

COMMISSION FOR THE

PREVENTION

OF

CORRUPTION

ANNUAL REPORT

2014/2015

2014/2015

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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 2014 -2015 year in review the Commission met ten (10) times.

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 2014, thirty six thousand and forty two (36,042) Declarations were to be received by the Commission.

As at March 31, 2015, the Commission had received eighteen thousand one hundred and thirty four (18,134) Declarations for the period ending December 31, 2014. A compliance rate of fifty percent (50%).

Arising from the continued failure of so many Public Servants to file declarations, the Commission is preparing a list of delinquent individuals which will shortly be forwarded to the Director of Public Prosecutions (DPP) and to the Heads of Agencies as provided for in the Corruption (Prevention) Act, 2000 with a view to addressing the matter of delinquency.

Since the Commission's inception one thousand and seventy-one (1071) delinquent declarants have been reported to the Director of Public Prosecutions for having failed to furnish the Statutory Declaration of Assets, Liabilities and Income. That Office has initiated action against five hundred and fifteen (515) delinquents. Fines totaling five million eight hundred and sixty-four thousand five hundred dollars (\$5,864,500.00) have been imposed by the Court on four hundred and four (404) of those found to have been delinquent to date.

For the year to which this report relates two hundred and forty-five (245) 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. One hundred and forty-one (141) of those public servants reported had their cases disposed of in the court with fines of one million three hundred and ninety-five thousand dollars (\$1,395,000) being imposed on them, the remaining matters are being pursued and are at varying stages in the Court system.

The Commission had previously made certain recommendations in its Annual Reports some of which have been incorporated into the Bill entitled "The Integrity Act" presently before 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) and the Heads of Agencies in its efforts to enforce compliance with the provisions of The Corruption Prevention Act.

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 forty-five (45) cases was chosen for analysis based on the Commission's selection criteria. Thirty-eight (38) cases analysed were referred for detailed internal investigation and seven (7) recommended closed as no further action was warranted.

The Commission had an inventory reflecting four hundred and forty-seven (447) cases for the reporting year ending March 31, 2015 which required interviews and statements to be 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 one (1) case involving allegations of serious breaches of The Corruption (Prevention) Act 2000, while seven (7) 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-four (24) cases of suspected serious breaches of The Corruption Prevention Act including those involving the offence of illicit enrichment, and awaits rulings in respect of twelve (12) cases.

For the 2014-2015 reporting year the Commission has received rulings from the DPP in respect of three (3) of the matters previously referred to that office and is presently before the Court in relation to three (3) matters, the allegations include the offence of illicit enrichment and other suspected serious breaches of the Corruption Prevention Act.

A matter which was prosecuted by the Office of the Director of Public Prosecutions and which was the subject of an Appeal was concluded, the Appeal was dismissed and the conviction and sentence affirmed by the Court.

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 developed procedural guidelines pursuant to the Act.

Those procedures have subsequently been published in The Jamaica Gazette dated April 25, 2014, and up to the date of this report two (2) cases have been referred to the Commission as the Designated Authority.

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 ten (10) times during the 2014/2015 financial year.

Names of Members	Meetings Attended	Absent
Mr. Justice F. A. Smith	10	-
Mr. Justice Howard Cooke	9	1
Mr. Justice Karl Harrison	5	5
The Hon. Mr. Adrian Strachan	10	-
Mrs. Pamela Monroe Ellis	8	2

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 published the procedural guidelines under that Act in the Jamaica Gazette dated April 25, 2014. (See Appendix 1).

For the period under review the Designated Authority has received two (2) reports of matters falling under the Protected Disclosures Act, one these matters has been referred to the Ministry of Labour for a determination as to whether the individual was unfairly dismissed.

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 Parliament and is presently the subject of deliberations by a Joint Select Committee of the Houses of Parliament. The Commission remains hopeful that those of its recommendations from previous Annual Reports which were 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 (20) positions are presently in operation, these include the Secretary/Manager, two (2) Secretaries, four (4) Financial Analysts, three (3) 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. 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: **cpcpd@moj.gov.jm**

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	12,918	1,787	12%
December 31, 2003	14,705	11,328	3,377	23%
December 31, 2004	17,227	13,150	4,077	24%
December 31, 2005	14,104	9,486	4,618	33%
December 31, 2006	15,409	9,663	5,746	37%
December 31, 2007	20,684	13,316	7,368	36%
December 31, 2008	23,582	13,797	9,785	41%
December 31, 2009	25,921	14,116	11,805	46%
December 31, 2010	26,587	15,863	10,724	40%
December 31, 2011	27,877	16,281	11,596	42%
December 31, 2012	33,363	16,432	16,931	51%
December 31, 2013	35,320	17,537	17,783	50%
December 31, 2014	36,042	18,134	17,908	50%
TOTAL	290,821	169,103	121,718	42%

As can be seen there remains a high incidence of outstanding declarations with that for the year under review being seventeen thousand nine hundred and eight (17,908) declarations which represent fifty percent (50%) of all declarations.

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

Table 2 - Outstanding Declarations

Employers	Declarations to be Filed 2014	No. of Declarations Filed 2014	No. of Outstanding Declarations 2014	Declarations to be Filed to Date	No. of Declarations Filed to Date	No. of Outstanding Declarations to Date
BANK OF JAMAICA	386	369	17	3,202	2,957	245
BUREAU OF STANDARDS JAMAICA	162	116	46	1,314	1,092	222
DEPARTMENT OF CORRECTIONAL SERVICES	179	93	86	336	93	243
eGOV JAMAICA LIMITED	167	104	63	1,082	733	349
HEART TRUST/NTA	702	192	510	3,761	1,323	2,438
JAMAICA CIVIL AVIATION AUTHORITY	208	96	112	1,502	777	725
JAMAICA CONSTABULARY FORCE	12,805	8,128	4,677	131,874	96,732	35,142
JAMAICA CUSTOMS AGENCY	695	375	320	10,183	7,004	3,179
JAMAICA DEFENCE FORCE	4,252	3,768	484	42,462	31,899	10,563
JAMAICA FIRE BRIGADE	617	460	157	815	701	114
MINISTRY OF AGRICULTURE & FISHERIES	131	78	53	1,117	694	423
MINISTRY OF EDUCATION	4,589	96	4,493	22,765	603	22,162
MINISTRY OF FOREIGN AFFAIRS AND FOREIGN TRADE	121	56	65	1,258	637	621
NATIONAL ENVIRONMENT & PLANNING AGENCY	144	124	20	757	664	93
NATIONAL HOUSING TRUST	1,025	221	804	4,407	2,045	2,362
NATIONAL WATER COMMISSION	149	50	99	1,258	425	833
NATIONAL WORKS AGENCY	197	168	29	2,428	1,682	746
PASSPORT, IMMIGRATION & CITIZENSHIP AGENCY	295	130	165	2,580	1,260	1,320
PETROJAM LIMITED	236	10	226	1,341	222	1,119
SOUTH EAST REGIONAL HEALTH AUTHORITY	138	39	99	1,468	169	1,299
SOUTHERN REGIONAL HEALTH AUTHORITY	382	33	349	2,237	203	2,034
TAX ADMINISTRATION JAMAICA	1,032	247	785	7,539	1,976	5,563

THE PORT AUTHORITY OF JAMAICA	153	79	74	1,266	495	771
UNIVERSITY OF TECHNOLOGY, JAMAICA	1,413	69	1,344	7,300	671	6,629
WESTERN REGIONAL HEALTH AUTHORITY	686	96	590	3,088	742	2,346
OTHER AGENCIES	5,178	2,937	2,241	48,186	26,222	21,964
TOTAL	36,042	18,134	17,908	305,526	182,021	123,505

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 continuing to issue 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 two hundred and forty-five (245) delinquent public servants were reported to the Director of Public Prosecutions for Court action, one hundred and sixty-eight (168) of that number were brought before the Court resulting in fines being imposed on one hundred and forty-one (141) of them totaling one million three hundred and ninety-five thousand dollars (\$1,395,000) for their failure to furnish the Statutory Declarations by the due date.

