments as follows:

(a) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates. The Commission's cash and cash equivalents are subject to interest rate risk. However, the Commission attempts to manage this risk by monitoring its interest-bearing instruments closely and procuring the most advantageous rates under contracts with interest rates that are fixed for the life of the contract where possible. The Commission faces interest rate risk in respect of the savings account as interest rate is not fixed but is subject to fluctuation based on prevailing market rate.

Its current account balance does not bear interest, as it does not have overdraft facilities.

(ii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Commission faces no currency risk as none of its financial instruments in transactions are denominated in a foreign currency.

(iii) Other price risk

Other price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to individual instrument or its issuer or factors affecting all instruments traded in the market.

The Commission's financial instruments are substantially independent of changes in the market prices as they are short-term in nature.

12. **Financial Risk Management Policies (Cont'd)**

(b) Credit risk

Credit risk is the risk that one party to a financial contract will fail to discharge its obligations and cause the other party to incur a financial loss. The Commission faces credit risk in respect of its bank balances, which are held with licensed financial institutions considered to be stable.

The Commission manages its credit risk by a policy which requires that investments be made principally in liquid securities and only with counter parties that management believes does not offer any significant credit risk. Management does not expect any counter parties to fail to meet its obligations and considers the credit quality of its bank balances to be good. The maximum credit risk faced by the Commission is the total of bank balances reflected in these financial statements.

(c) Liquidity risk

Liquidity risk is the risk that the Commission will encounter difficulty in raising funds to meet its commitments associated with financial instruments. The Commission manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form.

Total current liabilities exceeded total current assets by \$3,432,251 (page 3) (2013 - \$6,453,811).

13. **Capital Management**

The Commission obtains budgetary support from the Government of Jamaica to carry out its mandate. If there is a surplus on its operations, then it will strengthen its future continuity. However, the Commission expects that it will continue to receive government subvention to support its operations.

The Commission is not subject to any externally imposed capital requirements.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS

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14. Long-Term Receivable

	2014	2013
	\$	\$
Motor vehicle revolving loan	2,239,206	2,861,938
Prepayment and receivables	-	9,734
	<u>2,239,206</u>	<u>2,871,672</u>
Less: repayable within 12 months	<u>622,728</u>	<u>548,868</u>
Long-term portion	<u>1,616,478</u>	<u>2,322,804</u>

In May 2007 the Commission established a motor vehicle revolving loan scheme to assist travelling officers to purchase reliable motor vehicles to be used in the performance of their official duties. Guidelines for administering the loan include in part:

- (a) Renewed loans for new vehicles should not exceed \$1,100,000 (2010- \$800,000) and loans for used vehicles should not exceed \$800,000 (2010-\$500,000).
- (b) The loan should be interest-free
- (c) Loans should be repaid over a seven (7) year period for new vehicles and six (6) years for used vehicles
- (d) No employee should be given a loan to purchase a motor vehicle under five years, that is, only one (1) loan in a five (5) year period.
- (e) The motor vehicle purchased should not exceed five (5) years.
- (f) All loans should be recovered by salary deduction.

15. Taxation Recoverable

This represents income tax deducted from interest income.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS

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16. Other Goods and Services

	2014	2013
	\$	\$
Repairs & maintenance	167,931	135,718
Motor vehicle expenses	395,215	367,545
Bank charges	47,789	29,806
Advertising	147,920	160,746
Printing, stationery & postage	1,019,896	934,527
Office & sundry supplies	1,010,760	980,918
	<u>2,789,511</u>	<u>2,609,260</u>

17. Utilities

	2014	2013
	\$	\$
Electricity	3,419,210	3,160,733
Telephone & internet services	257,945	239,891
	<u>3,677,155</u>	<u>3,400,624</u>

18. On April 18, 2012, the Commission was advised that in keeping with an agreement reached between the Government of Jamaica and representatives of public sector workers, such workers are entitled to salary arrears for the period April 1, 2009 to March 31, 2011.

