

TURKS AND CAICOS ISLANDS



Report of the
Integrity Commission
Consolidated and covering
the period
May 2010 to 31 March 2015

2010-2015

Letter of Transmittal

TURKS AND CAICOS ISLANDS



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9 September 2015

The Chairman,
Appropriation Committee,
House of Assembly,
NJS Francis Building,
Grand Turk.

Dear Chairman,

In accordance with the provisions of Section 14(3) of the Integrity Commission Ordinance 2008 and Section 102 (4) of the Constitution, I have the honor to forward to you the Annual Report of the Integrity Commission, consolidated and covering the period May 2010 to 31st March 2015. Forwarded together with this report are the audited Statements of Accounts of the Commission covering the financial years 2012-13; 2013-14; 2014-15. A copy of this Report and the audited Statements of Accounts are to be laid before the House of Assembly, in accordance with Section 14 (4) of the Integrity Commission Ordinance.

The Commission regrets that it was not in a position to submit Reports and audited Statements of Accounts annually since its inception. This omission was due to a lack of human and financial resources which greatly retarded the work of the Commission in the three years immediately following its establishment.

However, I am pleased to report that since 2013, the Commission has been much better resourced and financed. Accordingly, I anticipate that, in future, the Commission shall be able to prepare and forward to you Annual Reports of its activities as and when due.

Yours Faithfully



Sir David A.C. Simmons,
Chairman, TCI Integrity Commission





TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

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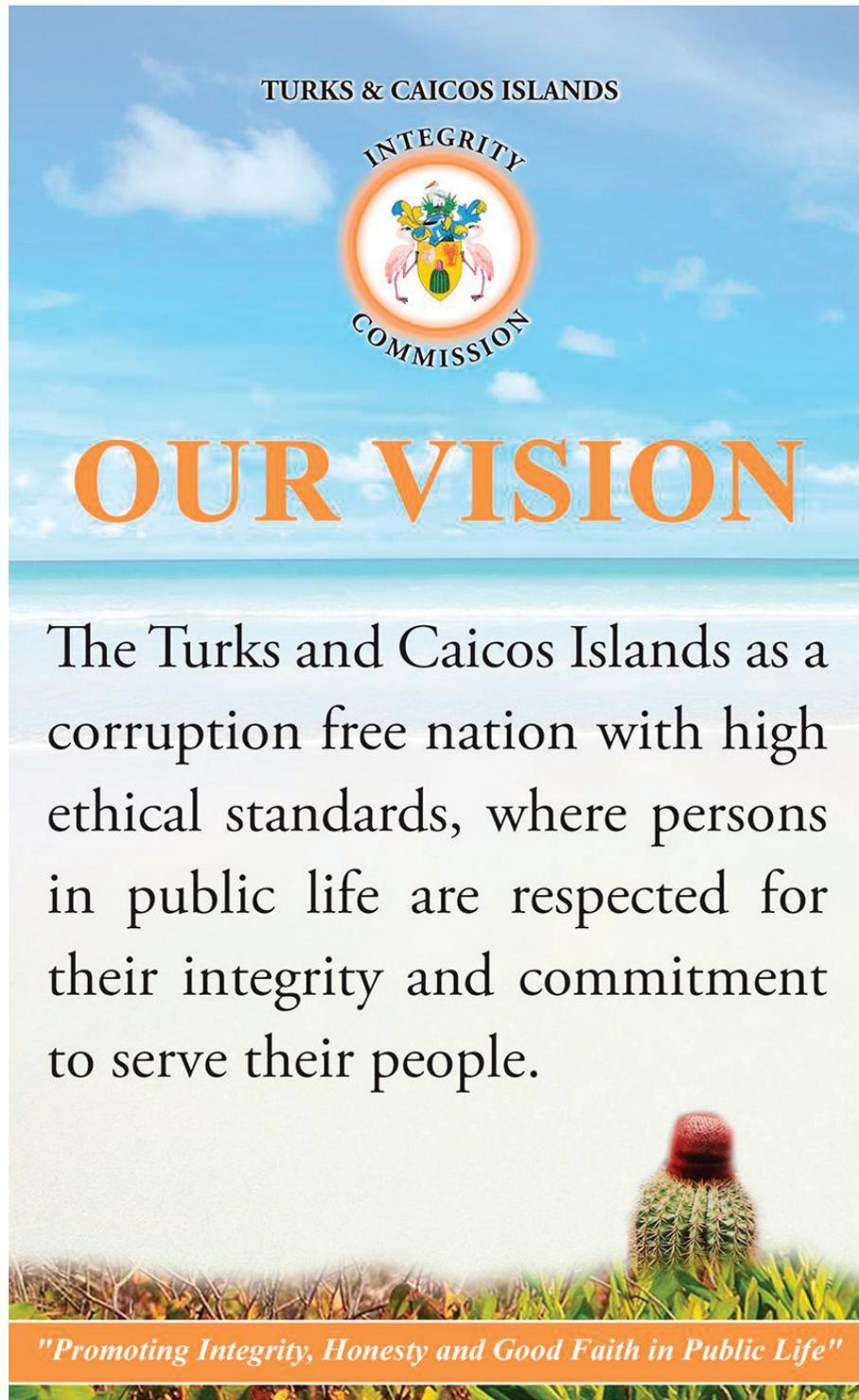


PREFACE

Shortly after its establishment in May 2010, the Integrity Commission adopted and promulgated the Vision Statement and the Mission Statement, appearing at pages 5 and 6 respectively.

In addition, the Commission committed itself to upholding the Seven Principles of Public Life appearing at page 7. These principles were adopted and published in the Code of Conduct for Persons in Public Life in 2012.

Strategic Statements and Principles of the Commission





TURKS & CAICOS ISLANDS



OUR MISSION

The TCI Integrity Commission will lead in combating corruption, promoting integrity and increasing legal compliance amongst persons in public life, so that public resources are used fairly and for the benefit of all TCI people.

"Promoting Integrity, Honesty and Good Faith in Public Life"

The Seven Principles of Public Life

1. » Selflessness

Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.

2. » Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

3. » Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

4. » Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

5. » Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6. » Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

7. » Leadership

Holders of public office should promote and support these principles by leadership and example.



Legal Authority and Establishment of the TCI Integrity Commission

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1.1 The Integrity Commission Ordinance 2008 (No. 8 of 2008)(the Ordinance) was passed by the House of Assembly of the Turks and Caicos Islands and assented to by His Excellency, Governor Tauwhare on 15 May 2008. It was published in the Gazette on 23 May 2008¹.

1.2 Section 97 of the Turks and Caicos Islands Constitution (the Constitution) which came into force on 15 October 2012 provides for the establishment of the Integrity Commission (among other institutions that protect good governance).

1.3 Section 1 of the Integrity Commission Ordinance provides that the Ordinance shall come into operation on such date as the Governor may appoint by notice published in the Gazette. By virtue of Integrity Commission Ordinance 2008, Notice of Commencement 2009, (Legal Notice 6 of 2009), His Excellency, the Governor, Mr. Gordon Wetherell, appointed 1 June 2009 as the day on which the Integrity Commission Ordinance 2008 should come into operation.

Section 97 (2) of the Constitution secures the independence of the Integrity Commission (the Commission) and the other Institutions protecting good governance. It is enacted in Section 97(2) that, in the exercise of their functions, these institutions shall not be subject to the direction or control of any other person or authority.

Membership of the Commission

1.4 Section 3 of the Ordinance establishes the Commission and, together with Section 102 (1) of the Constitution, provides that its membership shall consist of--

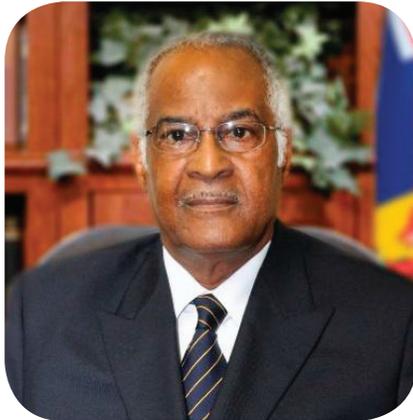
- (a) a chartered or certified accountant of at least seven years' standing appointed by the Governor after consultation with any body which in his opinion represents chartered or certified accountants in the Islands;
- (b) a person who holds or has held the office of Judge in the Court of Appeal or Supreme Court in any part of the Commonwealth appointed by the Governor, after consultation with the Premier and the Leader of the Opposition.
- (c) a person who has been admitted as an attorney under the Legal Profession Ordinance and whose name has been entered on the Roll of Attorneys with at least seven years' standing, appointed by the Governor, after consultation with the Bar Council;
- (d) a member of the clergy, appointed by the Governor after consultation with the Premier and Leader of the Opposition;
- (e) a person appointed by the Governor on the advice of the Premier;
- (f) a person appointed by the Governor on the advice of the Leader of the Opposition.