No action has been pursued against fifteen (15) public servants as their matters were withdrawn, two (2) bench warrants have been issued by the Court, ten matters are presently before the Court and seventy-seven (77) processes remain to be served. (See Table 3)

Since the Commission's inception it has reported one thousand and seventy-one (1,071) delinquent public servants to the Director of Public Prosecutions who has initiated prosecutions against five hundred and fifteen (515) of them.

The Court has imposed fines on four hundred and four (404) of the delinquents totaling five million eight hundred and sixty-four thousand five hundred Dollars (\$5,864,500.00)) for their failure to furnish the Statutory Declarations by the due date.

No action has been pursued against five hundred and fifty-three (553) public servants as their matters were withdrawn, eleven (11) bench warrants have been issued, ten (10) matters are before the court and ninety-three (93) processes remain to be served.
(See Table 3)

Table 3 - Delinquent Declarants Reported to the DPP

Employer	Delinquent Declarants Reported to DPP 2014/15	Delinquent Declarants Taken before Court 2014/15	Fines Levied 2014/15	Delinquent Declarants Reported to DPP to Date	Delinquent Declarants Taken before Court to Date	Fines Levied to Date
Accountant General's Department	4	2	\$ 32,000.00	4	2	\$ 32,000.00
Administrator General's Department	1	1	\$ 5,000.00	1	1	\$ 5,000.00
Bank of Jamaica	45	43	\$ 450,000.00	53	42	\$ 450,000.00
Hanover Parish Council	2	1	\$ 25,000.00	5	2	\$ 25,000.00
Island Traffic Authority	20	19	\$ 124,000.00	21	19	\$ 124,000.00
Jamaica Constabulary Force	125	66	\$ 511,000.00	554	303	\$ 3,096,500.00
Jamaica Customs Department	1	1	\$ 25,000.00	40	9	\$ 150,000.00
Jamaica Defence Force	15	9	\$ 20,000.00	76	11	\$ 20,000.00
Jamaica Intellectual Property Office	1			1		
Jamaica Urban Transit Company Ltd.	10	7	\$ 63,000.00	12	7	\$ 63,000.00
Maritime Authority of Jamaica	2	2	\$ 10,000.00	2	2	\$ 10,000.00
Ministry of Agriculture	1	1	\$ 5,000.00	8	1	\$ 5,000.00
National Solid Waste Management Authority	1			3	1	\$ 19,000.00
National Works Agency	2	1	\$ 11,000.00	71	38	\$ 604,000.00
Office of Utilities Regulation	1	1	\$ 10,000.00	2	1	\$ 10,000.00
Spectrum Management Authority	5	5	\$ 40,000.00	6	5	\$ 40,000.00
St. Mary Parish Council	8	8	\$ 59,000.00	8	8	\$ 59,000.00
Sugar Industry Authority	1	1	\$ 5,000.00	1	1	\$ 5,000.00
Other Agencies				203	62	\$ 1,147,000.00
Total	245	168	\$1,395,000.00	1071	515	\$ 5,864,500.00

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 one hundred and fifteen such seminars have been held with a total of two thousand five hundred and thirty-eight (2538) attendees. (See Table 7).

For the year to which this report relates sixteen (16) such seminars were held with three hundred and three (303) 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
2014/15	16	303
Totals	115	2538

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 thirty-three (133) Ministries/Departments/ Agencies of the one hundred and sixty-six (166) entities written to in December 2014. The Commission has contacted those 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 forty-five (45) cases were examined, bringing to seven hundred and twenty-three (723) the number of cases examined to date. Thirty-eight (38) of these cases were referred for detailed internal investigation and seven (7) were closed as no further action was deemed necessary.

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	45
Cases Forwarded for Investigations	38
Cases with no Further Action Taken	7

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/asset disposals

Table 5 - Cases Analysed

Employer	Cases Analyzed 2014/15	Cases Forwarded for Investigations	Cases with no Further Action Taken
Electoral Office of Jamaica	1	1	
Firearm Licencing Authority	3		3
Island Traffic Authority	2	2	
Jamaica Constabulary Force	11	10	1
Jamaica Customs Department	1	1	
Jamaica Defence Force	4	3	1
Jamaica Urban Transit Company Ltd.	7	7	
Ministry of Agriculture	1	1	
National Housing Development Corporation	1	1	
National Housing Trust	1	1	
National Land Agency	1	1	
National Water Commission	1	1	
National Works Agency	1		1
Passport, Immigration and Citizenship Agency	1		1
Portland Parish Council	1	1	
Portmore Municipal Council	1	1	
Registrar General's Department	1	1	
St. Mary Parish Council	4	4	
St. Thomas Parish Council	2	2	
Total	45	38	7

