

COMMISSION FOR THE

PREVENTION

OF

CORRUPTION

ANNUAL REPORT

2015/2016
2015/2016

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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 2015 -2016 year in review the Commission met nine (9) 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 2015, thirty five thousand four hundred and forty seven (35,447) Declarations were to be received by the Commission.

As at March 31, 2016, the Commission had received nineteen thousand four hundred and forty two (19,442) Declarations for the period ending December 31, 2015. A compliance rate of fifty-five percent (55%).

Arising from the continued failure of so many Public Servants to file declarations, the Commission in conjunction with the Director of Public Prosecutions (DPP) is actively pursuing delinquents via court proceedings as provided for in the Corruption (Prevention) Act, 2000.

Since the Commission's inception one thousand one hundred and sixty-four (1164) 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 sixty-two (562) delinquents. Fines totaling six million seven hundred and nine thousand five hundred dollars (\$6,709,500.00) have been imposed by the Court on four hundred and fifty-six (456) of those found to have been delinquent to date.

For the year to which this report relates ninety-three (93) 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. Forty-seven (47) public servants reported had their cases disposed of in the court with fines of eight hundred and forty-five thousand dollars (\$845,000) 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 were incorporated into the Bill entitled "The Integrity Act" that was before a Joint Select Committee of the Houses of Parliament.

The Commission remains hopeful that its recommendations will be considered in any subsequent revisions made to the Bill.

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 thirty-seven (37) cases was chosen for analysis based on the Commission's selection criteria. Thirty-four (34) cases analysed were referred for detailed internal investigation and three (3) recommended closed as no further action was warranted.

The Commission had an inventory reflecting four hundred and sixty (460) cases for the reporting year ending March 31, 2016 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 i.e. offences other than the failure to furnish a statutory declaration, while three (3) 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-five (25) 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 2015-2016 reporting year the Commission has received rulings from the DPP in respect of one (1) 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.

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 and published procedural guidelines pursuant to the Act in The Jamaica Gazette dated April 25, 2014.

For the year to which this report relates no matters were referred to the Designated Authority. In the 2014/2015 reporting year there were two (2) cases referred to the Commission as the Designated Authority.

The Designated Authority held meetings with the Cabinet Office, the Permanent Secretaries Board and the Private Sector Organisation of Jamaica (PSOJ) Corporate Governance Committee which has to date led to the appointment of Designated Officers in ten (10) Ministries/Agencies to investigate reports from individuals who had made disclosures and furnish reports to the Designated Authority in the timelines prescribed under the Protected Disclosure Act.

Preface

The Commission for the Prevention of Corruption was established under the Corruption (Prevention) Act 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 nine (9) times during the 2015/2016 financial year.

Names of Members	Meetings Attended	Absent
Mr. Justice F. A. Smith	9	-
Mr. Justice Howard Cooke	5	4 (with apology)
Mr. Justice Karl Harrison	4	5 (with apology)
The Hon. Mr. Adrian Strachan	9	-
Mrs. Pamela Monroe Ellis	7	2 (with apology)

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 no reports of matters falling under the Protected Disclosures Act, to date under the Act there have been two (2) such referrals of which one of those matters had been referred to the Ministry of Labour for a determination as to whether the individual was unfairly dismissed.

The Designated Authority has held meetings with the Corporate Governance Committee of the Private Sector Organisation of Jamaica (PSOJ), Cabinet Office and the Permanent Secretaries Board which has led to the appointment of eleven (11) Designated Officers in Ministries/Agencies to date. (See Table 1)

The functions of these officers include investigating, making reports on disclosures to employers and individuals as well as to the Designated Authority in the timelines prescribed by that Act.

Table 1 List of Ministries/Agencies appointing Designated Officers

AGENCY	NUMBER OF DESIGNATED OFFICERS
Cabinet Office	1
Ministry of Justice	1
Ministry of Education and Youth	1
Ministry of Labour and Social Security	1
Ministry of Transport and Mining	1
Ministry of Industry, Commerce, Agriculture and Fisheries	1
Ministry of Health	1
Office of the Services Commission	1
Ministry of National Security	2
Office of the Prime Minister	1

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

The Commission notes that the Government proposes to make changes to the Bill entitled The Integrity Act which will repeal The Corruption (Prevention) Act previously tabled in Parliament and were 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 useful for inclusion/adoption in the proposed legislation will be retained and that their implementation shall assist in stemming corruption in Jamaica.

The Secretariat of the Commission

The Commission, for the period under review, has an approved organisation structure comprising twenty-nine (29) positions.