Payments are to be made in five(5) equal instalments as follows;
May 2012, October 2012, May 2013, October 2013 and May 2014

The Commission was also advised by way of circular no.19 from the Ministry of Finance & Planning that public sector employees are granted three(3) one-off payments of \$25,000 per annum for the following contract periods.

Contract period - April 2012 to March 2013
Contract period - April 2013 to March 2014
Contract period - April 2014 to March 2015

The one-off payments are not related to, nor should they be treated as salary.



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The Protected Disclosures Act, 2011

Procedural Guidelines

The Protected Disclosures Act (the Act) came into effect August 7, 2012. This publication seeks to inform the public about the purpose and objects of the Act and to provide guidelines regarding the making, receiving, and investigation of disclosures.

References

Section 1
of the Act
& the
Jamaica
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CXXXV, No.
115

Sections
3, 15 & 24
of the Act.

1. Purpose of the Act

To encourage and facilitate the making by employees of specified disclosures of improper conduct in the public interest; to regulate the receiving, investigating or otherwise dealing with disclosures of improper conduct; to protect employees who make specified disclosures from being subjected to occupational detriment; to protect the confidentiality of the employee making the disclosure and any statement given, or document, information or thing provided; and to grant immunity from civil or criminal proceeding or any disciplinary proceeding to a person who makes a protected disclosure, or receives, investigates or otherwise deals with a protected disclosure.

2. What is a disclosure?

Disclosure is the information given by an employee, regarding any conduct of an employer of that employee or another employee of the employer, where the employee has a reasonable belief that the information disclosed shows or tends to show that improper conduct has occurred, is occurring or is likely to occur, and "disclose" shall be construed similarly.

Section 2
of the Act.

3. What constitutes improper conduct?

This means-

- (a) criminal offence;
- (b) failure to carry out a legal obligation;
- (c) conduct that is likely to result in a miscarriage of justice;
- (d) conduct that is likely to threaten the health or safety of a person;
- (e) conduct that is likely to threaten or damage the environment;
- (f) conduct that shows gross mismanagement, impropriety or misconduct in the carrying out of any activity that involves the use of public funds;
- (g) act of reprisal against or victimization of an employee;

Section 2
of the Act.



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- (h) conduct that tends to show unfair discrimination on the basis of gender, race, place of origin, social class, colour, religion or political opinion; or
- (i) wilful concealment of any act described in paragraphs (a) to (h) above.

4. Who is entitled to make disclosures?

Any employee that is to say-

Section 2
of the Act.

- (a) any person who-
 - (i) works or has worked for another person; and
 - (ii) receives, received, or is entitled to receive, any remuneration for work done.
- (b) any person who in any manner assists or has assisted in the carrying on or conduct of the business of an employer, without any entitlement to receive remuneration or reward.
- (c) any person who is, or was, engaged or contracted under a contract for services to do work for another person, or any agent of the person.

5. To whom shall disclosures be made?

The Act provides for disclosure to be made to:

Sections 2
& 7-12 of
the Act.

- (a) an employer or a designated officer appointed by the employer
- (b) either the Minister with portfolio responsibility for that subject matter or the Prime Minister or both.
- (c) a prescribed person.
- (d) the designated authority.
- (e) an attorney-at-law with the object of obtaining, or during the process of obtaining legal advice.

6. To whom should disclosures relating to threats to national security, defence or international relations be made?

Where an employee seeks to make a disclosure in relation to a matter that would prejudice the national security, defence or international relations of Jamaica, the disclosure shall be made to either the Minister with portfolio responsibility for that subject matter or the Prime Minister or to both.

Section 12
of the Act.

The Prime Minister and each Minister shall establish and cause to be operated procedures for receiving, investigating or otherwise dealing with these disclosures.



7. Who is an employer?

An employer means anyone or entity who-

- (a) employs or has employed another person to carry out work or provide services and who remunerates, or expressly or tacitly undertakes to remunerate, that other person for the work carried out or services provided; or
- (b) permits or has permitted another person to assist in any manner in the carrying on or conduct of the business of that person, without any obligation to provide remuneration or reward to that other person.