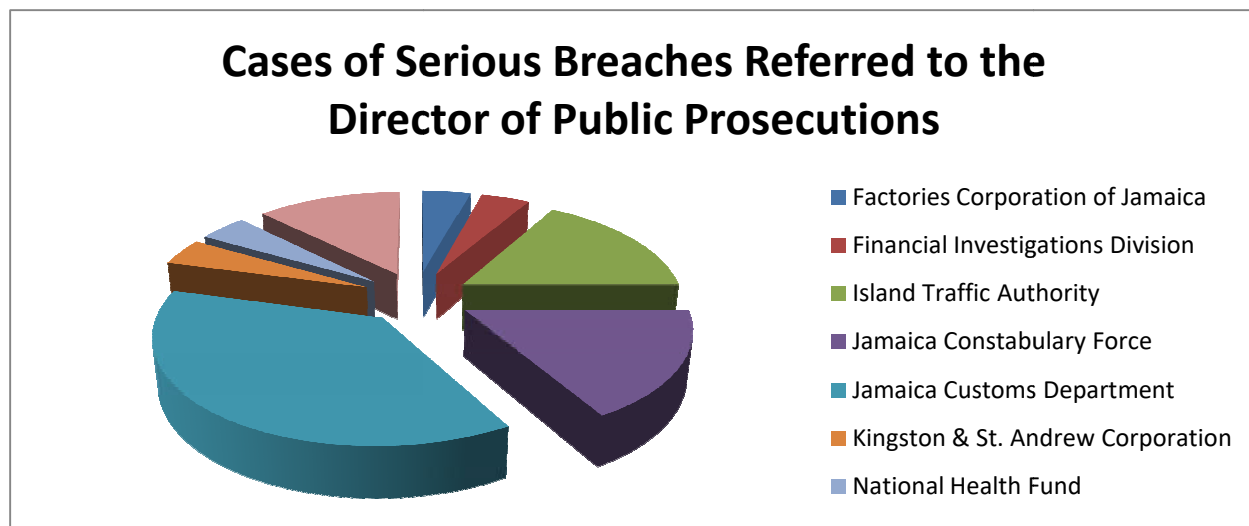
Investigation of Declarations

During the period under review the Commission had an inventory of four hundred and forty-seven (447) cases under investigation. Arising from investigations undertaken by the Commission seven (7) 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 2014/15	Cases Closed 2014/15	Cases Referred to DPP 2014/15	Cases Referred to Other Authority, Boards, Commissions 2014/15	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	1				2			
Factories Corporation of Jamaica					2	1	1	
Financial Investigations Division	4				42	16	1	
Financial Services Commission					5			
Housing Agency of Jamaica					2			
Island Traffic Authority	1				21	11	4	2
Jamaica Constabulary Force	6	2			101	29	4	1
Jamaica Customs Department	5	3			76	33	9	1
Kingston & St. Andrew Corporation	1	1	1		3	2	1	
Maritime Authority of Jamaica					2			
Ministry of National Security					2			
Ministry of Transport and Works	3				6	1		
National Health Fund					4	1	1	1
National Works Agency	6				33	13	3	
National Solid Waste Management Authority	1	1			3	1		
Passport, Immigration and Citizenship Agency					21			
Port Authority of Jamaica					9	1		
Spectrum Management Authority					5			
Tax Administration Jamaica					2			
Other Agencies	3				103	1		
Total	31	7	1	-	447	110	24	5

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



One (1) case of a suspected serious breach of The Corruption (Prevention) Act, 2000 involving allegations of illicit enrichment pursuant to Section 14 (5) of that Act was referred to the Director of Public Prosecutions (DPP) in this reporting year, making a total of twenty-four (24) such cases referred to that office since the inception of the Commission. (See Table 6 and Chart 1).

For the period to which this report relates the Commission has received rulings in respect of three (3) matters and twelve matters await rulings from that office and in one (1) matter the DPP recommended that no charges be preferred.

The Office of the Director of Public Prosecutions for the year to which this report relates is presently before the Court in relation to three (3) matters, the allegations include the offence of illicit enrichment and other suspected serious breaches of the Corruption Prevention Act. A conviction in a matter which was prosecuted by that Office and which was the subject of an Appeal was upheld and the sentence affirmed. (See Appendix 4).

The Office of the Director of Public Prosecution has to date prosecuted five (5) matters since the Commission's inception resulting in the imposition by the Court of fines totaling one million six hundred and sixty thousand dollars (\$1,660,000.00).

Table 8 – Cases Investigated

Period	Number of Cases Reported to the DPP	Number Taken Before the Court	Outcome in Court	No Charges Proffered	Fines Paid/Other	Number of Cases Awaiting DPP's Decision
2007/08	2					2
2008/09	2	2	2		\$ 1,300,000.00	
2009/10	4	1	1		\$ 300,000.00	3
2010/11	2					2
2011/12	4	1	1	1	\$ 50,000.00	1
2012/13	4	3	1		\$ 10,000.00	
2013/14	5	1				3
2014/15	1					1
Total	24	8	5	1	\$ 1,660,000.00	12

As mentioned in previous Annual Reports many of the cases that have been investigated to date, have revealed instances in which public servants were the recipients of gifts and income from various sources for which adequate documentary evidence was not presented to allow verification.

Legislative Issues

The Commission has previously proposed amendments to the Act in its Reports for the years 2003, 2004, 2005, 2006, 2007 and 2012. The Commission awaits the conclusion of deliberations being undertaken by the Joint Select Committee of the Houses of Parliament on a bill entitled The Integrity Act which when passed will lead to the repeal of The Corruption Prevention Act, 2000.

Signed:



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

**COMMISSION FOR THE PREVENTION OF CORRUPTION
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015**

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INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the Commission for the Prevention of Corruption (the "Commission"), which comprises the statement of financial position as at March 31, 2015, the statement of comprehensive income, the statement of changes in reserves, and the statement of cash flows 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 and the Corruption Prevention Act (2001) (the "Act"). This responsibility includes: designing, implementing and maintaining internal controls 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.

Auditor's 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 as to whether or not the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk 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 obtained is sufficient and is appropriate to provide a basis for our audit opinion.

Cont. /2

Independent Auditor's Report

Opinion

In our opinion, the accompanying financial statements gives a true and fair view of the financial position of the Commission as at March 31, 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Corruption Prevention Act (2001) (the "Act").

Report on other Legal and Regulatory Requirements

As required by the Act, we have obtained all the other explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Act, in the manner so required.


CrichtonMullings & Associates
Chartered Accountants

Kingston Jamaica
November 4, 2015

COMMISSION FOR THE PREVENTION OF CORRUPTION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

	Note	2015 \$	2014 \$
ASSETS			
Non-current Assets			
Property, plant and equipment	5	1,240,422	1,050,984
Long-term receivables	6	993,750	1,616,478
		<u>2,234,172</u>	<u>2,667,462</u>
Current Assets			
Current portion of long-term receivables	6	1,422,728	622,728
Withholding tax recoverable		148,700	143,671
Cash and bank balances	7	8,853,522	4,900,083
		<u>10,424,950</u>	<u>5,666,482</u>
TOTAL ASSETS		<u><u>12,659,122</u></u>	<u><u>8,333,944</u></u>
RESERVES AND LIABILITIES			
Reserves			
Accumulated surplus / (deficit)		<u>5,659,115</u>	<u>(764,789)</u>
Current liabilities			
Payables and accruals	8	7,000,007	9,098,733
		<u>7,000,007</u>	<u>9,098,733</u>
TOTAL RESERVES AND LIABILITIES		<u><u>12,659,122</u></u>	<u><u>8,333,944</u></u>

APPROVED, on behalf of the Commission on



Chairman



Secretary Manager

The accompanying notes form an integral part of the financial statements

COMMISSION FOR THE PREVENTION OF CORRUPTION
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED MARCH 31, 2015

	Note	2015 \$	2014 \$
Income			
Grants		71,564,000	67,884,000
Administrative and general expenses	10	<u>64,780,005</u>	<u>65,503,497</u>
Operating surplus		6,783,995	2,380,503
Other income		<u>38,196</u>	<u>25,014</u>
		6,822,191	2,405,517
Finance and policy costs	11	<u>398,287</u>	<u>478,603</u>
Net surplus for the year, being total comprehensive income		<u><u>6,423,904</u></u>	<u><u>1,926,914</u></u>

The accompanying notes form an integral part of the financial statements

**COMMISSION FOR THE PREVENTION OF CORRUPTION
STATEMENT OF CHANGES IN RESERVES
YEAR ENDED MARCH 31, 2015**

	Accumulated Surplus \$
Balance at March 31, 2013	(2,691,703)
Net surplus, being total comprehensive income for the year	<u>1,926,914</u>
Balance at March 31, 2014	(764,789)
Net surplus, being total comprehensive income for the year	<u>6,423,904</u>
Balance at March 31, 2015	<u>5,659,115</u>

The accompanying notes form an integral part of the financial statements

**COMMISSION FOR THE PREVENTION OF CORRUPTION
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2015**

	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net surplus for the year	6,423,904	1,926,914
Adjustments for items not affecting cash resources:		
Adjustment	15,905	-
Depreciation	365,742	478,603
	6,805,551	2,405,517
(Increase) / decrease in operating assets:		
Long-term receivables	622,728	706,326
Current portion of long-term receivables	(800,000)	(73,860)
Withholding tax	(5,029)	(6,254)
Decrease in operating liabilities:		
Payables and accruals	(2,098,726)	(5,005,055)
Net cash provided by / (used in) operating activities	4,524,524	(1,973,326)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(571,085)	(90,283)
Net cash used in investing activities	(571,085)	(90,283)
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES	3,953,439	(2,063,608)
CASH AND BANK BALANCES - Beginning of the year	4,900,083	6,963,691
CASH AND BANK BALANCES - End of the year	8,853,522	4,900,083
REPRESENTED BY:		
Cash and bank balances	8,853,522	4,900,083

The accompanying notes form an integral part of the financial statements

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

1. IDENTIFICATION

The Commission for the Prevention of Corruption (the "Commission") was established under the Corruption Prevention Act (2001) (the "Act").