Eighteen (18) positions are presently in operation, these include the Secretary/Manager, two (2) Secretaries, three (3) Financial Analysts, three (3) Investigators, one (1) Manager, Finance and Administration, one (1) Accounting clerk, one (1) Records Officer, four (4) Data Entry Officers, one (1) Office Attendant and one (1) Driver. Approval from the Ministry of Finance has been sought by the Commission to fill critical vacancies arising from the resignation of officers.

In accordance with the Cabinet Office directive the fees and salaries of members of the Commission and senior staff are as indicated in Appendices 2 and 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 2)

Table 2 Outstanding Statutory Declarations

Declaration Period	Expected No. of Declarations	No. of Declarations Received	Outstanding Declarations	Outstanding Percentage
January 31, 2003	14705	12819	1886	13%
December 31, 2003	14705	11020	3685	25%
December 31, 2004	17228	12870	4358	25%
December 31, 2005	14104	9112	4992	35%
December 31, 2006	15409	9185	6224	40%
December 31, 2007	20684	12789	7895	38%
December 31, 2008	23447	13090	10357	44%
December 31, 2009	23447	13271	10176	43%
December 31, 2010	24389	15034	9355	38%
December 31, 2011	25040	14788	10252	41%
December 31, 2012	31132	14916	16216	52%
December 31, 2013	32931	17805	15126	46%
December 31, 2014	35250	18838	16412	47%
December 31, 2015	35447	19442	16005	45%
TOTAL	224290	138894	85396	38%

As can be seen there remains a high incidence of outstanding declarations with that for the year under review being sixteen thousand and five (16,005) declarations which represent forty-five percent (45%) of all declarations.

These results were further disaggregated by Agencies as indicated in Table 3 below:

Table 3 - Outstanding Declarations

Employers	Declarations to be Filed 2015	No. of Declarations Filed 2015	No. of Outstanding Declarations 2015	Outstanding Percentage
AIRPORTS AUTHORITY OF JAMAICA	112	42	70	63%
BANK OF JAMAICA	387	384	3	1%
BUREAU OF STANDARDS JAMAICA	155	120	35	23%
FINANCIAL SERVICES COMMISSION	85	79	6	7%
FISCAL SERVICES LIMITED	167	98	69	41%
HEART TRUST/NTA	709	198	511	72%
JAMAICA CONSTABULARY FORCE	12805	8480	4325	34%
JAMAICA DEFENCE FORCE	4620	4048	572	12%
MINISTRY OF AGRICULTURE & FISHERIES	114	72	42	37%
MINISTRY OF EDUCATION	3150	210	2940	93%
MINISTRY OF FOREIGN AFFAIRS AND FOREIGN TRADE	129	70	59	46%
MINISTRY OF TRANSPORT, WORKS AND HOUSING	186	92	94	51%
NATIONAL ENVIRONMENT AND PLANNING AGENCY	173	135	38	22%
NATIONAL HOUSING TRUST	416	227	189	45%
NATIONAL LAND AGENCY	235	194	41	17%
NATIONAL WORKS AGENCY	222	184	38	17%
OFFICE OF THE PRIME MINISTER	124	82	42	34%
PASSPORT, IMMIGRATION & CITIZENSHIP AGENCY	337	127	210	62%
PLANNING INSTITUTE OF JAMAICA	92	41	51	55%
REGISTRAR GENERAL'S DEPARTMENT	98	56	42	43%
SOCIAL DEVELOPMENT COMMISSION	119	86	33	28%
TAX ADMINISTRATION JAMAICA	1239	300	939	76%
THE PORT AUTHORITY OF JAMAICA	153	119	34	22%
UNIVERSITY OF TECHNOLOGY, JAMAICA	1413	75	1338	95%
WESTERN REGIONAL HEALTH AUTHORITY	807	106	701	87%
Other Agencies	7400	3817	3583	48%
Total	35447	19442	16005	45%

The category 'Other Agencies' shown in Table 3 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. As a part of the strategy aimed at reducing delinquency it is pursuing initiatives with the heads of Agencies to increase compliance.

The Commission would like to convey its appreciation to the Offices of the Services Commission for having continued 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.

During the year under review the names of ninety-three (93) delinquent public servants were reported to the Director of Public Prosecutions for Court action. Forty seven (47) delinquents were brought before the Court resulting in fines being imposed on all of them totaling eight hundred and forty-five thousand dollars (\$845,000) for their failure to furnish the Statutory Declarations by the due date, the remaining matters are being pursued and are at various stages in the Court system. (See Table 4)

Since the Commission's inception it has reported one thousand one hundred and sixty-four (1,164) delinquent public servants to the Director of Public Prosecutions who has initiated prosecutions against five hundred and sixty-two (562) of them.