Sections 2
& 14 of the
Act.

8. Who are prescribed persons?

1. Auditor-General
2. Bank of Jamaica
3. Bureau of Standards
4. Children's Advocate
5. Commission for the Prevention of Corruption
6. Commissioner of Police
7. Contractor-General
8. Director of Public Prosecutions
9. Electoral Commission of Jamaica
10. Fair Trading Commission
11. Financial Services Commission
12. Independent Commission of Investigations
13. Integrity Commission
14. Inland Revenue Department
15. National Environment and Planning Agency
16. Office of Utilities Regulation
17. Political Ombudsman
18. Public Defender

Section 9
& the First
Schedule
of the Act.

9. When can disclosures be made to the prescribed persons?

Where an employee makes an internal disclosure in accordance with the established procedures and steps to deal with the disclosure have not been taken by the employer or

Section 14
of the Act.



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the designated officer within thirty days, the employee may make an external disclosure to a prescribed person.

The person making a disclosure to any of the prescribed persons must reasonably believe that the conduct disclosed falls within the area of responsibility of the prescribed person.

10. Who is the designated authority?

The designated authority is an individual or entity designated by the Minister with the responsibility for monitoring compliance with the Act. The Minister has designated the Commission for the Prevention of Corruption to be the designated authority.

Section 21
of the Act
& the
Jamaica
Gazette
Vol.
CXXXV, No.
116

11. When can disclosures be made to the designated authority?

The disclosures may be made to the designated authority if any of the following circumstances applies, namely-

- (a) at the time of the disclosure, the employee reasonably believed that he would be subject to an occupational detriment if he made the disclosure to his employer in accordance with the Act;
- (b) there is no prescribed person in relation to the relevant improper conduct;
- (c) the employee making the disclosure has reason to believe that it is likely that evidence relating to the improper conduct will be concealed or destroyed if he makes the disclosure to his employer;
- (d) the employee making the disclosure had made a disclosure on a prior occasion to his employer or to a prescribed person in respect of which no action was taken within thirty days.

Section 10
of the Act.

12. What constitutes occupational detriment?

The Act makes it an offence for an employer (or former employer) to take detrimental action against an employee in reprisal for making a protected disclosure. Occupational detriment means any act or omission that results in an employee, in relation to his employment, being-

- (a) subject to disciplinary action;
- (b) dismissed, suspended, or demoted;
- (c) harassed, intimidated or victimized;
- (d) transferred against his will;

Sections 2
& 23 of the
Act.



- (e) refused transfer or promotion;
- (f) subject to a term or condition of employment or retirement from employment, that is altered to his disadvantage;
- (g) provided with an adverse reference;
- (h) denied appointment to any employment, profession or office;
- (i) threatened with any of the actions specified in paragraphs (a) to (h); or
- (j) otherwise adversely affected in respect of his employment, profession or office, including employment opportunities and job security.

13. What can I do if I suffer any occupational detriment as a result of making a disclosure?

You may complain to your employer. The Act provides that the employer should receive, record, review, investigate and otherwise deal with complaints made in respect of reprisals as a result of a disclosure. The aggrieved employee may also refer the matter to the designated authority. This does not preclude the employee who had suffered occupational detriment from pursuing his/her concerns in the Courts or by any established grievance or disciplinary procedure set up under the Labour Relations and Industrial Disputes Act.

Sections
16, 17, 18
& 22 of the
Act.

14. When is a disclosure protected?

A disclosure is protected if it is made a) substantially in accordance with the procedure established by the employer for the making of disclosures, where such a procedure is in operation, or b) to the employer, where no procedure for making of disclosures is in operation. A disclosure is also protected if such disclosure is made to a prescribed person or to the designated authority.

Further a disclosure made by an employee to an attorney-at-law with the object of obtaining, or during the process of obtaining, legal advice is a protected disclosure.