The Commission is domiciled in Jamaica, with its registered office at 45-47 Barbados Avenue, Kingston 5.

The functions of the Commission are as follows:

- (a) Receive and keep on record statutory declarations furnished by public servants pursuant to the Act.
- (b) Examine such statutory declarations and request from a public servant any information relevant to a statutory declaration made, which in the Commission's opinion would assist it in its examination.
- (c) Make independent enquires and investigations relating to a statutory declaration.
- (d) Receive and investigate any complaint regarding an act of corruption.
- (e) Conduct an investigation into an act of corruption.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of Compliance

The Commission's financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS).

The financial statements have been prepared under the historical cost basis and are expressed in Jamaican dollars, unless otherwise indicated.

(b) Changes in accounting standards and interpretations:

i) Current year changes:

Certain new or amended International Financial Reporting Standards and Interpretations (IFRIC) became effective as of 1 January 2014.

The revisions, amendments and new standards and interpretations that became effective during the year but are not considered relevant to the Commission's operations are:

- *IAS 32 'Offsetting Financial Assets and Financial Liabilities', issued December 2011*
Effective for periods commencing on or after 1 January 2014
- *IAS 36 'Recoverable Amount Disclosures for Non-Financial Assets - Amendments', issued May 2013*
Effective for periods commencing on or after 1 January 2014
- *IAS 39 'Novation of Derivatives and Continuation of Hedge Accounting-Amendments', issued June 2013*
Effective for periods commencing on or after 1 January 2014
- *IFRIC 21 'Leases- Amendments', issued May 2013.*
Effective for periods commencing on or after 17 June 2014
- *IFRS 12 'Disclosure of Interests in Other Entities - Amendments' issued May 2011*
Effective for periods commencing on or after 1 January 2014
- *IAS 27 'Separate Financial Statements- Amendments', issued May 2011*
Effective for periods commencing on or after 1 January 2014

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(b) Changes in accounting standards and interpretations (cont'd):

i) Current year changes (cont'd):

- *IAS 28 'Investments in Associates and Joint Ventures- Amendments', issued May 2011*
Effective for periods commencing on or after 1 January 2014

Management anticipates that the adoption of the following new or revised International Financial Reporting Standards and Interpretations (IFRIC) could have a material impact on the Commission's financial statements:

- *IFRS 9 'Financial Instruments', issued October 2010*
Effective for periods commencing on or after 1 January 2014
- *IAS 19 'Employee Benefits -Amendment' , issued November 2013.*
Effective for periods commencing on or after 1 July 2014
- *IAS 36 'Impairment of Assets - Amendment, Recoverable amount disclosures for non-financial assets', issued May 2013*
Effective for periods commencing on or after 1 January 2014
- *IAS 39 'Financial Instruments: Recognition and Measurement - Amendment, Novation of derivatives and continuation of hedge accounting', issued June 2013*
Effective for periods commencing on or after 1 January 2014
- *IFRIC 21 'Levies', issued May 2013*
Effective for periods commencing on or after 1 January 2014

Additionally, in December 2014, the IASB issued "Improvements to IFRSs", as part of its annual improvements project, and a vehicle for making non-urgent but necessary amendments to various IFRSs. These amendments primarily become effective for annual periods beginning on or after 1 January 2014. Management has concluded that these amendments will not have a significant impact on the Commission's operations or financial position.

ii) Future Changes

The Commission has identified the following revised or new International Financial Reporting Standards or Interpretations which have been issued but are not yet effective, and which have not been adopted early. Those that are not considered relevant to the Commission's operations are:

- *IAS 27 'Separate Financial Statements- Amendments', issued August 2014*
Effective for periods commencing on or after 1 January 2016
- *IFRS 10 'Consolidated Financial Statements - Amendments', issued September 2014*
Effective for periods commencing on or after 1 January 2016
- *IFRS 12 'Disclosures of interest in other Entities', issued December 2014*
Effective for periods commencing on or after 1 January 2016
- *IFRS 14 'Regulatory Deferral Accounts', issued January 2014*
Effective for periods commencing on or after 1 January 2016

**COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015**

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(b) Changes in accounting standards and interpretations (cont'd):

ii) Future Changes (cont'd):

- *IFRS 15 'Revenue from Contracts with Customers', issued May 2014*
Effective for periods commencing on or after 1 January 2017

Those which may be relevant to the Commission's operations are as follows:

- *IFRS 9 'Financial Instruments', issued November 2013*
Effective for periods commencing on or after 1 January 2018
- *IAS 16 'Property, Plant and Equipment- Amendments', issued May 2014*
Effective for periods commencing on or after 1 January 2016
- *IAS 1 'Presentation of Financial Statements- Amendments', issued December 2014*
Effective for periods commencing on or after 1 January 2016

(c) Use of estimates and judgments:

The preparation of the financial statements in conformity with IFRS and the Acts requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of, and disclosures related to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the period then ended. Actual amounts could differ from these estimates.

The estimates and associated assumptions are based on historical experience and/or various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Critical judgments in applying the Commission's accounting policies:

Critical judgments used in applying the Commission's accounting policies that have a significant risk of material adjustment in the next financial year relate to the estimated useful lives and residual values of property and equipment and pension and other post-employment benefits.

The residual values and the useful life of each asset are renewed at each financial year-end, and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The useful life of an asset is defined in terms of the asset's expected utility to the Commission.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Property and equipment

All property and equipment held for administrative purposes are recorded at historical or deemed cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Cost includes expenditure that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied in the part will flow to the Commission and its cost can be reliably measured.

The cost of day-to-day servicing of property and equipment is recognized in the statement of comprehensive income as incurred.

Depreciation is calculated on the straight line basis over the estimated useful lives of such assets.

The rates of depreciation in use are:

Computers	25%
Furniture, fixtures & equipment	10%
Motor vehicles	20%

(b) Long-term receivables

Long-term receivables are recognized at amortized cost. Appropriate allowances for estimated irrecoverable amounts are recognized in the statement of comprehensive income when there is objective that the asset is impaired.

(c) Accounts payable

Accounts payable is stated at amortized cost.

(d) Cash and bank balances

Cash and bank balances comprise cash in hand and cash with banks.

(e) Leases

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to statement of comprehensive income on a straight-line basis over the terms of the relevant lease.

(f) Income recognition

Income comprises recurrent subvention received from the Government of Jamaica ("GOJ") and interest income. Subvention from GOJ is recognized when it is received while interest income is recognized when it is earned.

(g) Provisions

Provisions are recognized when the Commission has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Impairment

At each reporting date, the Commission reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Commission estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than the carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset(cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately.

(i) Financial instruments

Financial instruments include transactions that give rise to both financial assets and financial liabilities. Financial assets and liabilities are recognized on the Commission's statement of financial position when the Commission becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments issued by the Commission are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Commission after deducting all of its liabilities.