The Court has imposed fines on four hundred and fifty-six (456) of the delinquents totaling six million seven hundred and nine thousand five hundred Dollars (\$6,709,500.00)) for their failure to furnish the Statutory Declarations by the due date. (See Table 4)

No action has been pursued against five hundred and seventeen (517) public servants as their matters were withdrawn, fifteen (15) bench warrants have been issued, two (2) matters are before the court and one hundred and seventy-six (176) processes remain to be served.

Table 4 - Delinquent Declarants Reported to the DPP

Employer	Delinquent Declarants Reported to the DPP 2015/16	Delinquent Declarants Taken Before the Court 2015/16	Fines Levied 2015/16	Delinquent Declarants Reported to the DPP to date	Delinquent Declarants Taken Before the Court to Date	Fines Levied to date
Accountant General'S Department				4	2	\$ 32,000.00
Bank of Jamaica				53	42	\$ 450,000.00
Consumer Affairs Commission				2	2	\$ 30,000.00
Hanover Parish Council				5	2	\$ 25,000.00
Island Traffic Authority				21	19	\$ 149,000.00
Jamaica Constabulary Force	93	46	\$ 790,000.00	647	349	\$ 3,866,500.00
Jamaica Customs Agency				40	9	\$ 150,000.00
Jamaica Defence Force				76	11	\$ 30,000.00
Jamaica Social Investment Fund				4	4	\$ 180,000.00
Jamaica Urban Transit Company Limited				12	7	\$ 63,000.00
Manchester Parish Council				5	4	\$ 74,000.00
National Solid Waste Management Authority				3	1	\$ 19,000.00
National Works Agency				71	38	\$ 609,000.00
North-East Regional Health Authority				6	4	\$ 95,000.00
Portland Parish Council				5	4	\$ 190,000.00
St. Ann Parish Council				15	13	\$ 447,000.00
St. Elizabeth Parish Council				1	1	\$ 24,000.00
St. Mary Parish Council				8	8	\$ 59,000.00
Other Agencies		1	\$ 55,000.00	186	42	\$ 217,000.00
Total	93	47	\$ 845,000.00	1164	562	\$ 6,709,500.00

Public Sensitisation Seminars/Programs

The Commission as a part of its on-going efforts to sensitise public servants of their obligation imposed by The Corruption Prevention Act 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 thirty-four (134) such seminars have been held with a total of three thousand and twenty-six (3026) attendees. (See Table 5).

For the year to which this report relates nineteen (19) such seminars were held with four hundred and eighty-eight (488) public servants in attendance. (See Table 5)

Table 5- Public Sensitisation 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
2015/16	19	488
Totals	134	3026

Update of Database

The Commission annually makes a request of Public Sector Agencies for an update of persons required to furnish the Statutory Declaration of Assets, Liabilities and Income and has received responses from one hundred and fourteen (114) Ministries/Departments/ Agencies of the one hundred and sixty-four (164) entities written to in December 2015. 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 thirty-seven (37) cases were examined, bringing to seven hundred and fifty-nine (759) the number of cases examined to date. Thirty-four (34) of these cases were referred for detailed internal investigation and three (3) 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 6-7)

Table 6

Analysis of Declarations Filed

Total Cases Examined	37
Cases Forwarded for Investigations	34
Cases with no Further Action Taken	3

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 the receipt of gifts]
- Non-declaration of business interests/income/asset disposals

Table 7 - Cases Analysed

Employer	Cases Analysed 2015/16	Cases Forwarded for Investigations	Cases with no Further Action Taken
Airports Authority of Jamaica	14	13	1
Bank of Jamaica	1	1	
Bauxite and Alumina Trading Company of Jamaica Limited	1	1	
Court Management Services	1	-	1
Hanover Parish Council	1	1	
Jamaica Civil Aviation Authority	1	1	
Jamaica Constabulary Force	3	2	1
Jamaica Customs Department	5	5	
Jamaica Urban Transit Company Limited	4	4	
Manchester Parish Council	1	1	
National Works Agency	1	1	
Office of the Services Commissions	1	1	
Passport, Immigration & Citizenship Agency	1	1	
Tax Administration Jamaica	2	2	
Total	37	34	3