A disclosure made by an employee to a Minister qualifies for protection if his employer is a) a person appointed under any law by the Minister; or b) a public body any of whose members is appointed by the Minister. The Prime Minister or other Ministers to whom disclosures are made shall establish and cause to be operated procedures for the receiving, investigating or otherwise dealing with the disclosures.

Sections 7,
8, 9, 10, 11
& 12 of the
Act.

15. When is a disclosure not protected?

A disclosure does not qualify for protection under the Act -

- a) unless it is made in good faith and in the public interest;

Sections 4
& 5 of the
Act.



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b) if the employee making the disclosure commits an offence by making it.

16. What is the significance of a disclosure being protected?

An employee shall not be subjected to any occupational detriment on the basis that the employee seeks to make, has made, or intends to make a protected disclosure. An employee who is dismissed as a consequence of seeking to make or intending to make a protected disclosure shall be treated as being unjustifiably dismissed. If an employee suffers occupational detriment at or at about the same time that he makes a protected disclosure, the occupational detriment shall be presumed to be as a consequence of the protected disclosure unless the employer shows that the act that constitutes the occupational detriment is otherwise justified.

Sections
16 & 17 of
the Act.

17. Immunity from civil and criminal proceedings

A person who makes a protected disclosure, or receives, investigates or otherwise deals with a protected disclosure, shall not be liable in any civil or criminal proceeding or to any disciplinary proceeding by reason of having made, received, investigated or otherwise dealt with such disclosures.

Section 15
of the Act.

18. What is the information to be supplied in a disclosure?

The information to be supplied in a disclosure should be in writing and contain as a minimum and as far as practicable the information below. Where the disclosure is made orally, the person receiving the disclosure shall within twenty-four hours after receiving the disclosure, cause the disclosure to be reduced into writing.

Section 6
& the
Second
Schedule
of the Act.

1. The full name, address and occupation of the person making the disclosure.
2. The nature of the improper conduct in respect of which the disclosure is made.
3. The name of the person alleged to have committed, to be committing or to be about to commit the improper conduct.
4. The time and place where the alleged improper conduct is taking place, took place or is likely to take place.
5. The full name, address and description of a person (if any) who witnessed the commission of the improper conduct.
6. Whether the person making the disclosure has made a disclosure of the same or of some other improper conduct on a previous occasion and if so, about whom and to whom the disclosure was made.



7. If the person is an employee making a disclosure about that person's employer or a fellow employee, whether the person making the disclosure remains in the same employment.

A sample form is attached. (See Appendix 1)

19. How should internal disclosures be managed?

Having received and recorded a disclosure and concluded that an investigation is warranted, the following guidelines should be adhered to- Section 18 of the Act.

- (a) commence investigations forthwith and issue periodic updates on the investigation to the employee making the disclosure, at intervals of thirty days;
- (b) ensure that investigations are carried out fairly;
- (c) review the results of investigations into disclosures and report the findings to the employee who made the disclosure and to anybody appearing to the person receiving the disclosure to be appropriate (having regard to the relevant improper conduct and the area of responsibility of that body);
- (d) make recommendations regarding the measures to be taken to correct the improper conduct;
- (e) take steps to remedy the improper conduct, provide redress where appropriate, take disciplinary action where appropriate, and reduce the opportunity for recurrence of the conduct;
- (f) ensure that the rights of the employee making the disclosure, any witness and any person alleged to be at fault are protected; and
- (g) receive, record, review, investigate and otherwise deal with complaints made in respect of reprisals as a result of a disclosure made under the Act.

20. Must all internal disclosures be investigated?

No. An employer or other person to whom a disclosure is made acting in good faith may refuse to deal with the disclosure or cease an investigation in the following circumstances- Section 19 of the Act.

- (a) the subject matter of the disclosure or the related investigation has been adequately dealt with, or could more appropriately be dealt with by another person;
- (b) the subject matter of the disclosure is frivolous or not sufficiently important to warrant an investigation;
- (c) the circumstances surrounding the subject matter of the disclosure have changed (whether by reason of a change in the circumstances of the employee or the



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employer, insufficiency of evidence or otherwise) so that it renders the investigation unnecessary.