1.5 The Chairman of the Commission is appointed from among the members by the Governor acting in his discretion. Sections 4, 5, and 7 of the Ordinance, make further provisions in relation to disqualification from membership, tenure of office of members and vacancies in the membership of the Commission.

¹ The Integrity Commission Ordinance cited in this Report is the edition revised as at July 2013. At the time of the publication of this report, the Ordinance has been further revised up to December 2014, but mainly to renumber the sections.

Members of the Commission (as at 31 March 2015)

1.6 The Commission's membership comprises:



Sir David Simmons

Chairman

Sir David Simmons was appointed for 3 years, with effect from 1 May 2010; re-appointed for 3 years with effect from 1 May 2013.



Reverend Reuben Hall

Member

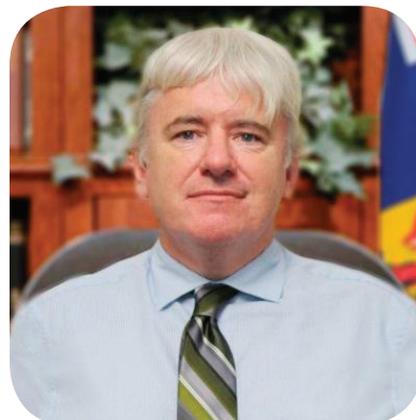
Reverend Reuben Hall was appointed for 3 years, with effect from 9 November 2009; re-appointed for 3 years with effect from 16 November 2012.



Mr. Paul Harvey

Member

Mr. Paul Harvey was appointed for 3 years, with effect from 27 August 2010; re-appointed for 3 years with effect from 27 August 2013.



Mr. Martin Green

Member

Mr. Martin Green was appointed for 3 years, with effect from 30 November 2010; re-appointed for 3 years with effect from 1 December 2013.



Members of the Commission (as at 31 March 2015) Continued



Mr. Nick Haywood

Member

Mr. Nick Haywood was appointed for 3 years, with effect from 1 May 2013.



Reverend Julia Williams

Member

Rev. Julia Williams was appointed for 3 years, with effect from 23 April 2015.

Changes in Membership

1.7 During the period covered in this report, the following changes in membership occurred-

- The late Mrs Rosita Butterfield, was appointed in November 2009 and she resigned shortly thereafter on health grounds. She was replaced by Mr. Paul Harvey who was appointed on 27 August 2010.
- Mr Jeremy Northcote, representing the Bar Association was appointed on 9 November 2009; he resigned his appointment in August 2010. In his place, Mr Martin Green was appointed on 30 November 2010.
- Mr Gary Brough was appointed 9 November 2009. He served the full statutory term of 3 years with an extension to 30 April 2013. He was replaced by Mr Nick Haywood who was appointed with effect from 1 May 2013 for the statutory term of 3 years.
- Bishop Clarence Williams was first appointed for three years with effect from 9 November 2009 and was subsequently re-appointed for 3 years with effect from 16 November 2012. He resigned with effect from 31 December 2014.
- Reverend Julia Adams-Williams was appointed to replace Bishop Williams with effect from 23 April 2015.

Functions of the Commission

2.1 The functions of the Commission are set out in three Legislative enactments, namely, the Integrity Commission Ordinance, the 2011 Constitution and the Political Activities Ordinance. The initial functions of the Commission were set out in section 13 of the Integrity Commission Ordinance upon its enactment in 2008. In 2012, both the Constitution² and the Political Activities Ordinance³ (PAO) significantly expanded the remit of the Commission.

2.2 In accordance with the provisions of the PAO, the Commission is mandated to register and regulate the conduct of political parties, control donations to and campaign expenditure by these parties, as well as their income and expenditure. Notwithstanding this expanded role, the primary responsibility of the Commission is “to promote integrity, honesty and good faith in public life in the Islands.” – Section 102(2) of the Constitution

2.3 Presently the Commission’s core functions are:

- To receive declarations of income, assets and liabilities and statements of registrable interests filed by persons in public life; to maintain registers of these registrable interests and to generally manage compliance concerning these declarations and interests;
- To examine the declarations and registrable interests filed, make the necessary enquiries and carry out investigations, if warranted, to verify the accuracy of the declarations and registrable interests filed;
- To receive and investigate complaints regarding any alleged act of corruption, breach of the Code of Conduct for Persons In Public Life (the Code), Political Activities Ordinance or other breach of the law for which the Commission has a statutory mandate. The Commission may also carry out investigations on its own initiative where it is of the opinion that there are reasonable grounds for doing so;
- To establish and maintain transparency and integrity of party election finance on behalf of the public of the Turks and Caicos Islands. To receive, consider and publish information about political donations and campaign spending at elections;
- To prepare and publish guidance and good practice for political parties and candidates to comply with the requirements of the Political Activities Ordinance, and generally to monitor compliance with the provisions of this Ordinance.
- To contribute to public education about integrity in public life;
- To encourage and promote high ethical standards and principles of good governance in public life through the formulation, publication and enforcement of a Code of Conduct for persons in public life, including Members of the House of Assembly;
- To exercise such other functions as are conferred on it by the Constitution, the Integrity Commission Ordinance, the Political Activities Ordinance and any other laws, for the purpose of fulfilling its primary responsibility.

² Secs. 102 & 103

³ Sec. 71



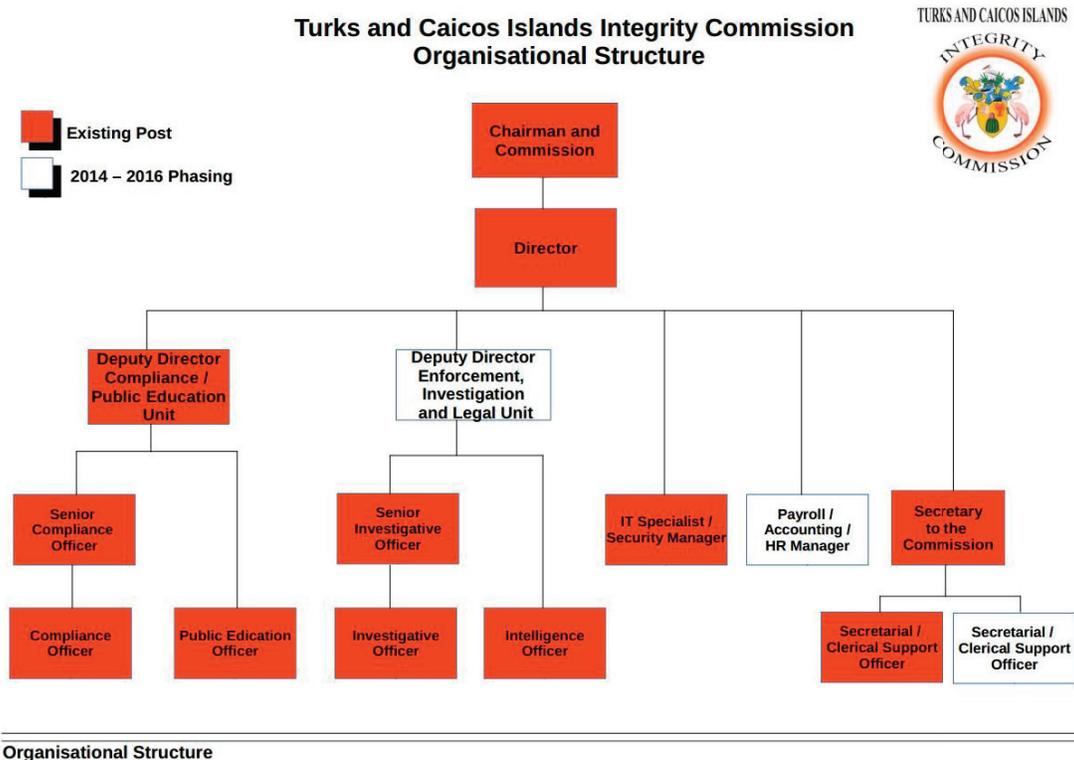
Organization of the Commission

3.1 The Chairman and five other members constitute the Commission, and together they discharge the functions and exercise the powers of the Commission directly as a body or indirectly through an executive arm or Sub-Committees. The Commission meets regularly to deliberate and decide on matters, in respect of which it has jurisdiction.

