

**COMMISSION FOR THE  
PREVENTION  
OF**

**CORRUPTION**

**ANNUAL REPORT**

2007  
2007

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## **Executive Summary**

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

The Commission met eleven (11) times during the 2007/2008 Financial Year.

The main objective of the Commission is the reduction of corruption in the Public Sector. An update of the database was requested in December 2007 and although all responses were not received at the time of compiling the report it is estimated that eighteen thousand and three (18,003) declarations were to be received. The Commission did not continue its exception to members of the Jamaica Defence Force (JDF).

The year 2007 represents the receipt of its sixth (6<sup>th</sup>) set of Declarations with Eight Thousand and Seventy-nine (8,079) Declarations received for period ending December 31, 2007 a compliance rate of forty five percent (45%).

The Commission will be referring in excess of Seventeen Thousand (17,000) cases to the Director of Public Prosecutions for failure to file Statutory Declarations of Assets, Liabilities and Income, bringing the total number referred in excess of Eighteen Thousand (18,000).

The Commission completed the entry of data entry on Declarations received for the period December 31, 2006 and a sample of One Hundred and Four (104) cases chosen for further analysis. The selection criteria included high net worth to stated income and other determinants as well as the selection of Statutory Declarations filed by employees of several Public Sector Entities.

The reviews resulted in fifty-two (52) cases being closed as they revealed no evidence of irregularities. Nineteen (19) cases were referred for internal investigation based on the following reasons:

1. Ownership of Assets disproportionate to declared income;
2. Non-disclosures of Assets and Investments held and disposed of;
3. Failure to declare sources of funding for assets required.

The remaining sixty-three (63) cases are undergoing final review or they are in need of additional information from other Government Agencies.

The Commission is still awaiting a ruling from the Director of Public Prosecutions (DPP) in relation to a case referred for prosecution in August 2007 in which the Commission indicated there were unexplained increases in the net worth for the periods January 2003 to December 2005.

## **Executive Summary (Cont'd)**

The Commission has been invited to the Joint Select Committee of the Houses of Parliament to examine the report, and proposed amendments that the Commission presented for the years 2003-2006.

## **PREFACE**

The Report of the Commission for the Prevention of Corruption is submitted to the Honourable Minister of Justice in accordance with Section 12 Sub Section (i) of The Corruption (Prevention) Act, 2000.

The Commission for the Prevention of Corruption was established under The Corruption (Prevention) Act, 2000 and its members were appointed with effect from May 1, 2001. The members appointed staff and engaged in the drafting of Regulations which 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 persons of high integrity and are able to exercise competence, diligence and sound judgement in fulfilling their responsibilities under the Act.

The members for the year under review were:

- The Honourable Mr. Justice Chester Orr (Retired) C.D., J.P., Chairman
- Mr. William Chin See, C.D., Q.C.
- Mrs. Rosemarie Vernon, C.D., M.Sc., B.A.
- The Hon. Reverend Canon Weeville M. Gordon Custos Rotulorum, O.J., C.D., J.P., M.Div.

- The Hon. Mr. Adrian Strachan, O.J. , C.D., J.P, F.C.C.A., F.C.A., Auditor General(Retired)

### **Meetings of the Commission**

The Commission met eleven (11) times during the 2007/2008 financial year.

<b>Name Of Members</b>	<b>Meetings Attended</b>	<b>Absent</b>
<b>Mr. Justice Chester Orr</b>	<b>9</b>	<b>2</b>
<b>The Hon. Adrian Strachan</b>	<b>7</b>	<b>4</b>
<b>Mr. W.K. Chin-See</b>	<b>10</b>	<b>1</b>
<b>Mrs. Rosemarie Vernon</b>	<b>5</b>	<b>6</b>
<b>The Hon. Weeville Gordon</b>	<b>11</b>	<b>-</b>

The Auditor General The Honourable Adrian Strachan demitted office effective March 31, 2008 and the tenure of all the Appointed Members expired on April 30, 2008 in accordance with the period stipulated under the First Schedule of the Act.