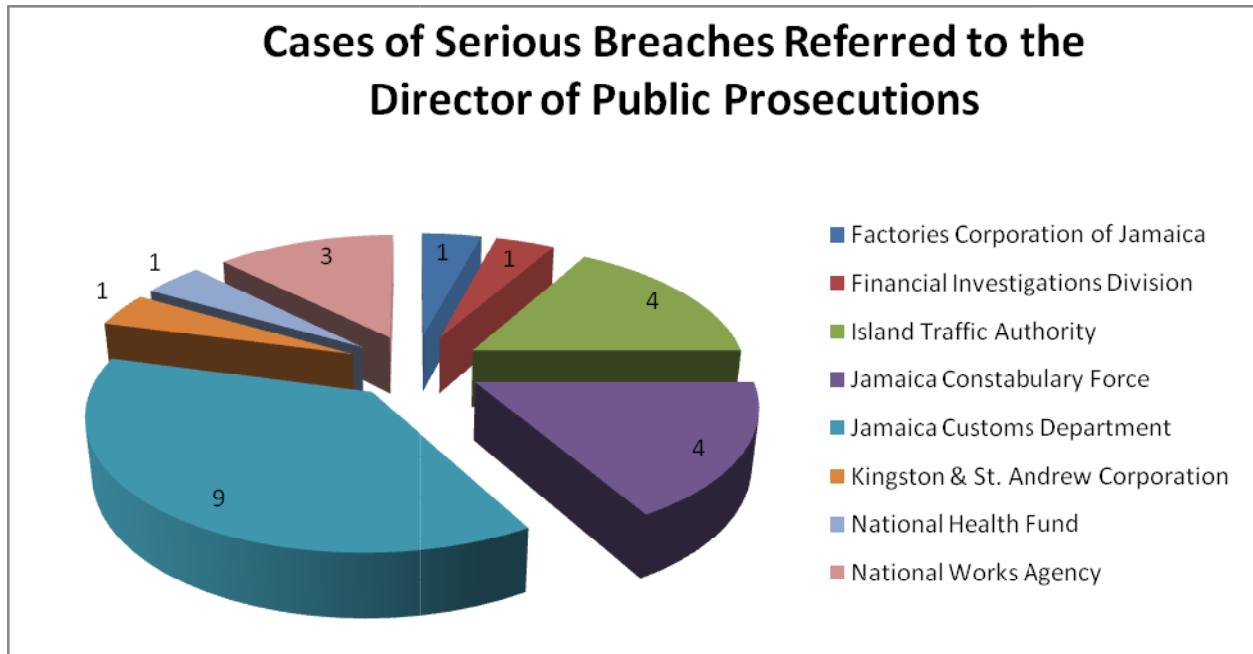
Investigation of Declarations

During the period under review the Commission had an inventory of four hundred and sixty (460) cases under investigation. Arising from investigations undertaken by the Commission three (3) cases were closed as sufficient explanations were offered for the discrepancies indicated and no further action was warranted. (See Table 8 overleaf)

Table 8 – Cases Investigated

Employer	Opened Investigation Cases 2015/16	Cases Closed 2015/16	Cases Referred to DPP 2015/16	Cases Referred to Other Authority, Boards, Commissions 2015/16	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	1	1		42	17	2	
Financial Services Commission					5			
Housing Agency of Jamaica					2			
Island Traffic Authority	1	1			21	12	4	2
Jamaica Constabulary Force	4	1			103	30	4	1
Jamaica Customs Department	2				78	33	9	1
Kingston & St. Andrew Corporation					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					3	1		
Passport, Immigration and Citizenship Agency					21			
Port Authority of Jamaica					9	1		
Spectrum Management Authority					5			
Tax Administration Jamaica					4			
Other Agencies	3				110	1		
Total	24	3	1	-	460	113	25	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 pursuant to Section 15 (2) (c) of that Act was referred to the Director of Public Prosecutions (DPP) in this reporting year, making a total of twenty-five (25) such cases referred to that office since the inception of the Commission. (See Table 9 and Chart 1).

For the period to which this report relates the Commission has received rulings in respect of one (1) matter and twelve (12) matters await rulings from that office.

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 i.e. offences other than the failure to furnish a statutory declaration of assets liabilities and income.