3.2 The Commission’s daily operations are currently undertaken by an executive team headed by the Director and assisted by Deputy Director and Officers from the Compliance, Investigative and Enforcement, Public Education and Administrative Units of the Commission. A statutory secretary serves the Commission and its executive arm. In accordance with section 15 of the Ordinance, these officers were appointed on such terms and conditions as were determined by the Commissioners, acting within the funds and resources available to the Commission. These officers report to and are answerable to the Commission.

3.3 For about a year and four months following its first meeting on 12 May 2010, the Commission operated with a skeletal executive team comprising an interim Director, Mr. Keith Sargeant, and a secretary, Mrs. Wanda Ariza, seconded from the Public Service. Because of the very parlous state of the Commission’s finances, the original Commissioners were obliged to function virtually as the executive arm of the Commission. Between 18 July 2011 and January 2012 the executive arm operated with a substantive Director, one Investigative Officer and the Secretary. From February 2012 to 13 May 2013 a compliance officer was added to the executive arm⁴. As at 31 March 2015, the Commission’s operations were being carried by a staff of 11 members. Their respective posts are more particularly shown on the Commission’s organizational structure (Figure 1) below.

Figure 1



3.4 In the exercise of the investigative powers of the Commission, the Investigative Officer has the powers of a constable and can arrest any person whom he or she suspects to have committed an offence. However, the Ordinance, under sections 24F-24K makes provision for complaints and disciplinary procedures for dealing with any abuse of this power of arrest.

Sub-Committees

3.5 The Commission exercises many of its functions through sub-committees which are usually ad hoc and are set up to inquire into or otherwise deal with any relevant specific matters. Sub-committees report to the full Commission. Each sub-committee is usually made up of three or four members of the Commission. The Commission has extensively used sub-committees particularly when faced with serious capacity challenges between 2010 and 2012. These committees often deal with technical matters which require the special expertise of members.

Engagement with partner agencies and stakeholders

3.6 As envisaged and authorized by sections 13A, 13B and 59 of the Ordinance, the Commission has engaged, consulted and/or collaborated with local and international law enforcement and anti-corruption agencies and other relevant stake holders in furtherance of the proper discharge and performance of its functions.



⁴ A temporary Compliance Officer was seconded to the Commission from the Governor's office to assist with implementing the functions of the Commission under the Political Activities Ordinance during and after the 2012 General and By-elections. His position was then dubbed 'Business Coordinator', of the Political Financial Activities Unit of the Commission.

Introduction:

4.1 This is a consolidated report incorporating and covering the activities of the Commission for the period commencing from the inaugural meeting of the Commission on 12 May 2010 to 31 March 2015 (the Reporting Period). Annual reports were not prepared and submitted as and when due because the Commission was of the opinion that such reports must necessarily be accompanied by audited statements of accounts of the Commission as required by section 14 of the Ordinance. These audited accounts were, however, not readily available owing to the severe human and financial resource constraints the Commission faced during the first three years of its operations.

Meetings and Inquiries:

4.2 In accordance with section 8 of the Ordinance, the Commissioners met at such times as they considered expedient for the carrying out of their functions. The inaugural meeting of the Commission was held on 12 May 2010 at The Sands Resort, Providenciales. By 31 March 2015, the Commission held 25 normal meetings, 2 (two) extra ordinary meetings and took 3 (three) round robin decisions which were ratified at normal meetings. In between these meetings were several Sub-Committee meetings and formal inquiries. The Commission recorded more than 90% full membership attendance at meetings. Meetings of the Commission were usually held at its offices in Grand Turk.

4.3 The Commission held a total of 9 (nine) Inquiries during the reporting period. These Inquiries arose mainly from investigations into allegations of acts of corruption, breach of the Code of Conduct for Persons in Public Life, verification of declarations of assets, income and liabilities. **Table 1 (page 14) below and Table 2 (page 19)** give more information on the Formal Inquires.

Table 1 Showing Inquiries on Declarations during the Reporting Period

Serial No./ Year	Inquiry No.	Name of Pubic Official	Nature of Inquiry	Outcome	Further Action/ Comments
2012	FI/JC/3-10/1/12	Judith Garland -Campbell	Failure to make full disclosure under sec 32 of the Ordinance	Commission found that she failed to make full disclosure in her declaration	Recommendation made to PSC and file passed on to the Office of the DPP for their further action. Certificate of Compliance refused
2012	FI/WC/3-10/2/12	Wesley Clerveaux	Failure to make full disclosure under Sec 32 of the Ordinance	Commission found that Mr. Clerveaux made full disclosure and satisfied the requirements of the Ordinance	Certificate of Compliance issued to Mr. Clerveaux
2012	FI/AS/3-10/3/12	Arthur Smith	Failure to make full disclosure under Sec 32 of the Ordinance	Commission found that Mr. Smith made full disclosure and satisfied the requirements of the Ordinance	Recommendations made to Ports Authority; Certificate of Compliance issued to Mr. Smith

Compliance, Declarations of Income, Assets and Liabilities and Registrable Interests

4.4 The Integrity Commission is required, inter alia, to receive, examine and retain Declarations of Income, Assets and Liabilities from Specified Persons in Public Life (SPIPL)⁵ and to make such enquiries as it considers necessary to determine the accuracy of such declarations. Once every two years, on or before the end of June, SPIPLs are required to submit declarations setting out - Income, Assets and Liabilities of themselves, their spouses, dependent children or relative traceable to the income of the SPIPL and gifts exceeding one thousand dollars (US\$1,000), in accordance with section 37 of the Ordinance.

4.5 The Commission, through its Compliance Unit, has established compliance procedures including the necessary risk assessments for the examination and assessment of all declarations received. The processing and evaluation of each declaration is done in a consistent manner and the same methodology is applied in each instance. The information declared is verified to ensure that each declaration fully meets the requirements of the Ordinance. Where appropriate, meetings have taken place with declarants to clarify and obtain further information. Where declarants failed to make a full disclosure, the declaration is passed on to a Sub-Committee for further assessment. The Sub-Committee considers and makes recommendations to the full Commission. Depending on the recommendations made, a formal inquiry may be conducted. This Inquiry gives the SPIPL concerned, a further opportunity, with representation by an Attorney-at-Law, if so desired, to satisfy the Commission that full disclosure has been made. If not satisfied, the Commission will not issue a Certificate of Compliance to the SPIPL and will report the matter both to the DPP as well as the authority responsible for the employment and discipline of SPIPL concerned, in accordance with the provisions of the ordinance. If the Commission is satisfied with a declaration, a Certificate of Compliance is issued to the SPIPL.

First Filing of Declarations

4.6 The Commission received the first set of declarations in June 2010. At this intake, the Office of the Public Sector Management Department (now Human Resources Directorate) was very helpful in providing information for the compilation of the list of all persons whose posts were scheduled under the Ordinance. A Register of SPIPLs was compiled and one hundred and sixty-seven (167) public officials were required to file declarations. The Commission constantly reviews the list of SPIPLs in order to ensure that it is up-to-date.

The initial Declaration Forms were printed with the help of the Planning Department and were hand-delivered to the declarants in July 2010.

4.7 Despite the logistical challenges of the Islands and with only a two-person Executive team, the Commission was able to receive a total of one hundred and thirty-seven (137) or 87% of declarations by 31 August 2010. For those who had not complied, an extension of time was granted by the Commission to file up to 31 October 2010. Members of the then Advisory Council and the Consultative Forum were also given an extension of time to file by 31 December 2010.

4.8 By August 2011, the Commission had received one hundred and forty-seven (147) declarations. Of these persons, a total of one hundred and thirty-nine (139) or 94% of declarants have been issued with a Certificate of Compliance. Seven (7) or 5% of persons were subject to further assessments. One (1) person was denied a Certificate of Compliance.

⁵ Specified Persons in Public life (SPIPL) are those persons who occupy the posts specified in Schedule 1 to the Integrity Commission Ordinance



Second Filing of Declarations

4.9 By amendments of the Schedule 1 to the Ordinance, the number of persons required to file Declarations increased significantly. At the 30 June 2012 filing, two hundred and ninety-seven (297) persons were registered under Schedule 1 and were required to file under the Ordinance. This intake saw a total of one hundred and ninety-seven (197) persons filing in the first phase. A total of one hundred (100) persons failed to file a declaration by the deadline in the initial intake period. Those persons were mainly newly appointed board members who were not informed of their obligation to file before their appointment. Moreover, some were already appointed before the amendment of the Ordinance that included them under Schedule 1 list. Given these circumstances, the Commission took a policy decision to extend the time within which these persons could file their declarations out of time. They were also given an option to resign or to file their declaration within the time specified ending 31 August 2012. Out of the one hundred (100) persons, seventy (70) persons filed their declarations within the time specified. Twenty-seven (27) of them resigned their positions as board members and three persons failed to file a declaration. At the end of the second intake period, of the two hundred and ninety-seven (297) declarants, two hundred and sixty seven (267) persons filed their declarations, a ninety percent (90%) compliance rate.