### **The Secretariat of the Commission**

The Commission in April 2007 was given permission by the Ministry of Finance to commence the hiring of additional staff to undertake the functions of Financial Analysts and Investigators. In addition, approval was granted for the permanent employment of five (5) Senior Data Entry Clerks and an Accounting Clerk, bringing the total staff complement to 22 persons. Interviews have been held with qualified individuals for vacancies which exist. The Commission has been able to attract the services of two (2) Financial Analysts and one (1) Investigator.

A copy of the Revised Structure of the Commission is found at Appendix (i).

The Commission's office address is as indicated overleaf:

**Commission for the Prevention of Corruption**

45-47 Barbados Avenue  
Kingston 5

**Telephone** : 968:6227  
960-0470

**Fax** : 960-5617

**Email** : [corruptionprevention@yahoo.com](mailto:corruptionprevention@yahoo.com)

**Statutory Declarations**

The objective of the Commission is the reduction of corruption in public life. The Act provides the following functions for 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 it 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 it is satisfied that there are reasonable grounds for such investigation;

Statutory Declarations are required from Public Servants whose total emoluments are Two Million Dollars (\$2,000,000.00) and above, and those categories indicated in Parts

I and II of the Regulations issued under the Act. The Commission did not continue its exception to members of the Jamaica Defence Force.

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 follows:

<b>Date</b>	<b>Expected Declarations</b>	
January 31, 2003	14,704	Revised
December 31, 2003	14,704	Revised
December 31, 2004	16,507	Revised
December 31, 2005	13, 850	Revised
December 31, 2006	14, 648	Revised
December 31, 2007	18, 003	Revised

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:

<b>Declaration Period</b>	<b>Expected No. of Declarations</b>	<b>No. of Declarations Received</b>	<b>Outstanding Declarations</b>	<b>Outstanding %</b>
January 31, 2003	14,704	12,762	1,942	13.2
December 31, 2003	14,704	10,847	3,857	26.2



<b>Declaration Period</b>	<b>Expected No. of Declarations</b>	<b>No. of Declarations Received</b>	<b>Outstanding Declarations</b>	<b>Outstanding %</b>
December 31, 2004	16,570	12,623	3,947	23.8
December 31, 2005	13,850	8,787	5,063	36.5
December 31, 2006	14,648	8,554	6,094	41.6
December 31, 2007	18,003	8,079	9,924	55.1
<b>TOTAL</b>	<b>92,479</b>	<b>61,652</b>	<b>30,827</b>	

The Commission once again wishes to highlight the continued tendency of many Public Servants to breach the Legislation and is urging that its recommendation made in its 2005 Report, that the Corruption (Prevention) Act, 2000 be amended to give power to the Commission to impose a penalty for the late filing of Statutory Declarations be enacted.

The Commission on an ongoing basis continues to report the delinquencies to the Director of Public Prosecutions with a further 17,835 cases to be reported during the period under review. This brought the total number of such referrals to 18,289. During the year under review, the Director of Public Prosecutions brought fourteen (14) cases before the Court resulting in ten (10) public servants being fined for failure to submit the Statutory Declarations by the due date. Two (2) cases were withdrawn, one (1) was not concluded and one (1) was appealed.

### **Quality of Declarations**

The second schedule to the Corruption (Prevention) Act 2000 prescribes the form on which Public Servants are required to make their Declarations. The Act stipulates that the declaration must be accompanied by (1) Bank statements and (2) Letters from Banks confirming the balances reported. Despite advice from the Commission that it is prepared to accept photo-copies of Bank Pass Books, Automated Transaction Machine (ATM) slips and Electronic Banking

(E-Banking) statements, the Commission has observed that declarants continue to file their Statutory Declarations without the required supporting documents. The highest incidence of non compliance occurs in the two weeks preceding the deadline for the filing of declarations.

The Commission, because of the large amount of declarants who fail to provide the required banking and other information, has altered its approach and instead of requesting declarants by mail or through their departments to furnish supporting documents, has commenced requesting the substantiating information during investigations.

### **Update of Database**

The Commission updates its database of Public Servants required to submit Statutory Declarations of Assets, Liabilities and Income on an annual basis. During the year under review the Commission wrote to One Hundred and Fifty-four (154) Public Sector Entities and received responses from One Hundred and Twenty-four (124), a compliance rate of Eighty Percent (80%). Despite the Commission constantly making contact with the delinquent Public Sector Entities, they have failed to furnish the required lists, hampering the Commission in the execution of its functions. A list of the Delinquent Entities is affixed as Appendix (ii)

### **Analysis of Declarations Filed**

The Commission completed the data entry of all declarations received for the period ending December 31, 2006, and a sample of 104 cases was chosen for analysis. The selection criteria as in previous years included a comparison of high net worth to stated income and other determinants as well as the selection of Statutory Declarations filed by employees from several Public Sector Entities.