Financial assets include cash and bank deposits, accounts receivable, long-term receivables and other current assets except inventories and any prepayments.

The fair values of the financial instruments are discussed in Note 15.

(j) Comparative information

Where necessary, comparative figures have been reclassified and or restated to conform to changes in the current year.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Employee benefits

Employee benefits are all forms of consideration given by the Commission in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, statutory contributions, vacation leave, non-monetary benefits such as medical care; post-employment benefits such as pensions; and other long-term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognized in the following manner:

- Short-term employee benefits are recognized as a liability, net of payments made, and charged to expense. The expected cost of vacation leave that accumulates is recognized when the employee becomes entitled to the leave.

(l) Foreign currencies

The financial statements are presented in the currency of the primary economic environment in which the Commission operates (its functional currency).

In preparing the financial statements of the Commission, transactions in currencies other than the Commission's functional currency, the Jamaican dollar, are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlements of monetary items and on the retranslation of monetary items, are included in the statement of comprehensive income for the period.

(m) Related party identification

A party is related to the Commission if:

- (i) directly or indirectly the party:
 - controls, is controlled by, or is under common control with the Commission;
 - has an interest in the Commission that gives it significant influence over the Commission; or
 - has joint control over the Commission
- (ii) the party is an associate of the Commission
- (iii) the party is a joint venture in which the Commission is a venturer;
- (iv) the party is a member of the key management personnel of the Commission
- (v) the party is a close member of the family of an individual referred to in (i) or (iv) above
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant costing power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v) above.
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Commission, or of any company that is a related party of the Commission.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

4. INCOME

Income represents grants from the Government of Jamaica from the annual national budget as well as periodic allocations.

The Commission's income is exempt from income tax under section 12(b) of the Income Tax Act.

5. PROPERTY AND EQUIPMENT

	<u>Furniture, Fixtures and Equipment</u>	<u>Computers</u>	<u>Motor Vehicles</u>	<u>Total</u>
At Cost/Valuation:				
Balance at April 1, 2013	4,370,205	3,519,247	992,611	8,882,063
Additions	21,073	69,210	-	90,283
Balance at March 31, 2014	4,391,278	3,588,457	992,611	8,972,346
Balance at April 1, 2014	4,391,278	3,588,457	992,611	8,972,346
Additions	193,028	378,057	-	571,085
Adjustment	-	(15,905)	-	(15,905)
Balance at March 31, 2015	4,584,306	3,950,609	992,611	9,527,526
Accumulated Depreciation:				
Balance at April 1, 2013	3,144,597	3,305,551	992,611	7,442,759
Charge for the year	316,065	162,538	-	478,603
Balance at March 31, 2014	3,460,662	3,468,089	992,611	7,921,362
Balance at April 1, 2014	3,460,662	3,468,089	992,611	7,921,362
Adjustment	-	(3,976)	-	(3,976)
Charge for year	193,689	176,030	-	369,718
Balance at March 31, 2015	3,654,351	3,640,144	992,611	8,287,104
Net Book Value:				
At March 31, 2013	1,225,608	213,696	-	1,439,304
At March 31, 2014	930,616	120,368	-	1,050,984
At March 31, 2015	929,955	310,466	-	1,240,422

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

6. RECEIVABLES

	2015	2014
	\$	\$
Long-term portion - motor vehicle loan	993,750	1,616,478
Current portion - motor vehicle loan	<u>1,422,728</u>	<u>622,728</u>
	<u><u>2,416,478</u></u>	<u><u>2,239,206</u></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:

- (i) The loan amount for new vehicles should not exceed \$1,100,000 and for used vehicles the amount should not exceed \$800,000.
- (ii) The loan should be interest-free
- (iii) Loans should be repaid over a seven (7) year period for new vehicles and six (6) years for used vehicles
- (iv) 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.
- (v) The motor vehicle purchased should not be older than five (5) years
- (vi) All loans should be recovered by salary deduction.

7. CASH AND BANK BALANCES

Cash and cash balances included in the statement of financial position and statement of cash flows comprise the following:

	2015	2014
	\$	\$
Petty cash	<u>15,000</u>	<u>15,000</u>
Cash in savings bank account (i)	<u>2,444,443</u>	<u>2,588,928</u>
Cash in current bank account	<u>6,394,079</u>	<u>2,296,155</u>
	<u><u>8,853,522</u></u>	<u><u>4,900,083</u></u>

- (i) - The amount in the Commission's savings bank account is used to fund the revolving car loans. See note 6

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

8. PAYABLES AND ACCRUALS

	2015 \$	2014 \$
Accounts payable	161,172	-
Accrued vacation leave	5,130,082	6,362,621
Travelling allowance	893,753	1,007,622
One off payment	525,000	525,000
Audit fees	290,000	320,000
	<u>7,000,007</u>	<u>8,215,243</u>

9. 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 installments 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 payment is not related to, nor should they be treated as salary.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

10. ADMINISTRATIVE AND GENERAL EXPENSES

	2015	2014
	\$	\$
Salaries and wages	29,697,078	31,680,230
Statutory and pension fund contributions	5,859,816	6,203,229
Gratuity	3,014,332	2,877,432
Motor vehicle expense	286,860	215,215
One-off-payment	525,000	525,000
Travelling and subsistence	6,146,680	6,240,455
Rental	8,295,205	8,900,484
Electricity	4,571,454	3,419,210
Telephone	184,389	257,945
Repairs and maintenance	91,001	167,931
Commissioners' fees	2,280,000	2,280,000
Petrol	180,000	180,000
Courier	9,200	10,780
Reimbursement of tuition	918,680	-
Printing and stationery	893,000	1,009,116
Audit fees	290,000	320,000
Advertising and promotion	157,102	147,920
General office expenses	1,380,208	1,020,761
	<u>64,780,005</u>	<u>65,455,711</u>

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

11. FINANCE AND POLICY COSTS

	2015	2014
	\$	\$
Bank charges	32,545	47,789
Depreciation	365,742	478,603
	<u>398,287</u>	<u>526,393</u>

12. SOURCE AND USES OF FUNDS

The comparative details between budgeted and actual income and expenditure are as follows:

	Budget	Actual	Variance Favourable/ (Unfavourable)
	\$	\$	\$
Income:			
Other income	-	38,196	38,196
Grant	76,170,000	71,564,000	(4,606,000)
	<u>76,170,000</u>	<u>71,602,196</u>	<u>(4,567,804)</u>
Expenditure:			
Personal emoluments	50,905,000	40,014,906	10,890,094
Travelling and subsistence	6,205,000	6,146,680	58,320
Other operating and general expense	4,682,000	5,567,371	(885,371)
Rental	8,871,000	8,295,205	575,795
Public utilities	5,507,000	4,755,843	751,157
	<u>76,170,000</u>	<u>64,780,005</u>	<u>11,389,995</u>
Operating surplus	-	6,822,191	6,822,191
Capital:			
Purchase of property and equipment	-	(571,085)	(571,085)
TOTAL	<u>-</u>	<u>6,251,106</u>	<u>6,251,106</u>

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

13. STAFF COSTS

The number of employees at the end of the year was as follows:

	2015	2014
Permanent	<u>21</u>	<u>21</u>

The aggregate payroll costs for these persons were as follows:

	2015	2014
	\$	\$
Salaries and other related costs	<u>39,144,950</u>	<u>31,680,230</u>
Statutory and pension contributions	<u>5,859,816</u>	<u>6,203,229</u>
	<u>45,004,766</u>	<u>37,883,459</u>