Third Filing of Declarations

4.10 A total of two hundred and sixty-five (265) persons were registered to file with the Commission. For this intake period in June 2014, two hundred and forty-one (241) persons filed, a compliance rate – at national level of 90%. Compliance meant that the financial disclosure form was completed and sent to the Commission by the due date.

Most of those who failed to file had either left the territory, resigned as members of statutory boards or their term of membership had expired. Those who have failed to file are being dealt with in accordance with the Ordinance.

The figures below show the status of the declarations received and Certificate of Compliance issued between the initial intake of declarations in June 2010 and the two subsequent intake periods:

Figure 2: STATUS OF DECLARATIONS RECEIVED AS 31 DECEMBER 2014

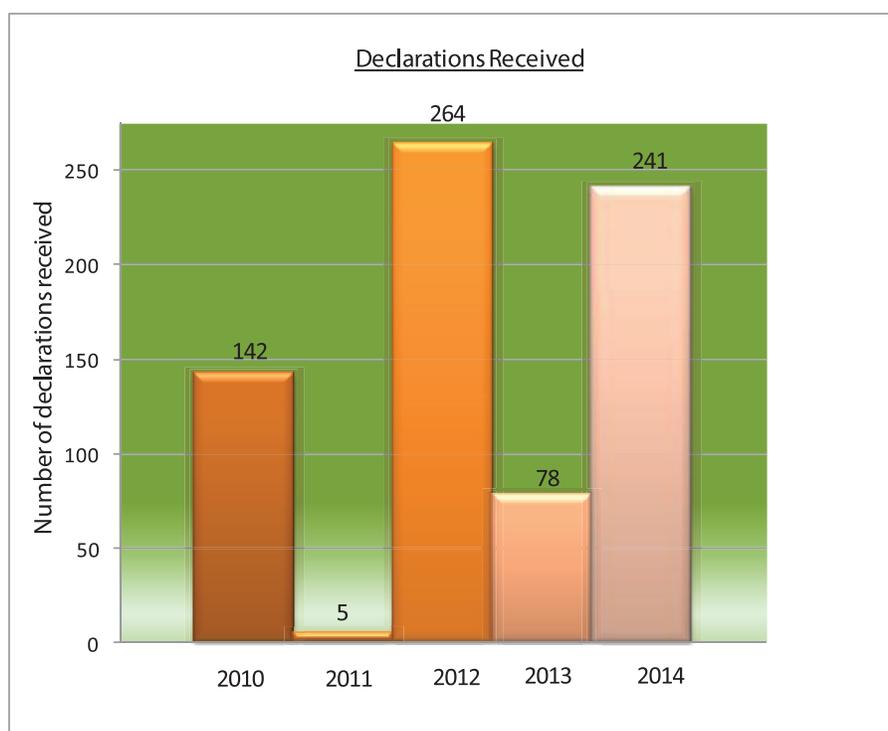


Figure 3: STATUS OF COMPLIANCE CERTIFICATES ISSUED UP TO 31 DECEMBER 2014



Registrable Interests

4.11 Both section 103 of the Constitution (which came into force in October 2012) and section 36B of the Ordinance require every member of the House of Assembly to file a statement of registrable interests with the Commission, in addition to filing their declaration under Section 25 of the Ordinance. The time for filing registrable interests is within 90 days of becoming a member and thereafter, within 90 days after 31 December in each year during any part of which he or she was a member of the House and in respect of his or her interests on the 31 December in that year. The Commission serves as the Registrar of these interests and, accordingly, is required to maintain a Register of Interests.

4.12 The registrable interests include particulars of directorships with companies, contracts with the government, investments in partnerships or associations, sources of income, beneficial interests in land and trust funds and memberships in professional, trade or political associations.

4.13 The purpose of this requirement is to promote transparency, openness, and accountability and thus strengthen public trust and confidence in the parliamentary process. It also affords a measure of protection for the Members of the House against unwarranted criticisms of possible conflict of interests between a member's public duty and private interests. Accordingly, in compiling the Register, particular attention is paid to matters that may create actual or perceived conflicts of interest. The draft Register is then sent to each House of Assembly Member to confirm the accuracy or otherwise of their respective entries. After this confirmation is done, the Register of Interests is compiled and made available, upon request, for inspection by any member of the public.





4.14 Thus far, all the current members of the House of Assembly have filed on three occasions, as required by law, their statements of registrable interests covering the period ending 31 December 2012, 31 December 2013 and 31 December 2014. They have therefore been 100% compliant in this regard. The Commission has also compiled and made available for public inspection, Registers of Interests for the years 2012, 2013 and 2014. The current Register of Interests published in 2015 showing the interests of the Hon. Members as at 31 December 2014 is placed at the following locations for public inspection:-

- House of Assembly, Main Library - Grand Turk.
- The Integrity Commission's Offices - Grand Turk and Providenciales.
- The District Commissioner's Office in North & Middle Caicos.
- The District Commissioner's Office in South Caicos.
- The District Commissioner's Office in Salt Cay.

Challenges of the Compliance Unit

4.15 In order to ensure and maintain a comprehensive and current list of specified persons in public life, it has become crucial for the Commission to be notified of the appointment of public officials as per Schedule 1. The failure to inform the Commission regarding the acting, temporary and permanent appointments within the public service (as per Schedule 1) has posed a serious challenge in keeping track and maintaining an accurate record of Specified Persons in Public Life as set out in Schedule 1.

4.16 With over fifty percent (50%) of the three hundred and forty-three (343) declarants living in Providenciales and the family islands, the Compliance Unit has been faced with a number of logistical challenges. One of these is finding suitable arrangements to facilitate the verification exercises. Thus, with no office in Providenciales, current arrangements have involved meeting Declarants at Hotels rooms at certain specific times. Among other down sides, this has cost implications and in general has caused the Compliance Unit lost time and opportunities to meet with declarants who are not able to meet with the relevant Commission's Staff during certain specified times. This has contributed in slowing down the turnaround time for processing the declarations. The Commission has concluded arrangements to open a satellite office in Providenciales from April 2015

Investigations/ Enforcement /Prosecutions Unit

4.17 This Unit was effectively set up in July 2011. During the period covered in this report, ending 31 March 2015, the Commission received over 40 complaints made up of formal, anonymous and public complaints and relating variously to allegations of acts of corruption, breach of the Code of Conduct or the Political Activities Ordinance. The Unit carried out investigations and enforcement actions in relation to these complaints, leading to arrests and prosecutions or inquiries. Some investigations were concluded leading to no further action as complaints lacked merit. Investigations are however still ongoing in respect of a number of other matters.

4.18 Arising from some of these complaints or by its own investigations, the Commission held 9 (nine) inquiries (See Table 1 on page 14 and Table 2 on page 19). Of this number, 1 (one) matter was in relation to allegation of an act of corruption while 5 (five) were alleged breach of the Code of Conduct, and (3) three were in relation to declarations submitted. At the conclusion of these inquiries, the Commission, found in 7 (seven) cases that the complaints/allegations were without merit and in 2(two) cases, they found the public officers involved may have committed an offence under the Ordinance and referred the matter to the DPP as is required by the Ordinance.