Where an employer or other person to whom a disclosure is made decides to refuse to carry out an investigation such employer or other person shall provide reasons in writing to the employee who made the disclosure within fifteen days of decision not to proceed.

21. May an employee make a disclosure otherwise than internally?

- a) You may make your disclosure to a prescribed person if you reasonably believe that the disclosed conduct falls within that person's area of responsibility;
- b) You may make your disclosure to the designated authority, if it is reasonable in all the circumstances of the case, to make the disclosure and if any of the following applies –
 - i. you reasonably believe that you will be subjected to occupational detriment, if you make the disclosure to your employer;
 - ii. there is no prescribed person with responsibility for the area in which the improper conduct occurred;
 - iii. you have reason to believe that it is likely that evidence relating to the improper conduct will be concealed or destroyed, if the disclosure is made to your employer;
 - iv. you made the disclosure on a prior occasion to your employer or to a prescribed person, and no action was taken within thirty (30) days.

Sections
10 & 14 of
the Act.

22. Are there offences under the Act?

Yes. A person commits an offence if he-

- (a) prevents, restrains or restricts any employee from making a protected disclosure;
- (b) intimidates any employee who has made or intends to make a protected disclosure;
- (c) induces any person by threats, promises or otherwise to contravene the Act; or
- (d) being an employer-
 - (i) subjects an employee or former employee of that person to occupational detriment as a consequence of the employee or former employee making a protected disclosure;
 - (ii) refuses, in bad faith, to receive a disclosure or carry out an investigation in relation to a disclosure;
- (e) being an employee, purports to make a disclosure under the Act knowing that it contains a statement that is false or misleading, or reckless as to whether the statement is false or misleading.

Section 23
of the Act.



(f) aids, abets, procures or conspires with any other person to contravene the Act.

23. What is the penalty?

A person who commits an offence as outlined under paragraph 22 is liable upon-

Section 23
of the Act.

- (a) summary conviction in a Resident Magistrate's Court to a fine not exceeding two million dollars or to imprisonment for a term not exceeding two years or to both such fine and imprisonment; or
- (b) conviction on indictment in a Circuit Court to a fine or to imprisonment for a term not exceeding five years or to both such fine and imprisonment.

There are further offences and consequential penalties which will be mentioned in paragraphs 24 and 25.

24. Is there any other offence and penalty?

Yes. A person who, without reasonable excuse, fails to comply with a requirement imposed by the designated authority in the lawful exercise of the functions of the authority under the Act, commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding two hundred and fifty thousand dollars or to imprisonment for a term not exceeding three months.

Section 23
of the Act.

25. Is there any confidentiality in respect of disclosure?

Yes. Every person receiving, investigating or otherwise dealing with a disclosure under the Act shall regard and deal with such disclosure as secret and confidential in respect of-

Section 24
of the Act.

- (a) the identity of the employee making the disclosure and any disclosure made; and
- (b) any statement given, or document, information or thing provided, to the person in the carrying out of an investigation, except that any statement given, or document, information or thing provided, given in furtherance of an investigation or any legal or disciplinary proceedings shall not be regarded as being inconsistent with the obligation for secrecy and confidentiality.

A person who contravenes the confidentiality requirement commits an offence and is liable upon summary conviction in a Resident Magistrate's Court to a fine not exceeding two million dollars or to imprisonment for a term not exceeding two years or to both such fine and imprisonment.



26. Establishing a confidential electronic and paper filing system

To prevent breaches of the confidentiality requirements of the Act and to minimize the possibility of detrimental action, employers must necessarily establish a secure electronic and/or paper filing system. Therefore, employers must ensure that:

- (a) all paper and electronic files are secure and can only be accessed by authorized officers;
- (b) all printed material is kept in files that are clearly marked as a protected disclosure matter and include a prominent warning on the front of the file that penalties apply to any unauthorized divulging of information concerning a protected disclosure;
- (c) any electronic files saved are password protected or have limitations on access rights;
- (d) any other material, such as tapes from interviews, are stored securely with access only to authorized officers;
- (e) the security of communications i.e. sensitive information or documents, are not mailed or faxed to a machine to which staff have general access; personal delivery of documents is the best way to ensure confidentiality.