14. RELATED PARTIES

The Commission's statement of comprehensive income includes the following transactions, undertaken with related parties in the ordinary course of business:

	2015	2014
	\$	\$
Transactions with Commissioners:		
Commissioners' fees	<u>2,280,000</u>	<u>2,280,000</u>
Remuneration for key management personnel:		
Secretary/Manager	<u>5,215,475</u>	<u>5,147,020</u>
Director - Corporate Services	<u>2,579,682</u>	<u>2,577,721</u>
Chief Financial Investigator	<u>4,075,025</u>	<u>4,025,273</u>
Senior Financial Analyst	<u>2,955,576</u>	<u>2,941,246</u>
	<u>17,105,758</u>	<u>16,971,260</u>

15. FINANCIAL INSTRUMENTS**(a) Fair value**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. A market price, where an active market (such as a recognized stock exchange) exists, is the best evidence of the fair value of a financial instrument. Market prices are not available for some of the financial assets and liabilities of the Commission. Fair values in the financial statements have therefore been presented using various estimation techniques based on market conditions existing at reporting date.

Generally, considerable judgment is necessarily required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented in these financial statements are not necessarily indicative of the amounts that the Commission would realize in a current market exchange.

The amounts included in the financial statements for cash and bank deposits, receivable and payables reflect the approximate fair values because of short-term maturity of these instruments.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

15. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management

The Commission has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Cash flow risk

The Commissioners, together with senior management have overall responsibility for the establishment and oversight of the Commission's risk management framework.

The Commission's risk management policies are established to identify and analyze the risks faced by the commission in order to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Commission's activities.

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Commission's principal financial assets are cash and bank deposits; and receivables and prepayments.

Cash and bank balances

The credit risk on cash and bank deposits is limited as they are held with financial institutions with high credit rating.

At reporting date, there were no significant concentrations of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

	2015	2014
	\$	\$
Cash and bank balances	<u>8,853,522</u>	<u>4,900,083</u>

(ii) Liquidity risk

Liquidity risk is the risk that the Commission will not meet its financial obligations as they fall due. The Commission's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liability when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Commission.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2015

15. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (cont'd):

(ii) Liquidity risk (cont'd)

Management aims at maintaining sufficient cash and the availability of funding through an amount of committed facilities. The management maintains an adequate amount of its financial assets in liquid form to meet contractual obligations and other recurring payments.

The following are the contractual maturities of the non-derivative financial liabilities, including interest payments and excluding the impact of netting agreements.

	Carrying amount	Contractual cash flow	Less than 1 year
March 31, 2015:			
Accounts payable	7,000,007	7,000,007	7,000,007
March 31, 2014:			
Accounts payable	9,098,733	9,098,733	9,098,733

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Commission's income or the value of its holding of financial instruments. The objective of market is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk:

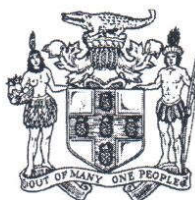
Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Commission materially contracts financial liabilities at fixed interest rates for the duration of the term. When utilized, bank overdrafts are subject to fixed interest rates which may be varied by appropriate notice by the lender. At March 31, 2015 and 2014, there were no financial liabilities subject to variable interest rate risk.

Interest-bearing financial assets comprises of bank deposits, which have been contracted at fixed interest rates for the duration of their terms.

Fair value sensitivity analysis for fixed rate instruments

The Commission does not hold any fixed rate financial assets that are subject to material changes in fair value through profit or loss. Therefore a change in interest rates at the reporting dates would not affect profit or equity.



THE
JAMAICA GAZETTE
EXTRAORDINARY

Vol. CXXXVII FRIDAY, APRIL 25, 2014 No. 18^A 142^UA

The following Notification is, by command of His Excellency the Governor-General, published for general information.

DIONNE TRACEY DANIEL, (MRS.)
Governor-General's Secretary.

GOVERNMENT NOTICE

MISCELLANEOUS

No. 95^C

THE PROTECTED DISCLOSURES ACT, 2011
PROCEDURAL GUIDELINES

Section 1 of
the Act and
the Jamaica
Gazette Vol.
CXXXV, No.
115

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.

1. *Purpose of the Act*

Sections 3, 15
and 24 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?*Section 2 of
the Act.

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.

3. *What constitutes improper conduct?*Section 2 of
the Act.

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;
- (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?*Section 2 of
the Act.

Any employee that is to say—

- (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?*Sections 2
and 7 to 12
of the Act.

The Act provides for disclosure to be made to—

- (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?*Section 12 of
the Act.

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.

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?*Sections 2
and 14 of
the Act.

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.

Section 9 and the First Schedule of the Act.	8. <i>Who are prescribed persons?</i>	<ol style="list-style-type: none"> 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 14 of the Act.	9. <i>When can disclosures be made to the prescribed persons?</i>	<p>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 the designated officer with thirty days, the employee may make an external disclosure to a prescribed person.</p> <p>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.</p>
Section 21 of the Act and the Jamaica Gazette Vol. CXXXV, No. 116.	10. <i>Who is the designated authority?</i>	<p>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.</p>
Section 10 of the Act.	11. <i>When can disclosures be made to the designated authority?</i>	<p>The disclosures may be made to the designated authority if any of the following circumstances applies, namely—</p> <ol style="list-style-type: none"> (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.
Sections 2 and 23 of the Act.	12. <i>What constitutes occupational detriment?</i>	<p>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—</p> <ol style="list-style-type: none"> (a) subject to disciplinary action; (b) dismissed, suspended, or demoted; (c) harassed, intimidated or victimized;

- (d) transferred against his will;
- (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?*

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

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.

14. *When is a disclosure protected?*

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

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.

15. *When is a disclosure not protected?*

Sections 4
and 5 of the
Act.

A disclosure does not qualify for protection under the Act—

- (a) unless it is made in good faith and in the public interest;
- (b) if the employee making the disclosure commits an offence by making it.

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

Sections 16
and 17 of
the Act.

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.

17. *Immunity from civil and criminal proceedings?*

Section 15 of
the Act.

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.

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

Section 6 and
the Second
Schedule of
the Act.

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—

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?*

Section 18 of
the Act.

Having received and recorded a disclosure and concluded that an investigation is warranted, the following guidelines should be adhered to—

- (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?*

Section 19 of
the Act.

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—

- (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 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?*

Sections 10
and 14 of
the Act.

- (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.

22. *Are there offences under the Act?*

Section 23 of 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;
- (f) aids, abets, procures or conspires with any other person to contravene the Act.

23. *What is the penalty?*

Section 23 of the Act.

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

- (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?*

Section 23 of the Act.

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.

25. *Is there any confidentiality in respect of disclosure?*

Section 24 of the Act.

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—

- (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*

Sections 12,
13 and 21 of
the Act.

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 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;
- (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*

Section 13 of
the Act.

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:

- (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.

Similarly mail centers, front desk staff, online services units and other employees must also be trained to recognize the general nature of protected disclosures matters and the established reporting channels so that identified disclosures are dealt with appropriately.

32. *Collating and publishing statistics*

Section 21 of
the Act.