Table 2 Showing status of Code of Conduct Inquiries and Allegations of Corruption Inquiries during the reporting period

Year initiated	Inquiry No.	Name of Pubic Official	Nature of Allegation	Outcome	Further Action/ Comments
2012	CI/EH/9/1/12	Ezekiel Hall	Complaint of an Act of Corruption under Sec 56 of the IC Ordinance	By majority the Commission agreed that a criminal act may have been committed	Recommendations made to PSC and file passed on to DPP for their further action
2013	CC/R-C/ DG/4/1/13	Don-Hue Gardiner	Allegation of a breach/ contravention of the Code of Conduct	Commissioners found that there was no breach/ contravention of the Code of Conduct	No further action
2013	C C / R - C / RE/5/2/13	Dr. Rufus Ewing	Allegation of breach/ contravention of the Code of Conduct and abuse of Power	Commissioners found that there was no breach/ contravention of the Code of Conduct or any abuse of power	No further action
2014	CI/AB/6-13/1/14	Angela Brooks	Complaint of a breach/ contravention of the Code of Conduct	Commissioners found no merit in the Complaint. No breach of the Code of Conduct	No further action
2014	CC/R-C/ WC/3/1/14	Wesley Clerveaux	Allegation of a breach/contravention of the Code of Conduct under Chap 4 paragraph 16(1) and in particular paragraph 9(2) and 14(3)	Commissioners found that there was no breach/ contravention of the Code of conduct	No further action
2015	Fact-Finding Inquiry	Anya Swann-Williams	Complaint of a breach/ contravention of the Code of Conduct under Sec 13(1)(d) and (e) and 58(a)	Commissioners found that there was no breach/ contravention of the Code of Conduct	No further action



Summary of Prosecutions

4.19 The summary of prosecutions arising out of the Commission's investigations is set out in Table 3 below.

Table 3 Status of prosecutions during the reporting period

Year initiated	Case No.	Name of Pubic Official	Nature of Allegation	Outcome	Further Action/ Comments
2012	252/12 & 255/12	Oliver and Sonji Williams	Corruption	Convicted and fined; prohibited from holding public office for two years.	Conviction upheld on appeals by Supreme Court and by the Court of Appeal
2013	770/13 & 774/13	Rodney Adams (Acting Deputy Commissioner of Police)	Corruption	Acquitted	Re-instated to his post as Acting Deputy Commissioner of Police
2013	254/13 & 255/13	Wendy Seymour (Senior Immigration Officer)	Corruption	Discharged for insufficient evidence	Under considerations
2014*	317/14 & 318/14	Athenee Harvey (PS Finance)	Corruption	Not yet concluded	Set for Trial before the Supreme Court on July 6, 2015
2014**	431/14 & 438/14	Derak Dean (Road Safety Officer)	Corruption	Not yet concluded	Set for trial before the Supreme Court on August 15, 2015

1. *At the date of finalization of this report, the Director of Public Prosecution had discontinued the Athenee Harvey's case on 6 July, 2015, against strong objection by the Commission.

2. ** Derak Dean was convicted by the Supreme Court on the 17 August, 2015 and fined a total of \$8,000 or in default, to 18 months imprisonment on each count, to run concurrently. He was also disqualified from holding any public office for 3 years.

Political Financial Activities

5.1 In the aftermath of the Commission of Enquiry, chaired by Lord Justice Sir Robin Auld, and pursuant to its report, the mandate of the Commission was significantly expanded, firstly by a new law, the Political Activities Ordinance (PAO) and secondly by a new Constitution. These Instruments became effective in August 2012 and October 2012 respectively. The PAO is a modified version of the UK Political Parties, Elections and Referendum Act of 2000 (PPERA), there being no regional model.

5.2 The PAO aims, among other things, at ensuring transparency and integrity in the financing of political parties and candidates, as well as creating a level playing field among the political parties in the political and democratic process of the TCI. It provides for:

- Registration of political parties and their leaders and regulation of these parties especially in relation to their financial activities.
- Statutory limits to donations (not more than US\$30,000 from individual or corporate Donor) which a registered party or candidate can receive and limits to what it can spend especially during election period. For example, not more than US\$30,000 should be spent on campaign in any electoral district. Party leaders are allowed a maximum of US\$100,000. On the whole, no political party was to spend more than US\$600,000 on an election campaign.
- Publication of all donations received and from whom; publication of all campaign expenditure; permissible and impermissible donors, donations and expenditure;
- Strict financial reporting requirements especially during and immediately after general election periods. This includes submission of annual accounts, to be audited if income or expenditure during the relevant financial year is up to US\$500,000. Donations and campaign expenditure during election period will also require audit for a lower threshold of US\$250,000.
- Criminal and civil sanctions in cases of breach.

Implementation of PAO

5.3 In the implementation of the PAO, the Commission faced the challenge, among others, of lack of best practice precedents. However, with some assistance from the UK Electoral Commission and initial intervention from a UK-based NGO, Westminster Foundation for Democracy, the Commission was able to successfully implement the time - sensitive and politically delicate requirements of the Ordinance.

5.4 The implementation strategies included:

- Establishing Trust: Establishing trust and cooperation between the Political Parties and the Commission was critical from the outset. With this in mind, the Commission committed to working closely with the political parties to ensure that clear lines of communication were established and maintained and also any breaches of the Ordinance were avoided where possible.
- Robust public education programme. This involved interfacing with the political parties and independent candidates. All persons were very cooperative. It also entailed drafting and circulating to the Parties and candidates, Guidance Notes on practically every reporting requirement, including the Registration Process, Donations, Corporate Donations and Dormant Companies, Loans and Campaign Expenditure.



- Engaging relevant Stakeholders. The office of the Supervisor of Elections, the Attorney General's Chambers and the Governor's office come readily to mind. The media were our veritable partners in publicizing the message of the PAO.
- Publication of Donations and Campaign Expenditure Reports: This was a very important requirement of the Ordinance and indeed its hallmark as it ensured transparency and integrity in the financial activities of the Parties. These reports were published.

Successful Outcome:

5.5 The resulting TCI General Election (November 2012) was considered historic and remarkably free and fair with a record turnout of voters. The Donation and Campaign expenditure reports subsequently published by the Commission showed an unprecedented reduction in the total donations to and campaign expenditure of the political parties and independent candidates. Parties were allowed to spend a maximum of \$600,000 but at the end of the day all parties spent an accumulated total of \$578,303 (See Table 4 below).

5.6 The Progressive National Party (PNP) and the Peoples Democratic Movement (PDM) contested the By-election of March 2013 and, at the request of the Commission, submitted their Campaign Expenditure Returns covering the By-election period. The Returns revealed that the two parties incurred a combined Campaign Expenditure of \$37,522.22 on the By-election. Of this total, the PNP spent \$23,792.22 or 63.4%, while the PDM spent \$13,730.00 or 36.6% of the total Campaign Expenditure. The Returns also reveal that for the PNP, the bulk of the By-election expenditure was on Advertising and Publicity Materials, while PDM's expenditure was mainly on Rallies and other events.

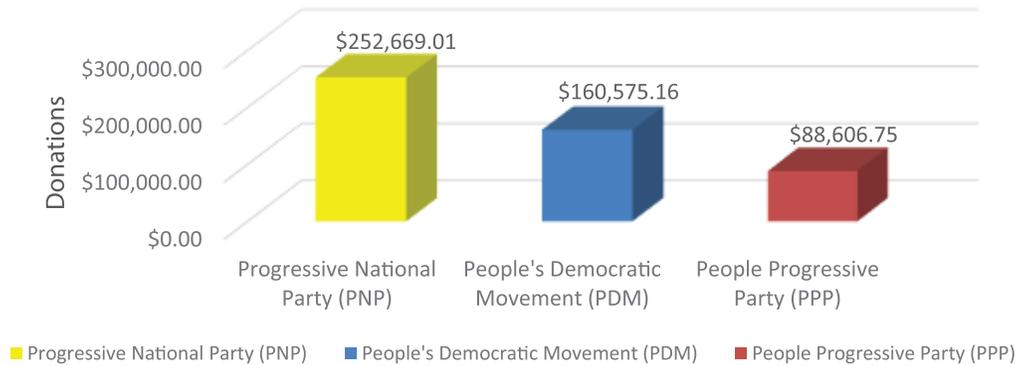
5.7 Worthy of note is the fact that, some private sector permissible Donors, for the first time, informed the Commission in writing how much they were donating to the political party of their choice. Post-election report put the total donations received at \$501,850.92 broken down as follows:

Table 4 Showing status of Donations to the Registered Parties for the 2012 General Election

Party	Election Period Covered	Total Donations	Approx. % of total Donations to all parties
Progressive National Party (PNP)	28 Aug 2012 – up to and including 9 November 2012	\$252,669.01	50%
People's Democratic Movement (PDM)	28 Aug 2012 – up to and including 9 November 2012	\$160,575.16	32%
People Progressive Party (PPP)	28 Aug 2012 – up to and including 9 November 2012	\$ 88,606.75	18%



Bar Chart Showing Status of Donations to the Registered Parties for the 2012 General Election - Period 28 Aug , 2012 to 9 Nov, 2012



Approx. % of total Donations to all parties for the 2012 General Election - Period 28 Aug, 2012 to 9 Nov, 2012