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). (See Table 9)

Table 9 – Cases Investigated

Period	Number of Cases Reported to DPP	Charges to be Laid	Number Taken Before the Court	Acquitted/No Charges Proffered	Outcome in Court	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	1	\$ 50,000.00	1
2012/13	4	1	3		1	\$ 10,000.00	
2013/14	5	1	1				3
2014/15	1						1
2015/16	1						1
Total	25	3	8	1	5	\$ 1,660,000.00	13

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 additional deliberations being undertaken by the Houses of Parliament on a bill entitled The Integrity Act which when passed will lead to the repeal of The Corruption Prevention Act.

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, 2016**

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INDEPENDENT AUDITOR'S REPORT

To the commissioners 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 (the "Commission"), which comprises the statement of financial position as at March 31, 2016, 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

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Independent Auditor's Report (cont'd)

To the commissioners of
THE COMMISSION FOR THE PREVENTION OF CORRUPTION

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, 2016, 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.

Crichton Mullings & Assoc.
Crichton Mullings & Associates
Chartered Accountants

Kingston Jamaica
December 1, 2016

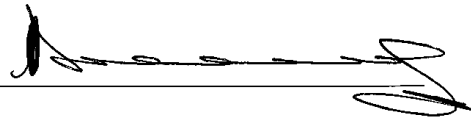
COMMISSION FOR THE PREVENTION OF CORRUPTION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016

	Note	2016 \$	2015 \$
ASSETS			
Non-current Assets			
Property, plant and equipment	5	4,622,745	1,240,422
Long-term receivables	6	597,600	993,750
		<u>5,220,345</u>	<u>2,234,172</u>
Current Assets			
Current portion of long-term receivables	6	424,800	1,422,728
Withholding tax recoverable		148,700	148,700
Cash and bank balances	7	13,828,231	8,853,522
		<u>14,401,731</u>	<u>10,424,950</u>
TOTAL ASSETS		<u>19,622,076</u>	<u>12,659,122</u>
RESERVES AND LIABILITIES			
Reserves			
Accumulated surplus		<u>11,240,938</u>	<u>5,659,115</u>
Current liabilities			
Payables and accruals	8	8,381,138	7,000,007
		<u>8,381,138</u>	<u>7,000,007</u>
TOTAL RESERVES AND LIABILITIES		<u>19,622,076</u>	<u>12,659,122</u>

APPROVED, on behalf of the Commission on December 1, 2016.



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, 2016

	Note	2016 \$	2015 \$
Income			
Grants	4	75,586,908	71,564,000
Administrative and general expenses	10	<u>69,374,271</u>	<u>64,780,005</u>
Operating surplus		6,212,637	6,783,995
Other income	4	<u>36,431</u>	<u>38,196</u>
		6,249,068	6,822,191
Finance and policy costs	11	<u>667,245</u>	<u>398,287</u>
Net surplus for the year, being total comprehensive income		<u><u>5,581,823</u></u>	<u><u>6,423,904</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, 2016**

	Accumulated Surplus \$
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	5,659,115
Net surplus, being total comprehensive income for the year	<u>5,581,823</u>
Balance at March 31, 2016	<u>11,240,938</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, 2016**

	2016	2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net surplus for the year	5,581,823	6,423,904
Adjustments for items not affecting cash resources:		
Adjustment	-	15,905
Depreciation	591,490	365,742
	6,173,313	6,805,551
Decrease / (increase) in operating assets:		
Long-term receivables	396,150	622,728
Current portion of long-term receivables	997,928	(800,000)
Withholding tax	-	(5,029)
Increase / (decrease) in operating liabilities:		
Payables and accruals	1,381,131	(2,098,726)
Net cash provided by operating activities	8,948,522	4,524,524
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(3,973,813)	(571,085)
Net cash used in investing activities	(3,973,813)	(571,085)
NET INCREASE IN CASH AND BANK BALANCES	4,974,709	3,953,439
CASH AND BANK BALANCES - Beginning of the year	8,853,522	4,900,083
CASH AND BANK BALANCES - End of the year	13,828,231	8,853,522
REPRESENTED BY:		
Cash and bank balances	13,828,231	8,853,522

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, 2016**

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 2016.