As a result of the reviews done, a total of fifty-two (52) cases were closed with no further action required as they revealed no evidence of irregularities.

Nineteen (19) cases were referred for further internal investigation for the following reasons:

- (i) Ownership of assets disproportionate to declared income
- (ii) Non disclosure of Assets and Investments held and disposed of.
- (iii) Failure to declare source of funding for assets acquired.

In fourteen (14) cases the Commission was awaiting information from other Government Agencies and declarants to clarify the issues highlighted. Nineteen (19 ) cases were undergoing final reviews by the Analysts.

The Commission is awaiting a ruling from the Director of Public Prosecutions in relation to a case referred for prosecution in August 2007, as there were unexplained increases in a declarant's net worth for the periods January 2003 to December 2005.

In another matter which has been investigated by the Commission, dialogue will shortly be held with the Director of Public Prosecutions. The allegations are that certain policemen collected a bribe for the release of a suspect on a gun related charge.

### **Legislative Issues**

The Commission has proposed amendments to the Corruption (Prevention) Act 2000 in its Reports for the years 2003, 2004, 2005, and 2006. The Commission has been invited to the Joint Select Committee of the Houses of Parliament convened to examine Reports of Statutory Bodies which will examine the proposed amendments.

The Commission is proposing no further amendments to the Act at this time.



**Signed: The Hon. Mr. Justice Chester Orr (Retired) C.D.,  
Chairman- Commission for the Prevention of Corruption**

## Independent auditor's report

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

#### Report on the Financial Statements

We have audited the accompanying financial statements of the Commission for the Prevention of Corruption, which comprise the balance sheet as at March 31, 2008, and the income statement, statement of changes in equity and cash flow statement 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. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditors' Responsibility**

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

...../cont'd

**Barrett & Company**  
Chartered Accountants

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Independent auditors' report (cont'd)

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

*Auditors' Responsibility (cont'd)*

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

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

**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Commission as at March 31, 2008, and of the Commission's financial performance, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Kingston, Jamaica

September 23, 2008



Chartered Accountants

COMMISSION FOR THE PREVENTION OF CORRUPTION

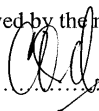
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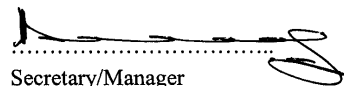
**BALANCE SHEET**

MARCH 31, 2008

	NOTE	2008 \$	2007 \$
<b>ASSETS</b>			
Plant, Furniture and Equipment	7	2,485,899	2,467,806
Long-term receivables	8	675,865	-
Total Non-current assets		3,161,764	2,467,806
Prepayments	9	20,000	72,650
Taxation recoverable	10	16,380	-
Receivables- current portion	8	203,340	-
Cash and cash equivalents	11	3,970,858	2,352,913
Total Current Assets		4,210,578	2,425,563
Total Assets		<u>7,372,342</u>	<u>4,893,369</u>
<b>LIABILITIES</b>			
Payables	12	9,956,961	8,809,353
Total Current Liabilities		<u>9,956,961</u>	<u>8,809,353</u>
<b>RESERVES</b>			
Deferred credit	13	252,675	459,905
Accumulated fund		(2,837,294)	(4,375,889)
Total Reserves		<u>(2,584,619)</u>	<u>(3,915,984)</u>
Total Liabilities and Reserves		<u>7,372,342</u>	<u>4,893,369</u>

Approved by the members of the Commission on September 23, 2008 and signed on their behalf by