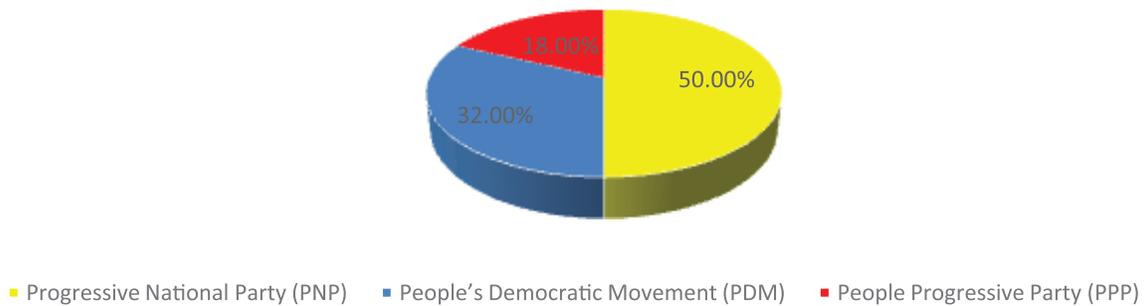
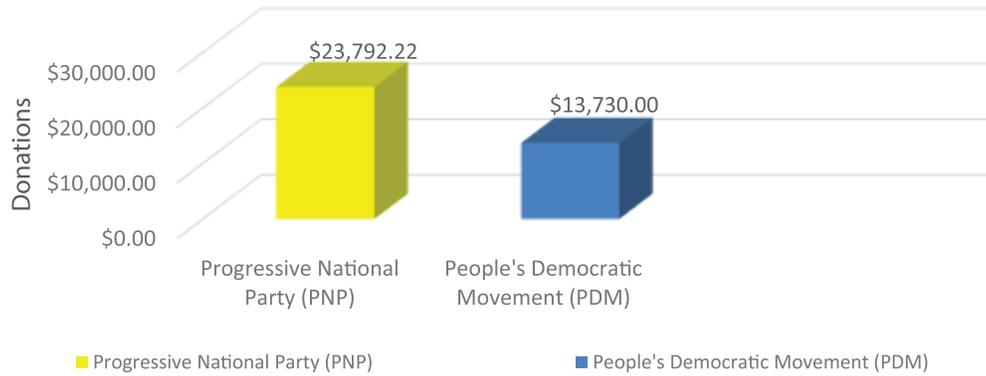


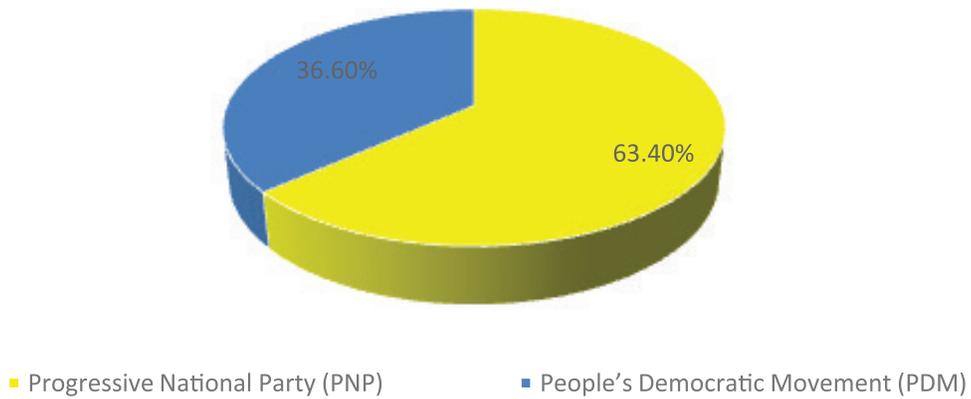
Table 5 Showing status of campaign expenditure of the Parties for the By- Election

Party	By-Election Period Covered	Total Expenditure	Approx. % of total expenditure by two parties
Progressive National Party (PNP)	9 November 2012 up to and including 22 March 2013	\$23,792.22	63.4%
People's Democratic Movement (PDM)	9 November 2012 up to and including 22 March 2013	\$13,730.00	36.6%

Bar Chart Showing Status of Campaign Expenditure of the Registered Parties for the By-Election - Period 9 November 2012 to 22 March 2013



Approx. % of total Expenditure of Registered Parties for the By Election - Period 9 November 2012 to 22 March 2013



Public Education

6.1 Public Education is at the heart of the Commission's constitutional responsibility to promote integrity, honesty and good faith in public life. The Commission strongly believes that public education is key to realizing its Vision of a Corruption-Free TCI. In the absence of the adequate and relevant staff for three years, the Commission's public education initiatives were delivered by the Compliance Unit and focused on Specified Persons in Public Life (including Ministers and other Members of the House of Assembly) who are required by law to file declarations of their assets, income and liabilities. However, with the recent recruitment of a Public Education Officer and Deputy Director, with oversight of the Public Education Unit, among other duties, the Commission has embarked on a robust and sustainable public education programme across all segments of the society including school children, the youth, the civil society and the media. In addition, Anti-corruption Public Service Announcements on integrity in public life, conflict of interest and sexual assault among other situations have been recorded and are airing on TCI main local radio station, RTC since September 2014, at peak times during the day. This has generated much positive response from the community. These initiatives are in keeping with the Commission's two- year Public Education Strategic Plan.

6.2 As part of the Commission's Anti-Corruption Week of Activities and, with a view to raising awareness among school children, the Commission organized a Poster Competition among Primary School Children. A Debate Competition was also held on December 3rd and 4th 2014 between two of the local high schools, namely, Clement Howell High School and Marjorie Basden High School on two moots: "Be it resolved Integrity is only required of elected public officials and politicians"; and "Be it resolved, it is not necessary to have an Integrity Commission in the Turks and Caicos Islands". The Winners of these competitions were recognized and awarded prizes at the Commission's special ceremony marking the observance of the Anti-Corruption Day on 9 December 2014. This event, among other things, involved participation by political, civic and community leaders in the public and private sectors and showcased the work of the Commission since its establishment. In addition, it featured a Guest Speaker, performances by students, and exhibitions by partner institutions protecting good governance.

6.3 Thus far, the Commission has conducted numerous rounds of public education seminars throughout the Islands and in the process inter-faced with Specified Persons in Public life. In particular, the Commission has held two public education sessions specifically for Hon. Members and Staff of the House of Assembly. In the latter half of 2014, sessions were held with Board Members and Chief Executives of several Statutory Boards while others are scheduled for 2015. Currently, the sessions are being held with officers of critical frontline departments, including the Customs, Immigrations, Road Safety, Marine and Coastal Resources, etc. The Commission is also using the opportunity of these sessions to carry out integrity surveys and gauge public perception of corruption in TCI.



Pictures below show some of the public education activities, including the Anti-Corruption Day observance.

» Public Education Seminars



» Primary Schools Poster Competition



1st Place Winner



2nd Place Winner



3rd Place Winner



» High School Debate Competition



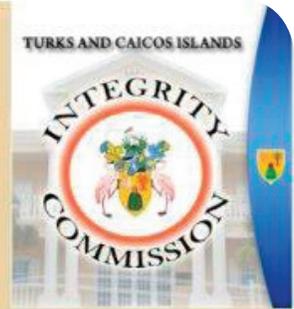
Marjorie Basden High



Clement Howell High

» 1st Annual Anti-Corruption Day Celebration and Awards Ceremony

CONGRATULATIONS!!!
To the First Place Awardees
*Of the TCI Integrity Commission's
1st Annual Anti-Corruption Day
and Award Ceremony*



**High School Debate
Winning Team**
Clement Howell High

**Primary School
Poster Competition
Winner**
Ona Glinton Primary

Winners

*Michael Archbold
Adiah Harry
Nevanna Bent
Marissa Sylbain
J'keyah Jolly*



*"Promoting Integrity, Honesty and
Good Faith in Public Life..."*





Chair Persons Dr. Hubert Fulford and Ms. Catherine-Ann Forbes



Director, Integrity Commission – Eugene Otuonye, Q.C.