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 34 'Interim Financial Reporting - Amendments', issued September 2014*
Effective for periods commencing on or after 1 January 2016
- *IAS 38 'Intangible Assets - Amendments', issued May 2014*
Effective for periods commencing on or after 1 January 2016
- *IAS 41 'Agriculture - Amendments', issued June 2014*
Effective for periods commencing on or after 1 January 2016
- *IFRS 7 'Financial Instruments: Disclosures - Amendments', issued December 2014*
Effective for periods commencing on or after 1 January 2016
- *IFRS 10 'Consolidated Financial Statements - Amendments', issued December 2014*
Effective for periods commencing on or after 1 January 2016
- *IFRS 11 'Joint Arrangements- Amendments', issued May 2014*
Effective for periods commencing on or after 1 January 2016
- *IFRS 12 'Disclosure of Interests in Other Entities- Amendments', 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
- *IAS 27 'Separate Financial Statements- Amendments', issued August 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, 2016

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):

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:

- *IAS 1 'Presentation of Financial Statements - Amendments', issued December 2014*
Effective for periods commencing on or after 1 January 2016
- *IAS 19 'Employee Benefits - Amendment', issued November 2014.*
Effective for periods commencing on or after 1 July 2016
- *IAS 16 'Property, Plant and Equipment- Amendments', issued May 2014*
Effective for periods commencing on or after 1 January 2016

Additionally, in December 2015, 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 2016. 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 been adopted early. Those that are not considered relevant to the Commission's operations are:

- *IAS 39 'Financial Instruments: Recognition and Measurement - Amendment, Novation of derivatives and continuation of hedge accounting', issued July 2014*
Effective for periods commencing on or after 1 January 2018
- *IAS 7 'Statement of Cash Flows - Amendments', issued January 2016*
Effective for periods commencing on or after 1 January 2017
- *IFRS 16 'Leases', issued January 2016*
Effective for periods commencing on or after 1 January 2019

**COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016**

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 2018

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

- *IAS 7 'Statement of Cash Flows - Amendments', issued January 2016*
Effective for periods commencing on or after 1 January 2017
- *IFRS 9 'Financial Instruments', issued July 2014*
Effective for periods commencing on or after 1 January 2018
- *IAS 16 'Property, Plant and Equipment- Amendments', issued June 2014*
Effective for periods commencing on or after 1 January 2018
- *IAS 1 'Presentation of Financial Statements- Amendments', issued December 2014*
Effective for periods commencing on or after 1 January 2018

(c) Use of estimates and judgements:

The preparation of the financial statements in conformity with IFRS and the Act requires management to make judgements, 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 judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

Critical judgements in applying the Commission's accounting policies:

Critical judgements 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, 2016

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, 2016

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, 2016**

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 settlement 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 voting 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, 2016

4. INCOME

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

Other income represents interest earned on the Commission's cash and bank balances during the year.

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

5. PROPERTY AND EQUIPMENT

	Furniture, Fixtures and Equipment	Computers	Motor Vehicles	Total
	\$	\$	\$	\$
At Cost/Valuation:				
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	<u>4,584,306</u>	<u>3,950,609</u>	<u>992,611</u>	<u>9,527,526</u>
Balance at April 1, 2015	4,584,306	3,950,609	992,611	9,527,526
Disposal	-	-	(992,611)	(992,611)
Additions	<u>123,813</u>	<u>-</u>	<u>3,850,000</u>	<u>3,973,813</u>
Balance at March 31, 2016	<u>4,708,119</u>	<u>3,950,609</u>	<u>3,850,000</u>	<u>12,508,728</u>
Accumulated Depreciation:				
Balance at April 1, 2014	3,460,662	3,468,089	992,611	7,921,362
Adjustment	-	(3,977)	-	(3,977)
Charge for the year	<u>193,689</u>	<u>176,030</u>	<u>-</u>	<u>369,719</u>
Balance at March 31, 2015	<u>3,654,351</u>	<u>3,640,142</u>	<u>992,611</u>	<u>8,287,104</u>
Balance at April 1, 2015	3,654,351	3,640,142	992,611	8,287,104
Elimination on disposal	-	-	(992,611)	(992,611)
Charge for year	<u>222,460</u>	<u>175,311</u>	<u>193,719</u>	<u>591,490</u>
Balance at March 31, 2016	<u>3,876,811</u>	<u>3,815,453</u>	<u>193,719</u>	<u>7,885,983</u>
Net Book Value:				
At March 31, 2014	<u>930,616</u>	<u>120,368</u>	<u>-</u>	<u>1,050,984</u>
At March 31, 2015	<u>929,954</u>	<u>310,468</u>	<u>-</u>	<u>1,240,423</u>
At March 31, 2016	<u>831,308</u>	<u>135,156</u>	<u>3,656,281</u>	<u>4,622,745</u>

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

6. RECEIVABLES

	2016	2015
	<u>\$</u>	<u>\$</u>
Long-term portion - motor vehicle loan	597,600	993,750
Current portion - motor vehicle loan	<u>424,800</u>	<u>1,422,728</u>
	<u><u>1,022,400</u></u>	<u><u>2,416,478</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:

	2016	2015
	<u>\$</u>	<u>\$</u>
Petty cash	15,000	15,000
Cash on hand	42,011	-
Cash in savings bank account (i)	3,839,552	2,444,443
Cash in current bank account	9,931,668	6,394,079
	<u><u>13,828,231</u></u>	<u><u>8,853,522</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, 2016

8. PAYABLES AND ACCRUALS

	2016 \$	2015 \$
Accounts payable	132,458	161,172
Statutory deductions payable	699,488	-
Accrued vacation leave	5,091,341	5,130,082
Travelling allowance	1,055,181	893,753
Pension payable	1,102,670	-
One off payment	-	525,000
Audit fees	300,000	290,000
	<u>8,381,138</u>	<u>7,000,007</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 instalments as follows:
 May 2012, October 2012, May 2013, October 2013 and May 2014.

The Commission was also advised by way of circular no. 6 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 basic salary.

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

10. ADMINISTRATIVE AND GENERAL EXPENSES

	2016	2015	
	\$	\$	
Salaries, wages and related costs	31,748,532	29,697,077	*
Employer's statutory contributions	1,488,848	1,507,228	*
Pension fund contributions	5,239,308	4,352,589	
Gratuity	2,928,749	3,014,332	
Motor vehicle expense	137,606	286,860	
One-off-payment	-	525,000	
Travelling and subsistence	7,140,785	6,146,680	
Rental office space and parking lot	11,801,807	8,295,205	
Electricity	3,074,350	4,571,454	
Telephone	211,886	184,389	
Repairs and maintenance	160,961	91,001	
Commissioners' fees	2,280,000	2,280,000	
Petrol	80,000	180,000	
Courier	18,620	9,200	
Reimbursement of tuition	-	918,680	
Printing and stationery	1,156,807	893,000	
Audit fees	300,000	290,000	
Advertising and promotion	101,640	157,102	
General office expenses	1,504,372	1,380,208	
	<u>69,374,271</u>	<u>64,780,005</u>	

*- Reclassified to conform to current year presentation

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

11. FINANCE AND POLICY COSTS

	2016 \$	2015 \$
Bank charges	75,755	32,545
Depreciation	591,490	365,742
	<u>667,245</u>	<u>398,287</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	-	36,431	36,431
Grant	77,408,000	75,586,908	(1,821,092)
	<u>77,408,000</u>	<u>75,623,339</u>	<u>(1,784,661)</u>
Expenditure:			
Personal emoluments	45,950,000	41,405,437	4,544,563
Travelling and subsistence	8,708,000	7,140,785	1,567,215
Other operating and general expense	4,682,000	5,740,005	(1,058,005)
Rental of office space and parking lot	9,353,000	11,801,807	(2,448,807)
Public utilities	5,715,000	3,286,237	2,428,763
	<u>74,408,000</u>	<u>69,374,271</u>	<u>5,033,729</u>
Operating surplus	3,000,000	6,249,068	3,249,068
Capital:			
Purchase of property and equipment	(3,000,000)	(3,973,813)	(973,813)
TOTAL	<u>-</u>	<u>2,275,255</u>	<u>2,275,255</u>

COMMISSION FOR THE PREVENTION OF CORRUPTION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

13. STAFF COSTS

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

	2016	2015
Permanent	<u>21</u>	<u>21</u>

The aggregate payroll costs for these persons were as follows:

	2016	2015
	\$	\$
Salaries and other related costs	<u>31,696,101</u>	<u>29,108,207</u>
Statutory and pension contributions	<u>7,305,587</u>	<u>6,448,687</u>
	<u>39,001,688</u>	<u>35,556,894</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:

	2016	2015
	\$	\$
Transactions with Commissioners:		
Commissioners' fees	<u>2,280,000</u>	<u>2,280,000</u>
Remuneration for key management personnel:		
Secretary Manager	<u>5,596,023</u>	<u>5,215,475</u>
Director - Corporate Services	<u>2,779,691</u>	<u>2,579,682</u>
Chief Financial Investigator	<u>4,315,707</u>	<u>4,075,025</u>
Senior Financial Analyst	<u>3,083,338</u>	<u>2,955,576</u>
	<u>18,054,759</u>	<u>17,105,758</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 judgement 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 realise 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, 2016

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 has 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 analyse 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.