  
 .....  
 Chairman

  
 .....  
 Secretary/Manager

COMMISSION FOR THE PREVENTION OF CORRUPTION  
**STATEMENT OF CHANGES IN RESERVES**  
 YEAR ENDED MARCH 31, 2008

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	Deferred Credit \$	Accumulated Fund \$	Total \$
Balance as at March 31, 2006	667,135	401,275	1,068,410
Transfers	(207,230)	207,230	-
Deficit for the year	-	(4,984,394)	(4,984,394)
Balance as at March 31, 2007	459,905	(4,375,889)	(3,915,984)
Transfers	(207,230)	207,230	-
Surplus for the year	-	1,331,365	1,331,365
Balance as at March 31, 2008	<u>252,675</u>	<u>(2,837,294)</u>	<u>(2,584,619)</u>

COMMISSION FOR THE PREVENTION OF CORRUPTION

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INCOME STATEMENT

YEAR ENDED MARCH 31, 2008

	NOTE	2008 \$	2007 \$
Income	14	<u>37,784,521</u>	<u>29,448,683</u>
Staff costs	15	(24,135,996)	(21,328,503)
Other goods & services	16	(11,357,750)	(12,178,997)
Depreciation		(959,410)	(925,577)
Surplus(Deficit) for the year		<u>1,331,365</u>	<u>(4,984,394)</u>



COMMISSION FOR THE PREVENTION OF CORRUPTION  
**STATEMENT OF CASH FLOWS**  
 YEAR ENDED MARCH 31, 2008

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SOURCES (USES) OF CASH	2008	2007
OPERATING ACTIVITIES	\$	\$
Deficit for the year	1,331,365	(4,984,394)
Item not affecting cash		
Depreciation	959,410	925,577
	2,290,775	(4,058,817)
Changes in non-cash working capital components		
Prepayments	52,650	4,450,561
Payables	1,147,608	3,190,530
Taxation recoverable	(16,380)	-
Long-term receivables	(675,865)	-
Current portion of long term receivables	(203,340)	-
	304,673	7,641,091
Cash provided by operating activities	2,595,448	3,582,274
INVESTMENT ACTIVITIES		
Additions to fixed assets	(977,503)	(1,326,923)
Increase in net cash and cash equivalent	1,617,945	2,255,351
Net cash and cash equivalent at the beginning of the year	2,352,913	97,562
Net cash and cash equivalent at the end of the year	<u>3,970,858</u>	<u>2,352,913</u>

COMMISSION FOR THE PREVENTION OF CORRUPTION  
NOTES TO THE FINANCIAL STATEMENTS

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YEAR ENDED MARCH 31, 2008

1. IDENTIFICATION

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

The functions of the Commission are as follows:

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

These financial statements are stated in Jamaican dollars.

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

- (i) Certain interpretations and amendments to existing standards have been published that became effective during the current financial year. The Commission has assessed the relevance of all such new interpretations and amendments and has adopted those that are applicable to its operations.

There was no impact on opening equity as at April 1, 2007, from the adoption of these standards and interpretations although additional disclosures have resulted in some cases.

The first-time application of IFRS 7 and the Amendment to IAS 1 has not resulted in any prior-period adjustments to cash flows, net income or balance sheet line items.

- (ii) Standards, interpretations and amendments to published standards that are not yet effective.

At reporting date, certain new standards, amendments and interpretations to existing standards have been issued which are not yet effective, and which the Commission has not early adopted.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

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

(b) Property, Plant and Equipment

(i) Items of property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

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

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

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

(c) Revenue Recognition

The Commission receives recurrent subvention from the Government of Jamaica. Interest and other income are recognised when earned in accordance with the relevant agreements in place.

3. SIGNIFICANT ACCOUNTING POLICIES CONT'D

(d) Grants

Grants received are deferred where the benefit of the grant is represented by fixed assets. Annual transfers, equivalent to depreciation charged on fixed assets funded by such grants, are made from the deferred credit to the accumulated surplus account. In other cases, the grant is brought to account as revenue for the period in which it is received.

(e) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits held on call with banks and other short-term highly liquid investments.

(f) Payables and Accruals

Payables and accruals are stated at cost.

(g) Impairment of Non-Current Assets

Equipment, appliances and other non-current assets are reviewed for impairment whenever events or changes indicate that the carrying amount may not be recoverable. An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable value.

(h) Foreign Currencies

Transactions in foreign currency are converted at the rates of exchange ruling at the date of those transactions. Foreign currency balances are translated at the applicable rates of exchange ruling at balance sheet date. Exchange differences as a result of fluctuations in exchange rates are reflected in the Income Statement.