Poster Competition First Place Winner-Michael Archbold presented by Dr (Mrs) B. Fulford, Chairperson, PSC



Poster Competition Second Place Winner – Gregory Pierre, presented by Mrs C. Astwood, OBE, Complaints' Commissioner



Poster Competition Third Place Winner – Siniquar Moss presented by Ms Tull, Chairman, Human Rights Commission



Debate Competition Winners – Clement Howell High Team - Providenciales
Trophies presented Hon. Akierra Missick, Deputy Premier of TCI





Award for Best Speaker presented by the Hon. Robert Hall, Speaker, TCI House of Assembly



Clement Howell High Team – Winners of the Integrity Commission's 1st Annual Debate Competition -
Winning trophy presented by Commissioner Nick Haywood



The Deputy Premier & Minister of Education – Hon. Akeirra Missick



Leader of the Opposition – Hon. Sharlene Cartwright-Robinson



Mr. Donte Francis - Youth Ambassador



Ms. Mary Fulford – Representative from Turks and Caicos Islands
Community College





Commissioners of the Integrity Commission and others



Staff of the Integrity Commission



Integrity Commission Deputy Director- Mr. Richard Been

The Duty of Confidentiality

7.1 The Ordinance imposes an obligation on Commissioners and Staff to observe the greatest confidentiality in the performance of their roles and functions. The Commission is irrevocably committed to ensuring compliance with this statutory imperative. Accordingly the Commission has put in place structures and systems to promote confidentiality. Through its ICT Sub-Unit, the Commission has increased its investment into its information technology infrastructure to further secure its confidential information. One such investment is the implementation of a comprehensive physical access security system which provides multiple layers of access control measures. This allows the Commission to reduce the exposure of its internal information assets to physical risks. This investment will further support the administrative controls implemented internally in addition to the statutory controls enforced by the Integrity Commission Ordinance, such as the Oath of Secrecy to which all the Commissioners and each member of staff have all sworn.

7.2 The Commission has since endeavored to establish an online presence which can be used to interface with the public. The Commission is pleased to report that it has completed and launched its new website: www.integritycommission.tc. The website is being used to communicate with and provide information directly to the general public. The website is a single source through which the public can gather information on the Commission, its history and its past, present and future activities. This includes news, press releases, reports and publications (e.g. the Code of Conduct), the Integrity Commission and Political Activities Ordinances.

7.3 Persons who wish to submit complaints can now have the option of either downloading and completing a complaint form or using the secure online complaint form to do so either anonymously or otherwise. All web access to the website has been secured using Transport Layer Security to ensure that all information transferred between the user and the website remains confidential. The website is also equipped with an extended validation digital certificate to ensure that users can confirm the identity of the Commission's website. This is a measure to combat the growing threat of fraudulent websites and phishing attacks.

7.4 The new website provides blank and sample Declaration Forms which can be downloaded, printed, completed and personally submitted to the Commission. The possibility of accepting online declarations is being explored by the Commission as a means of reducing difficulties experienced by a few of our declarants who have had to personally submit their declarations. However, due to the extremely sensitive and confidential nature of these forms and the Commission's statutory requirements to maintain a high level of confidentiality, an online submission facility for declarations will not be implemented until a solution has been developed which guarantees that the confidentiality and integrity of a declarant's submission are maintained throughout the submission process and is simple to use.



Home Page of the TCI Integrity Commission's New Website

Social Links: [f](#) [g+](#) [t](#) [yt](#)

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- Home
- Who We Are
- Compliance
- Political Financial Activities
- Enforcement
- Public Education
- News
- Contact

Contact Info.

Contact the Integrity Commission of the Turks and Caicos Islands if you wish to: submit a report, make a complaint, get information of making a declaration or speak to someone in the compliance unit. We will shortly be providing training sessions for public and private organizations. Contact us to find out more.

Phone: (649) 946-1941

Email: info@integritycommission.tc

Welcome

The Integrity Commission of the Turks and Caicos Islands is an independent, anti-corruption Agency which was established by the Integrity Commission Ordinance 2008 and formally inaugurated in May 2010. It is now enshrined in the TCI Constitution as one of the Institutions protecting good governance.

Compliance



The broad focus of the Compliance Unit is to provide for the disclosure of interests, including any material factors which could influence any Specified Person in Public Life as per Schedule 1 in performing their public duties.

[Read More](#)

Enforcement



The Enforcement and Investigations Unit of the Integrity Commission is responsible for the investigation of alleged acts of corruption as outlined in the Integrity Commission Ordinance.

[Read More](#)

Make A Report

Political Financial Activities



The Political Activities Ordinance which came into force on the 28th August 2012, placed the responsibility for ensuring political parties and candidates comply with their respective legal obligations under the Ordinance with the Integrity Commission.

[Read More](#)

Public Education



Public Education is one of the main activities in achieving the primary role and responsibility of the Integrity Commission to promote integrity, honesty and good faith in public life within the Turks and Caicos Islands.

[Read More](#)

Latest News



The Integrity Commission wishes to inform the public and, in particular, to remind Specified Persons in Public Life that June 30th 2014 is the deadline for filing Declaration under Section 25 of the Integrity Commission Ordinance for the 2012-2014 filing cycle.

Press Releases

Nov-03-14 - Arrest of Permanent Secretary- Ministry of Finance

Events

◀ ▶

Sunday, February 1

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

LATEST VIDEO RESOURCES

International Anti-Corruption Video Competition Silver Prize



International Anti-Corruption Video Competition Gold Prize



Say No To Corruption



Vanishing PSA



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Funding and Financial Activities

Funding

8.1 In accordance with section 14 of the Ordinance, the funds of the Commission consist of such monies as have been provided to the Commission by or under an appropriation law. The funds in the form of subvention and the expenditure thereof were initially through the TCIG Treasury /Smart Stream system with Governor's Office as the cost centre. The unaudited actual expenditure of the Commission at the close of 2011/12 financial year was in the amount of \$260,954. In the 2012/13 financial year, the sum of \$500,000 was appropriated. This sum was scarcely adequate to meet the operations costs of the Commission which at this time had been saddled with significantly increased and time-bound constitutional responsibilities and oversight of political financing under the Political Activities Ordinance. The Commission was in dire financial straits. In response the Appropriation Committee recommended and the House of Assembly appropriated the sum of \$1,165,377 for the Commission in the 2013/14 financial year.

Financial Activities

8.2 In February 2012 the Commission, facilitated by the Government Treasury, opened and began operating its own bank account with Scotiabank. The Government also commenced quarterly disbursement of the Commission's subventions directly into this account. The Commission is currently a cost centre. Its financial activities consist mainly of recurrent expenditure associated with staff remunerations and Commissioners' stipends and costs associated with investigations, compliance and public education activities as well as meetings and inquiries.

8.3 The 100% increase in the Commission's 2014/15 budget was primarily meant to address its protracted resource constraints. The Commission was consequently able, among other things, to commence recruitment of relevant technical and operation officers needed to effectively carry out its anti-corruption mandate. The recruitment was, however, completed in the second quarter of this current (2014/15) financial year. The increase in staff strength created a need for appropriate office accommodation. Thus in January 2014, with the huge assistance of the Ministry of Government Support Service, the Commission secured and relocated to its present offices at Franklyn Missick's Building, Church Folly Road, Grand Turk on a 5-year lease with a monthly rent of \$6000. The relocation and staff increase meant acquisition of additional office furniture, computing and other office equipment, consumables and increased utilities costs. Prior to relocating, the Attorney General's Chambers had graciously allowed the Commission to occupy some part of its offices and to do so rent and utilities-free for more than two years.

8.4 The Commission's financial activities and reporting have been guided largely by the Integrity Commissions' Accounting Policy and Procedures Manual, the Integrity Commission Ordinance, the Public Procurement Ordinance, the Public Finance Management Ordinance and generally by best accounting standards and practices. The details of these financial activities are reflected in the Commission's quarterly financial reports submitted to the Ministry of Finance as well as the audited Statements of Accounts of the Commission, Appendix A, to this report.



Challenges and Achievements

Challenges

9.1 The Commission commenced initial operations with only two members of staff, namely an interim Director, Keith Sergeant and Secretary Mrs. Wanda Ariza. In July 2011, a substantive Director, Mr. Eugene Otuonye Q.C., and Senior Investigative Officer, Mr. Simon Baker joined the Commission followed by recruitment of the Senior Compliance Officer Mrs. Karin Taylor –Bell in February 2012. For the first-two and half years, ending 2012/13 financial year, the Commission worked under severe resource constraints, given that its mandate was substantially expanded by the Constitution and the Political Activities Ordinance with a very tight time scale.

9.2 The second initial challenge was the understandable anxiety and discomfort felt by public officials who were required to make full disclosures of their assets, income and liabilities. They considered this statutory requirement to be very intrusive. However, after 4 years of Commission's operations and three main cycles (2010; 2010-2012; 2012-2014) of filing of the Declarations, trust and confidence have been engendered, significantly diminishing the initial reluctance and unwillingness by public officials to file their declarations.