Section 21(2) of the Act requires that the designated authority monitors compliance with the Act. Section 21(4) of the Act requires the designated authority to include in its annual report information dealing generally with the activities of the authority during the preceding year. As a result the designated authority would need to collect certain data from employers. To facilitate this process employers are required under these guidelines to:

- (a) maintain a log of the disclosures received as outlined in the Protected Disclosures Log (Form PDA2)—Appendix 2;
- (b) make monthly reports electronically and/or in print of the disclosures received to the Designated Authority in the format set out in the Protected Disclosures Summary Report (PDA3)—Appendix 3. This should include the date of updates given to the person who made the disclosure, which should be in intervals no greater than 30 days.

33. *Where can I get help in understanding the operation of the Act?*

From the designated authority which is the Commission for the Prevention of Corruption whose contact information is—

Address:—45-47 Barbados Avenue, Kingston 5

Telephone numbers are—968-6227,960-0470

Fax number is—960-5617

Email address is—corruptionprevention@yahoo.com

Website address is—www.cpcpd.gov.jm

APPENDIX I

FORM PDA1

[illegible]

[illegible]

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.

Date _____

Date _____

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

APPENDIX 2

Agency: _____

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

FORM PDA2

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

Agency: _____

Date	Disclo- sure 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

THE HON. MR. JUSTICE FERDINAND SMITH (RETIRED), C.J.
Chairman
Commission for the Prevention of Corruption.

COMMISSION FOR THE PREVENTION OF CORRUPTION
DIRECTORS COMPENSATION - 2014/2015

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 - 2014/2015

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)	2015	4,239,755		975,720				5,215,475
Chief Financial Investigator FMG/PA4(1)	2015	3,099,305		975,720				4,075,025
Snr Financial Analyst FMG/PA3(1)	2015	2,441,076		514,500				2,955,576
Dir. Corporate Services(1)	2015	2,065,182		514,500				2,579,682
Total		11,845,318		2,980,440				14,825,758

Notes

Salaries of all officers includes one (1) tranches of salary increase effective April 2009.

[2014] JMCA Crim 53

JAMAICA

IN THE COURT OF APPEAL

RESIDENT MAGISTRATE'S CRIMINAL APPEAL NO 15/2013

BEFORE: THE HON MR JUSTICE PANTON P
THE HON MS JUSTICE LAWRENCE-BESWICK JA (Ag)
THE HON MISS JUSTICE MANGATAL JA (Ag)

ASSAN THOMPSON v R

Bert Samuels instructed by Knight, Junor & Samuels for the appellant

Leighton Morris for the Crown

11 June and 19 December 2014

PANTON P

[1] The appellant was convicted on 4 January 2013, by Her Honour Mrs Stephane Jackson-Haisley, Resident Magistrate, sitting in the Corporate Area Resident Magistrate's Court for a breach of section 15(2)(c) of the Corruption (Prevention) Act. He was fined \$50,000.00 with an alternative of three months imprisonment. The fine has been paid.

[2] The allegations at trial were that he "failed without reasonable cause to provide the Commission with an estimate of cost/Quantity Surveyor's Report in relation to 309 Pines of Karachi, 16 Pine Boulevard, Kingston 6, requested under Section 7 of the Corruption Prevention Act".

The grounds of appeal

[3] The appellant filed four grounds of appeal on 21 January 2013 as follows:

- i. That the Learned trial Magistrate erred in that she rejected the no case submission made by the Defence at the end of the Prosecution's case.
- ii The learned Resident Magistrate erred in law in that in essence she treated the offence as one of strict liability and so failed to examine properly or at all the evidence adduced by law [sic] the prosecution and defence [sic] which negated mens rea.
- iii. The evidence adduced by the prosecution and the defence demonstrated that the defendant took all reasonable steps to satisfy the requests of the commissioners.
- iv. The Learned Resident magistrate [sic] failed to comprehend the difference between "an estimate" and "actual cost" and by virtue of an important aspect of the defendants [sic] defence and his attempts to satisfy requests made of him."

On 13 May 2014, an additional ground was filed. It reads:

"The learned magistrate failed to appropriately assess the evidence and in particular that which related to the need for the prosecution to prove that the Appellant's failure to provide the Commission with an estimate of cost/Quantity Surveyor's Report was without reasonable cause."

A further ground of appeal

[4] On 11 June 2014, at the commencement of the hearing, we gave the appellant leave to argue the following further ground of appeal that was filed on that very day. It reads:

"The learned Resident Magistrate misled herself on the law when she classified the nature of the offence for which the appellant

was charged under section 15 (2) (c) of the Corruption (Prevention) Act as "essentially an act of corruption."

In relation to this further ground of appeal, an examination of the record reveals that the learned Resident Magistrate said this:

"During Mr Thompson's testimony he gave evidence that amounts to evidence of his good character and so I have to consider whether or not someone of his good character would have had the propensity to commit an offence of this nature, essentially an act of corruption. I have given consideration to this."

[5] It is clear that the learned Resident Magistrate was referring to section 15(1) of the Corruption (Prevention) Act which reads:

"Any person who commits an act of corruption commits an offence and is liable –

(a) on summary conviction in a Resident Magistrate's Court ..."

However, as Mr Bert Samuels for the appellant has pointed out, this subsection does not relate to the charge before the court. The fact is that the appellant was charged under section 15(2)(c) which makes no reference to "an act of corruption". Mr Leighton Morris for the prosecution quite rightly conceded that the learned Resident Magistrate erred in this regard. In fact, he described it as an "unfortunate use of the term", but added that "there was no contamination of her mind".

[6] The question to be determined is whether that lapse on the part of the Resident Magistrate affects the conviction. It needs to be immediately appreciated that the mere

fact that an error has been made in this regard does not necessarily mean that the conviction is bad.

[7] Section 15(2) of the Act which the Resident Magistrate found was breached reads thus:

"Any person who –

- (c) fails, without reasonable cause, to give such information as the Commission may require under section 7 ... commits an offence."

In the instant case, the appellant having complied with the requirement to submit a statutory declaration of his assets was required by the Commission to furnish further information for the consideration of the commission. To this end, he was summoned to appear before the commission. He did so with his attorney-at-law, Mr Michael Howell on 14 October 2010. The charge has its origin in what transpired at that meeting.

[8] It seems that the meeting was brief. The commission members present were the chairman, the Honourable Mr Justice Chester Orr (retired), the Honourable Mr Justice Wesley James (retired) and the Honourable Adrian Strachan. The transcript reveals that the Honourable Adrian Strachan stated that having examined the information provided up to then by the appellant, it seemed that "the major outstanding item is the lack of an estimate of the construction costs to [sic] the house in the Karachi area". He added that he believed that was "the stumbling block". The commission, said the Honourable Adrian Strachan, was not able to conclude the assessment on the information provided

in the absence of that information. He said that if the information was obtained and provided within a month, the commission would then be in a position to determine how to proceed in the future.

[9] Nearing termination of the meeting, this exchange took place between Mr Howell and the Honourable Adrian Strachan.

“Mr Howell : Just a further clarification. You had said you are not interested in any current values of the property; all you want to know is what the actual cost was.

Mr Strachan: If you want to provide the value, but it is not really the value we are after because as I said that can change with the market; the market puts it up and the market value is likely to be much higher than the cost of the actual construction especially with the passage of time. So what we really are after is what was actually spent in putting up the construction.

Mr Howell: And whatever was spent over whatever period of time it took to complete the property?

Mr Strachan: Yes.

Mr Howell: Okay. I think we understand that.

Mr Strachan:

Mr Howell: So I take it that you are asking us to provide this information within the next thirty days and at that point we can set a date to recommence this activity?

Chairman: Yes.