(i) Expenses

Expenses are accounted for on the accruals basis.

(j) Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial instruments carried on the balance sheet include cash and cash equivalents, receivables, payables and borrowing facilities.

3 SIGNIFICANT ACCOUNTING POLICIES CONT'D

(k) Comparative Information

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

(l) Employee Benefits

Employee benefits include current or short-term benefits such as salaries, NIS contributions paid, annual leave, and non-monetary benefits such as medical care , post employment benefits such as pensions.

General Benefits

Employee benefits that are earned as a result of past or current service are recognised in the following manner: short-term employee benefits are recognised as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is accrued when the employee becomes entitled to the leave. Post employment benefits are accrued as they are earned and charged as an expense, unless not considered material, in which case they are charged when they fall due.

Pension

The Commission contributes 25% of the pensionable salary of six employees to the Accountant General's Department. This contribution is made in order to preserve their pension rights within the Government service. Obligations for contributions to the pension plan are recognised as an expense as they fall due.

4. FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Fair value of financial instruments

Fair value represents estimates of the arm's length consideration that would currently be agreed between knowledgeable willing parties who are under no obligation to act and is best evidenced by a quoted market price, if one exists.

At March 31, 2008 the board of the Commission estimates that the carrying value of each class of financial instruments approximates their fair value.

(b) Market risk

(i) Interest rate risk

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

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

(ii) Other price risk

Other price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to individual instrument or its issuer or factors affecting all instruments traded in the market. The Commission's financial instruments are substantially independent of changes in the market prices as they are short-term in nature.

4. FINANCIAL RISK MANAGEMENT POLICIES CONT'D

(c) Credit risk

Credit risk is the risk of loss arising from a counter party to a financial contract failing to discharge its obligations. The Commission manages its credit risk by a policy which requires that investment be made principally in liquid securities and only with counter parties that management believes does not offer any significant credit risk. Management does not expect any counter parties to fail to meet their obligations.

(d) Liquidity risk

Liquidity risk is the risk that the Commission will encounter difficulty in raising funds to meet its commitments associated with financial instruments.

At balance sheet date , current liabilities exceeded liquid assets by \$5,986,103 (2007 - \$6,456,440).

5. CAPITAL MANAGEMENT

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

6. TAXATION

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

COMMISSION FOR THE PREVENTION OF CORRUPTION  
 NOTES TO THE FINANCIAL STATEMENTS

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7. PLANT, FURNITURE, EQUIPMENT

	Furniture fixtures \$	Office equipment \$	Computer \$	Motor vehicles \$	Totals \$
Carrying amount at					
March 31, 2006	933,602	327,096	359,087	446,675	2,066,460
Additions	221,292	99,900	1,005,731	-	1,326,923
Depreciation for the Year	(148,639)	(140,546)	(512,316)	(124,076)	(925,577)
Carrying amount at					
March 31, 2007	1,006,255	286,450	852,502	322,599	2,467,806
Additions	278,413	121,950	577,140	-	977,503
Depreciation for the Year	(176,480)	(164,936)	(493,918)	(124,076)	(959,410)
Carrying amount at					
March 31, 2008	1,108,188	243,464	935,724	198,523	2,485,899

	Furniture fixtures \$	Office equipment \$	Computer \$	Motor vehicles \$	Totals \$
Gross carrying amount	1,265,106	602,832	1,043,542	992,611	3,904,091
Accumulated depreciation	(331,504)	(275,736)	(684,455)	(545,936)	(1,837,631)
Carrying amount at					
March 31, 2006	933,602	327,096	359,087	446,675	2,066,460
Gross carrying amount	1,486,398	702,732	2,049,273	992,611	5,231,014
Accumulated depreciation	(480,143)	(416,282)	(1,196,771)	(670,012)	(2,763,208)
Carrying amount at					
March 31, 2007	1,006,255	286,450	852,502	322,599	2,467,806
Gross carrying amount	1,764,811	824,682	2,626,413	992,611	6,208,517
Accumulated depreciation	(656,623)	(581,218)	(1,690,689)	(794,088)	(3,722,618)
Carrying amount at					
March 31, 2008	1,108,188	243,464	935,724	198,523	2,485,899



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**NOTES TO THE FINANCIAL STATEMENTS**

8.	LONG-TERM RECEIVABLES	2008	2007
		\$	\$
	Motor vehicle revolving loan	879,205	-
	Less repayable within 12 months	<u>203,340</u>	<u>-</u>
	Long-term portion	<u>675,865</u>	<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 in part:

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

9.	PREPAYMENTS	2008	2007
		\$	\$
	Deposit - petrol and stamps	20,000	20,000
	Deposit on equipment	<u>-</u>	<u>52,650</u>
		<u>20,000</u>	<u>72,650</u>

10. WITHHOLDING TAX

This represents income tax deducted from interest income.