27. Establishing written procedures

Each employer is required to establish written procedures for handling disclosures. The procedures must facilitate the making of disclosures, the investigation of disclosures, and the protection of persons making disclosures from detrimental actions by the employer or any officer, member or employee of the employer. The procedures, in the relevant ministries must also set out the steps necessary for an employee to make disclosures pertinent to national security, defence or international relations of Jamaica. The procedures must be in accordance with the Act and these guidelines.

The designated authority may review the written procedures of an employer and their implementation. The designated authority may make recommendations to an employer as a result of such a review. It is the responsibility of the employer to ensure that its policies and procedures reflect the Act, Regulations (if any) and Guidelines. Each employer should review its policies and procedures if amendments are made to the Act, Regulations or the designated authority's Guidelines.

An employer must make a copy of its written procedures available to each of its members, employees or officers, and must have a copy available for inspection by members of the

Sections
12, 13 &
21 of the
Act.



public during normal office hours free of charge. The procedures should also be located or linked on any website maintained by the employer.

The following list of matters should be included in the written procedures of an employer to establish an effective internal reporting system for the Act.

Issues to be addressed in establishing protected disclosure procedures

1. Appointment of a designated officer
2. Statement of support for persons making protected disclosures
3. Purpose of the procedures
4. Objects of the Act
5. Definitions of terms
6. The reporting system
7. Roles and responsibilities
8. Confidentiality
9. Collating and publishing statistics
10. Receiving and assessing disclosures
11. Preventing detrimental actions
12. Criminal offences.

28. Establishing a reporting system

An employer must establish a reporting system for the receipt, assessment and investigation of protected disclosures. The chief requirements of any reporting system are:

- (a) ensuring that the confidentiality of the information and the identity of the persons making protected disclosures are maintained throughout the process;
- (b) identifying clear contact points for reporting protected disclosures, including all relevant disclosures made in person or by mail, phone calls and emails;
- (c) ensuring a disclosure about the head of entity is immediately notified to the relevant prescribed person or the Designated Authority.

An effective internal reporting system will address the following:

- (a) encouraging staff to raise matters of concern internally;
- (b) providing a reporting channel for disclosures that may otherwise never be reported;



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- (c) ensuring disclosures by such persons are properly and appropriately assessed and acted upon;
- (d) ensuring the protection of the Act is fully available to all persons making protected disclosures.

29. What reporting structure to adopt

The Act requires that employers appoint at least one person with the required competences as "Designated Officer." The appointee/s should be granted the requisite authority to receive, investigate and otherwise deal with disclosures. There are a number of benefits in restricting the number of persons involved in handling the disclosures:

Section 13
of the Act.

- a. Fewer people handling disclosures enhance confidentiality and thereby reduce the likelihood of reprisals being taken against persons making protected disclosures;
- b. It provides for better management and reporting of the disclosures received;
- c. It provides for easier sensitization of staff as to whom a disclosure can be made;
- d. Liaison with designated authority and other investigative agencies can be clearly defined and information flows can be better managed.

30. Roles and responsibilities of those involved in the internal reporting system

There are a number of ways an employer can set up a reporting system. The number of officers and their respective roles will depend on the size of the body and its structure in terms of regions or organizational units. An internal reporting policy should identify the officers who will be involved in the internal reporting system and clearly describe their individual roles.

31. Education and training to ensure knowledge by personnel

All personnel should be provided with all relevant information and given appropriate training to ensure they are familiar with policies, procedures, the relevant parts of the legislation, particularly their confidentiality obligations and resulting consequences of a breach of the Act.

If an employer has a separate complaints system, then those officers who deal with the receipt and assessment of complaints must be trained to identify matters that may fall under the Act.