Mr Howell: That's fair enough.

Chairman: If necessary.

Mr Howell: So it may not be necessary.

May it please you, Chairman. So we can vice at this time?

Chairman: Yes."

At that point, the meeting was adjourned.

[10] The deadline of 30 days expired on 13 November 2010 but the commission did not hear from the appellant. On 3 February 2011, that is, 82 days after the deadline, the commission wrote to the appellant "requesting that the documents be furnished within 14 days". It was not until 14 months after the deadline had passed that the appellant submitted a "project report" with a total estimated construction cost (at year 2000) of just over \$4,500,000.00.

[11] It is clear that the appellant did not comply with the request of the commission within the time specified. So, clearly, there was a case for him to answer. In his evidence, he said that he took out a mortgage to purchase a service lot at 309 Pines of Karachi through the National Housing Development Corporation. He started construction in 2000. He said he could not afford a contractor so he decided to supervise the construction himself, while engaging the services of a mason and a carpenter. The mason was murdered. He employed another who died of natural causes. Since 2003 he had been making his statutory declarations and it was not until 2010 that the commission expressed a concern.

[12] The appellant said that he submitted certain documents at the commission's request but Mr Strachan (one of the commissioners) wished an estimate of what it

actually cost him to build the structure. He searched for receipts and bills and made contact with the third mason he had employed, but who was now overseas. He submitted the documents in relation to the roof. He then received a letter from the commission's secretary with the caption "Estimate/Quantity Survey". According to the appellant, up to the time of the receipt of that letter "what was in [his] head was an estimate to get documents to bring to the Commission". The appellant, in his evidence before the learned Resident Magistrate, detailed his visits to hardware stores in "inhumane [and] dusty conditions" seeking documentary evidence and as well as visits to dangerous inner city areas to consult with men who had worked on the project.

[13] The commission's secretary, not having received the information requested of the appellant, wrote to him on 3 February 2011 as follows:

**"Re: Request for Quantity Surveyors Report in Relation to
309 Pines of Karachi – 16 Pine Boulevard Kingston 6**

At the meeting of the Commission attended by yourself and your Legal Representative held on October 14, 2010; the Commission requested that the above captioned be provided.

The notes of the meeting indicated that a time line of one (1) month was given which to the date of this letter has not been complied with.

The Commission is requesting that the documents be furnished within 14 days."

This letter, the appellant said, "further cemented in [his] head that the commission would be speaking to a number of papers [he] was gathering". So, according to him, he "exercised more obedience in carrying out further diligent searching to find these

documents". Eventually, he secured the services of a quantity surveyor who produced the project report referred to earlier.

[14] Under cross-examination, the appellant said that at the time the project report was prepared he "had found a lot more documents than before". The following exchanges took place between the appellant and the prosecutor, Mr Dirk Harrison:

"Question: You understand that you were being asked to say the actual money spent in putting up the constitution [sic]?

Answer: Yes and that's what I set out to do.

Question: It is only on the 16th April, 2012 that you provided this cost, almost two years later?

Answer: I did submit documents to Mr Grey as I found them. If he accepted the documents we would not have to be here.

Question: The documents you submitted did they speak to the actual cost in [sic] putting up the construction?

Answer: No."

[15] The learned Resident Magistrate stated her understanding of her role in determining the issues. She said that she had first to determine whether the documents submitted by the appellant constituted compliance with the request of the commission. Going by the last answer given by the appellant above, the learned Resident Magistrate would have had no choice but to find that there had been non-compliance. The next consideration, she said, was whether the appellant had a reasonable excuse for non-compliance. Finally, she said she had to consider whether the commission's request was vague or ambiguous.

[16] The Resident Magistrate further explained that in dealing with whether there had been compliance she had to "examine the exhibits, specifically the receipts and project estimate". However, she took note of the fact that the project estimate was submitted after the appellant had appeared before the court on the charge. In the circumstances, she said she "disregarded it as the relevant consideration in determining whether or not he has complied...must be the state of affairs at the time he was charged". She formed the view that the eventual submission of the project estimate demonstrated that "the request of the [commission] was not one that was impossible as the accused was capable of producing it and did so belatedly".

[17] Having examined the receipts, the learned Resident Magistrate found that they did not satisfy the commission's request. She found that there was no confusion arising from the meeting that the appellant and his attorney-at-law had had with the commission, and she observed that whatever the challenges were for the appellant, he had not brought them to the attention of the commission. She noted also that the information had been outstanding for more than 400 days. In the circumstances, she found that "nothing he provided up to the time he was charged was sufficient to satisfy the request". She concluded that the appellant had demonstrated a disregard for the time stipulated by the commission in keeping with the law. She highlighted the fact that the appellant had said under cross-examination that "time should not be interpreted as the clock ticks".

[18] Mr Bert Samuels complained that there was confusion as regards the current value and the cost of construction of the house, and that the confusion was resolved by the learned Resident Magistrate in favour of the prosecution. He submitted, however, that any confusion ought to have been resolved in the appellant's favour. It was, he submitted, the prosecution's duty to show that reasonable cause did not exist for the appellant's failure to provide the information. There was, he said, no proof that the information was clear and unequivocal.

[19] As regards the mental element in the offence charged, Mr Samuels submitted that the court below did not take into consideration section 20(5) of the Constitution, or the decision of the House of Lords in *Sweet v Parsley* [1970] AC 132.

[20] Mr Morris submitted that this was a case of strict liability. He said that the Resident Magistrate considered the reasons advanced for the delay in providing the information to the commission, and rejected them. The Hon. Adrian Strachan, he said, had explained what was required, and no good reason had been advanced for the non-compliance.

[21] The law does not support Mr Morris' view that this is a case of strict liability. In any event, the learned Resident Magistrate did not treat it as such a case. She considered all relevant factors and arrived at a conclusion which is unassailable, given the facts. A legitimate request was made of the appellant. He did not give it the attention that the law requires. He has complained of confusion but the evidence as to

what transpired when he met with the commission does not support his complaint. He was present with his attorney-at-law who clearly stated that he understood what was required by the commission. The complaint as regards confusion is therefore unsustainable.

[22] Finally, it has been noted that the appellant's searches of hardware stores with which he dealt did not produce any document that was of any use to the commission in ascertaining the cost of construction. Assuming that the appellant was the individual who would have paid for the materials and workmanship on the house, it seems strange that he was not able to even offer a rough estimate of how much he had spent. In view of his role as contractor, due to his inability to employ one, it would be reasonable to expect that he would have kept a tab (even a very rough one) of his weekly or monthly costs. So, at the end of the project, he ought to have been in a position to say that the construction cost totaled approximately 'x' million dollars. Whereas the appellant said he took a loan to pay for the lot, he never said he constructed the house by means of a loan. The position therefore is that he would have constructed the building from his earnings or savings. In those circumstances, he ought to have been in a position to provide prompt answers to the commission.

[23] Having considered the evidence and the submissions, the inevitable conclusion at which we have arrived in this case is that the learned Resident Magistrate was correct in her findings and conclusion. We are of the opinion that there has been no breach of the Constitution or of any principle relating to the burden of proof, or *mens rea*. We are

also of the opinion that when the matter is viewed in the round, the error of the learned Resident Magistrate, referred to at paragraphs [5] and [6] herein, has not affected a proper and balanced approach to the issues in the case. We find that she gave due consideration to the matters of relevance. Consequently, the appeal is dismissed and the conviction and sentence are affirmed.