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 NOTES TO THE FINANCIAL STATEMENTS

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11. CASH AND CASH EQUIVALENTS

	2008	2007
	\$	\$
Cash	4,587	10,000
Bank current account	2,396,886	2,342,913
Bank savings account	1,569,385	-
	<u>3,970,858</u>	<u>2,352,913</u>

12. PAYABLES AND ACCRUALS

	2008	2007
	\$	\$
Telephone and electricity charges	136,161	542,682
Audit fee accrued	160,000	140,000
Consultancy and professional fees	115,000	115,000
Advertising, postage etc	4,824	184,590
Pension contributions	3,335,717	2,577,852
Vacation leave	3,525,459	2,227,109
Gratuity	401,856	992,394
Travelling allowance	412,944	164,726
Arrears - commissioners fee	1,865,000	1,865,000
	<u>9,956,961</u>	<u>8,809,353</u>

13. DEFERRED CREDIT

This represents grant received to acquire fixed assets. Transfers equivalent to depreciation charged on these assets are made annually to the accumulated fund.

14. INCOME

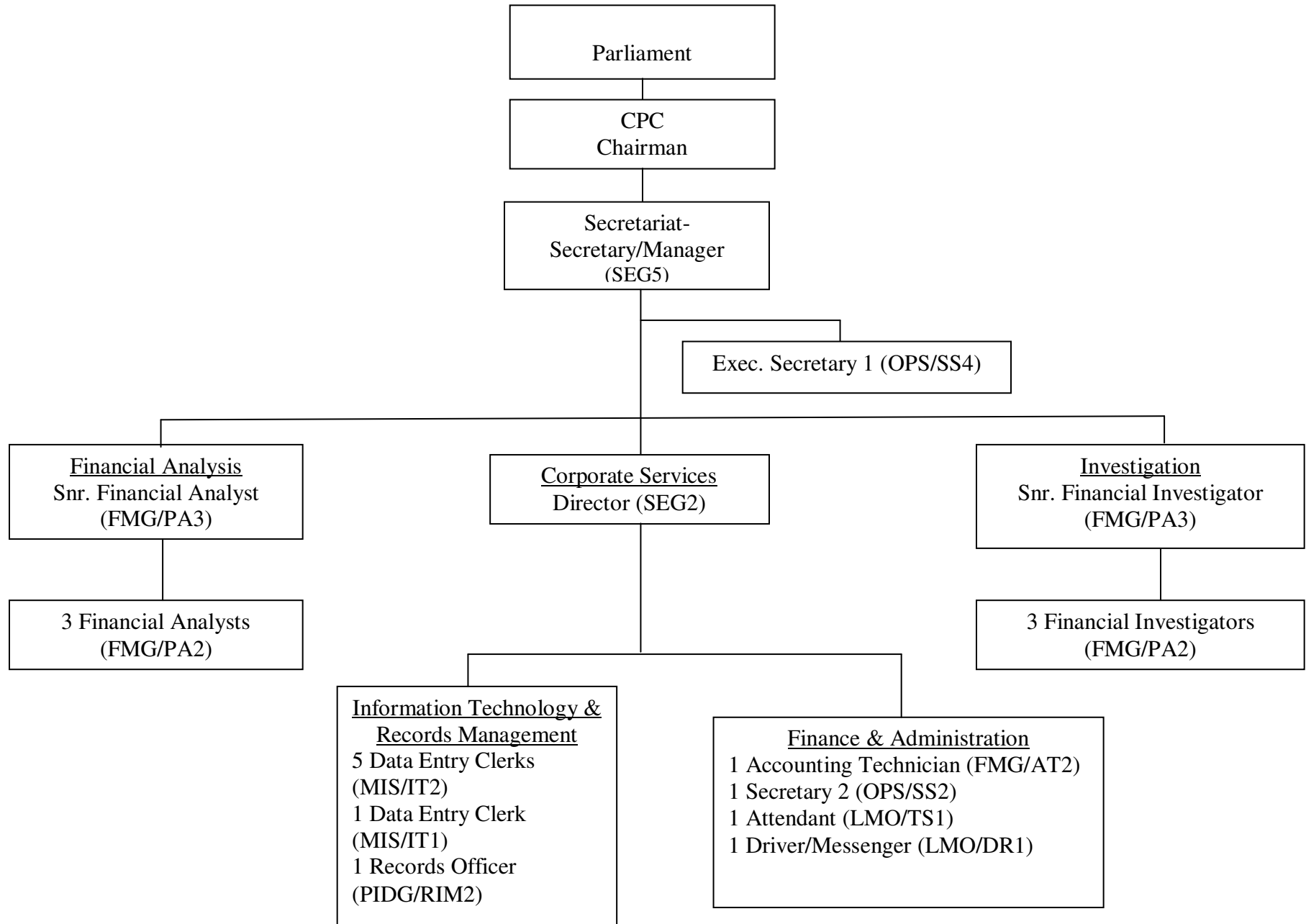
	2008	2007
	\$	\$
GOJ subvention received	37,719,000	29,448,683
Interest income	65,521	-
	<u>37,784,521</u>	<u>29,448,683</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