	2016	2015
	\$	\$
Cash and bank balances	<u>13,828,231</u>	<u>8,853,522</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, 2016

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, 2016:			
Accounts payable	<u>8,381,138</u>	<u>8,381,138</u>	<u>8,381,138</u>
March 31, 2015:			
Accounts payable	<u>7,000,007</u>	<u>7,000,007</u>	<u>7,000,007</u>

(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.

APPENDICES



THE

JAMAICA GAZETTE

EXTRAORDINARY

142^{13A}

Vol. CXXXVII

FRIDAY, APRIL 25, 2014

No. 18^{3A}

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. 95C

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.

- Section 2 of the Act.
2. *What is a disclosure?*
- Disclosure is the information given by an employee, regarding any conduct of an employer of that employee or another employee of the employer, where the employee has a reasonable belief that the information disclosed shows or tends to show that improper conduct has occurred, is occurring or is likely to occur, and "disclose" shall be construed similarly.
- Section 2 of the Act.
3. *What constitutes improper conduct?*
- This means—
- criminal offence;
 - failure to carry out a legal obligation;
 - conduct that is likely to result in a miscarriage of justice;
 - conduct that is likely to threaten the health or safety of a person;
 - conduct that is likely to threaten or damage the environment;
 - conduct that shows gross mismanagement, impropriety or misconduct in the carrying out of any activity that involves the use of public funds;
 - act of reprisal against or victimization of an employee;
 - conduct that tends to show unfair discrimination on the basis of gender, race, place of origin, social class, colour, religion or political opinion; or
 - wilful concealment of any act described in paragraphs (a) to (h) above.
- Section 2 of the Act.
4. *Who is entitled to make disclosures?*
- Any employee that is to say—
- any person who—
 - works or has worked for another person; and
 - receives, received, or is entitled to receive, any remuneration for work done.
 - 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.
 - 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.
- Sections 2 and 7 to 12 of the Act.
5. *To whom shall disclosures be made?*
- The Act provides for disclosure to be made to—
- an employer or a designated officer appointed by the employer;
 - either the Minister with portfolio responsibility for that subject matter or the Prime Minister or both;
 - a prescribed person;
 - the designated authority;
 - an attorney-at-law with the object of obtaining, or during the process of obtaining legal advice.
- Section 12 of the Act.
6. *To whom should disclosures relating to threats to national security, defence or international relations be made?*
- Where an employee seeks to make a disclosure in relation to a matter that would prejudice the national security, defence or international relations of Jamaica, the disclosure shall be made to either the Minister with portfolio responsibility for that subject matter or the Prime Minister or to both.
- The Prime Minister and each Minister shall establish and cause to be operated procedures for receiving, investigating or otherwise dealing with these disclosures.
- Sections 2 and 14 of the Act.
7. *Who is an employer?*
- An employer means anyone or entity who—
- 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
 - 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.

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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.	<p>9. <i>When can disclosures be made to the prescribed persons?</i></p> <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.	<p>10. <i>Who is the designated authority?</i></p> <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.	<p>11. <i>When can disclosures be made to the designated authority?</i></p> <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.	<p>12. <i>What constitutes occupational detriment?</i></p> <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.

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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)

Section 18 of
the Act.

19. *How should internal disclosures be managed?*

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

- (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

The Protected Disclosures Act, 2011—Procedural Guidelines

FORM PDA1

[illegible]

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

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

Signature of Person making Disclosure

Date _____

Name of Witness

Signature of Witness

Date _____

PROTECTED DISCLOSURES LOG

APPENDIX 2

The Protected Disclosures Act, 2011—Procedural Guidelines

FORM PDA2

Agency: _____

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

FORM PDA2

PROTECTED DISCLOSURES SUMMARY REPORT

The Protected Disclosures Act, 2011—Procedural Guidelines

FORM PDA3

Agency: _____

APPENDIX 3

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.D.
 Chairman
 Commission for the Prevention of Corruption.

COMMISSION FOR THE PREVENTION OF CORRUPTION

DIRECTORS COMPENSATION - 2015/2016

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 - 2015/2016

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)	2016	4,293,747		1,219,656			82,621	5,596,024
Chief Financial Investigator FMG/PA4(1)	2016	3,035,625		1,219,656			60,426	4,315,707
Snr Financial Analyst FMG/PA3(1)	2016	2,440,210		643,128				3,083,338
Dir. Corporate Services(1) GMG/SEG3(1)	2016	2,136,563		643,128				2,779,691
Total		11,906,145		3,725,568		0	143,047	15,774,760

Notes

Salaries of all officers include arrears of salary due to increases in emoluments