APPENDICES

APPENDIX 1

PROTECTED DISCLOSURES FORM

The Protected Disclosures Act, 2011 – Procedural Guidelines
FORM PDA1

[illegible]

APPENDIX 1

Name of Alleged Party of Improper Conduct	
Time and Place of Alleged Party of Improper Conduct	
Name of Witness	Name of Witness
Address of Witness	Address of Witness
Brief Description of Witness	Brief Description of Witness
Previous Disclosures Made (State about whom and to whom the disclosure was made)	
<hr/>	
<hr/>	
<hr/>	
<hr/>	
<hr/>	
<hr/>	
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State whether still in employment (Where the disclosure is about the employer or fellow employees)	

I make this disclosure in good faith and in the public interest. I believe it to be true and accurate to the best of my knowledge and I know that I would be liable for prosecution if this disclosure contains any statement that I know to be false or misleading.

Signature of Person making Disclosure

Date

Name of Witness

Signature of Witness

Date

PROTECTED DISCLOSURES LOG
The Protected Disclosures Act, 2011 – Procedural Guidelines
FORM PDA2

Agency: _____

Date Received	Disclosure No.	Summary of Improper Conduct Disclosed	Date and Entity of Referral	Date Closed	Decision Taken

APPENDIX 3

PROTECTED DISCLOSURES SUMMARY REPORT
The Protected Disclosures Act, 2011 – Procedural Guidelines
FORM PDA3

Agency: _____

Date	Disclosure No.	Date Received	Summary of Improper Conduct Disclosed	Actions Taken (Brief Description)	Days Since last Notification to the Discloser	Date and Entity of Referral	Date Closed	Decision Taken

FORM PDA3

COMMISSION FOR THE PREVENTION OF CORRUPTION

DIRECTORS COMPENSATION - 2013/2014

Position of Director	Fees (\$)	Motor Vehicle Expenses and Subsistence (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Chairman (1)	600,000				600,000
Member (1)	420,000				420,000
Member (1)	420,000				420,000
Member (1)	420,000				420,000
Member (1)	420,000				420,000
5	2,280,000				2,280,000

COMMISSION FOR THE PREVENTION OF CORRUPTION

SENIOR EXECUTIVE COMPENSATION - 2013/2014

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Travelling Allowance or Value of Assigned Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Personal Pensionable Allowance (\$)	Seniority Allowance (\$)	Total (\$)
Secretary/Manager GMG/SEG6(1)	2014	4,171,300		975,720				5,147,020
Chief Financial Investigator FMG/PA4(1)	2014	3,049,553		975,720				4,025,273
Snr Financial Analyst FMG/PA3(1)	2014	2,426,746		514,500				2,941,246
Dir. Corporate Services(1)	2014	2,063,221		514,500				2,577,721
Total		11,710,820		2,980,440		0	0	14,691,260

Notes

Salaries of all officers includes two (2) tranches of salary increase effective April 2009.

Commission for the Prevention of Corruption

Case Profile

Case #: CFTPCINV11024

Case Type: Knowingly makes false statement of the statutory declaration under Section 15(2)(b) of the Corruption Prevention Act

The Issues

A Customs Officer failed to report a gift of \$20,000.00 he received while carrying out his duties during the period ending December 31, 2009.

The Charges

The officer during an interview at the Commission admitted that he accepted a gift \$20,000.00 which was not reported on his statutory declaration for the period ending December 31, 2009. The matter was referred to the Director of Public Prosecutions for consideration. On the ruling of the Director of Public Prosecutions the officer was summoned to appear in Court on November 28, 2013 to answer a charge of having knowingly made a false statement on the statutory declaration contrary to Section 15(2)(b) of the Corruption Prevention Act.

The officer pleaded guilty to the charge.

The Sentencing

On November 28, 2013 the Customs Officer was sentenced for having made a false statement on the statutory declaration for the period ending December 31, 2009. The court imposed a fine of \$10,000 or 6 months imprisonment for the Breach of Section 15(2)(b) of the Corruption Prevention Act.