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15.	STAFF COSTS	2008 \$	2007 \$
	Salaries	18,016,480	13,777,835
	Contributions to NIS, NHT & Ed. Tax	1,175,443	878,625
	Travelling allowance	2,878,640	983,584
	Pension and gratuity - current year	2,034,533	2,351,619
	- prior year	-	3,298,520
	Seminar and training expenses	<u>30,900</u>	<u>38,320</u>
		<u>24,135,996</u>	<u>21,328,503</u>
16.	OTHER GOODS AND SERVICES	2008 \$	2007 \$
	Postage & courier	5,680	43,480
	Repairs & maintenance	126,366	18,970
	Motor vehicle expenses	271,767	190,967
	Bank charges	50,229	11,624
	Advertising	178,812	198,222
	Printing, stationery & photocopying	268,776	211,467
	Office & sundry supplies	348,054	184,145
	Rental of office space	5,716,484	5,538,707
	Rental of parking space	91,910	60,430
	Telephone and internet services	224,833	168,584
	Commissioners fee - current year	2,280,000	2,280,000
	- prior year	-	1,865,000
	Electricity	1,634,839	1,267,401
	Auditors remuneration	<u>160,000</u>	<u>140,000</u>
		<u>11,357,750</u>	<u>12,178,997</u>

## COMMISSION FOR THE PREVENTION OF CORRUPTION ORGANISATIONAL STRUCTURE



**COMMISSION FOR THE PREVENTION OF CORRUPTION**  
**AGENCIES WHO FAILED TO RESPOND TO THE REQUEST FOR A LIST OF DECLARANTS**  
**DECEMBER 13, 2007**

1. Agricultural Credit Board
2. Air Jamaica Limited
3. Anti-Dumping & Subsidies Commission
4. Banana Board
5. Bank of Jamaica
6. Bath Fountain
7. Bureau of Women's Affairs
8. Cocoa Industry Board
9. Companies Office of Jamaica
10. Culture, Health, Arts, Sports & Education Fund Limited (CHASE)
11. Department of Co-operative & Friendly Societies
12. Department of Government Chemist
13. Devon House Development Limited
14. Jamaica Cultural Development Commission
15. Jamaica Railway Corporation
16. King's House
17. Kingston & St. Andrew Corporation
18. Mico Care Centre
19. Ministry of Justice
20. Ministry of Labour & Social Security
21. Ministry of National Security
22. National Council on Education
23. National Solid Waste Management Authority
24. National Youth Service
25. Office of Disaster Preparedness & Emergency Management
26. Office of the Political Ombudsman
27. Office of the Public Defender
28. Ports Security Corp
29. Tax Administration Services Department
30. The Institute of Jamaica
31. Trade Board Limited
32. University of Technology
33. Wallenford Coffee Company Limited