9.3 The third major challenge has been to get the public, including the political directorate, to fully embrace the Commission and its work. This challenge has arisen due mainly to the previous socio-political circumstances of TCI and adverse publicity and commentaries concerning the Islands. There is a perception that the TCI Integrity Commission is a creature of and an instrument of the UK government set up to tarnish the characters of public officials through arrests and prosecutions. This perception does not accord with reality. The Ordinance was passed in 2008 by the TCI House of Assembly before the 2006 Constitution was suspended and before the Interim Administration was set up for TCI. The Commission is, however, meeting these challenges frontally by a series of continuing public education initiatives.

Achievements

9.4 Notwithstanding the initial constraints and challenges, the Commission was able to successfully:

- ✓ Receive the first filing of Declarations by specified persons in public life in 2010;
- ✓ Examine and clear the backlog of the first set of Declarations and receive the second filing of Declarations.
- ✓ Effect substantial amendments to the Integrity Commission Ordinance to, among other things, reflect its expanded constitutional mandate; increase the number of persons in public life who are subject to file Declarations and provide for whistle blower protection;
- ✓ Formulate and publish, in November 2012, the Code of Conduct for Persons in Public life as required by the Constitution;
- ✓ Prepare and publish in November 2012, the Remuneration Report for House of Assembly members as required by the Constitution;
- ✓ Register Political Parties, monitor and regulate their financial activities before and during the last General and By-elections under the Political Activities Ordinance.

9.5 Although the Vision of the Commission is still far from being realized, the Commission and its work (and by extension the TCI) are today, on a stronger and better footing, and marching on as evident in the following milestones/examples:

- The work of the Commission has continued to enjoy the support and commitment of majority of persons in public life, including the political directorate. In this regard, the Commission has recorded more than 90 % compliance rate for persons in public life who are required to file declarations of their assets, income and liability, and 100% in relation to filing of statement of registrable interests by Members of the House of Assembly. The Commission's 2013-14 budget was increased by 100% despite serious financial constraints facing the TCI Government.
- In terms of regulating and monitoring the financing of Political Parties, the TCI Political Activities Ordinance represents the only one of its kind in the Caribbean. The last TCI Elections were successfully held under the robust implementation of this Ordinance and with the exemplary cooperation and commitment of all the political parties and candidates.
- There is a record high of persons willingly coming forward to lodge complaints and reports of alleged corrupt act in public office or contravention of the Code of Conduct.
- Public Officials including Ministers have regularly sought guidance on grey or doubtful areas of conduct from the Commission. Hon. Members have willingly on occasions declared their interests in the House and abstained from debating and voting on certain legislative measures. If the Report of the Commission of Enquiry chaired by Sir Auld is anything to go by, this is unprecedented testimony of commendable conduct by the Honourable Members.
- The Commission has regularly been invited to share its unique experiences in good governance at regional and international anti-corruption and integrity fora.

Acknowledgement and Appreciation:

9.6 During the first two and half years of its establishment, the Commission faced very difficult and challenging circumstances. The Commission's ability to rise above these challenges and yet record the above modest achievements would not have been possible without several persons, institutions and other public bodies whose support, assistance and cooperation have been exemplary.

The Commission acknowledges and appreciates in particular the assistance and invaluable contributions of the following entities: the Royal Turks and Caicos Islands Police Force and other uniformed law enforcement agencies within the Ministries; Sister Institutions Protecting Good Governance; The Attorney General's Chambers; The Governor's Office and The Ministry of the Government Support Services.

The Commission also acknowledges and thanks the TCI public officials, including, Hon. Members of the House of Assembly for their forbearance and understanding; the Media and the general public for their unwavering support.

On behalf of the people and Government of TCI, the Commission specially records its profound appreciation to the past and pioneer Members and staff of the Commission, namely, Bishop Clarence Williams, Gary Brough and Rev Reuben Hall and staff members, Keith Sergeant and Simon Baker, whose selfless service and commitment to the Commission and its work, especially during its very difficult years, will remain exemplary and unforgettable.



APPENDIX A1



FINANCIAL STATEMENTS OF TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

» *Year ended March 31, 2014*



**TURKS & CAICOS ISLANDS
NATIONAL AUDIT OFFICE
Waterloo Road, Grand Turk
(649)-338-2739/40**

2 November, 2015

Attention: H.E. The Governor

Governor's Office
Waterloo Road,
Grand Turk.

RE: Turks & Caicos Islands Integrity Commission Audited Financial Statements

In fulfilling my responsibility as Auditor General under the Turks & Caicos Islands Constitution Order 2011 and the National Audit Office Ordinance 2012, I have relied on the work, statements and reports of WB Financial Group in relation to the *audited financial statements and additional agreed-upon procedures performed for the years ended 31 March, 2013 – 31 March, 2015*.

I concur with the opinion of WB Financial.

Anand Heeraman FCCA, CGA, CPA, CFE
Auditor General
National Audit Office
Waterloo Road, Grand Turk, Turks & Caicos Islands

cc. Minister for Finance,
cc. Clerk to the House of Assembly





September 22, 2015

WB Financial Group
PO Box 137 The Regent Village
Unit G202 Grace Bay Road
Providenciales Turks & Caicos Islands
British West Indies

**To the National Audit Office
Turks & Caicos Islands Integrity Commission**

Use of report

This report is made solely for the use of the National Audit Office (NAO), as a body, and solely for the NAO's requirement to ensure that the financial affairs of the Turks & Caicos Islands Integrity Commission (the Commission) are in compliance with Section 18 of the National Audit Office Ordinance for the years ended March 31, 2013 and 2014, in accordance with the terms of our engagement letter dated April 13, 2015.

Our work has been undertaken so that we might report to the NAO those matters that we have agreed to state to them in this report, to allow the NAO to place reliance upon this opinion and present this to the House of Assembly, and for no other purpose. Except for presentation in the House of Assembly, our report must not be recited or referred to in whole or in part in any other document nor made available, copied or recited to any other party, in any circumstances, without our express prior written permission.

To the fullest extent permissible by law, we do not accept or assume responsibility to anyone other than the NAO, for our work, for this report or for the conclusions we have formed.

Subject matter

This report covers the requirement of Section 18 of the NAO Ordinance which requires a specific level of assurance for the audit of Government Entities.

Respective responsibilities

The Chairman and Members of the Commission are responsible for compliance with the statutory requirements as enumerated within Section 18 of the NAO Ordinance.

It is our responsibility to provide limited assurance that the Commission has complied with the statutory requirements as enumerated within Section 18 of the NAO Ordinance.

Scope of our examination

We conducted our examination in order to provide limited assurance under the International Standard on Assurance Engagements (ISAE) 3000 *Assurance engagements other than audits or reviews of historical financial information* issued by the International Federation of Accountants (IFAC).

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W wbfinancial.tc



The procedures performed consist principally of tests of controls, transaction testing and testing to ensure the Commission has utilized its resources efficiently and effectively. Our examination excludes audit procedures such as verification of assets, liabilities and transactions and is substantially less in scope than an audit performed in accordance with International Standards on Auditing and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the Commission's compliance with the statutory requirements as enumerated within Section 18 of the NAO Ordinance.

Our procedures are not designed to cover the period at all times but we performed our procedures related to the fiscal years of the Commission from April 1, 2012 to March 31, 2014.

Conclusion

Based on our examination no matters have come to our attention that the Commission has not complied with the statutory requirements as enumerated within Section 18 of the NAO Ordinance in all material respects.

WB Financial Management Ltd.

Chartered Accountants
Providenciales, Turks & Caicos Islands



September 2, 2015

WB Financial Group
PO Box 137 The Regent Village
Unit G202 Grace Bay Road
Providenciales Turks & Caicos Islands
British West Indies

The Chairman & Members of the Commission
Turks & Caicos Islands Integrity Commission
Franklyn Missick's Building
Church Folly
Grand Turk
Turks and Caicos Islands

Dear Sirs,

RE: Audit of March 31, 2014 financial statements

Purpose and use: We have substantially completed our audit of the March 31, 2014 financial statements of Turks & Caicos Islands Integrity Commission (the Commission) and, subject to satisfactory completion of our remaining audit procedures, intend to issue an unqualified opinion on those statements. Professional standards require that we communicate certain matters to those charged with governance of the Commission. The following, which is intended solely for the use of the Chairman and Members of the Commission (the Commissioners) and management of the Commission, is a summary of that information.

Auditor's responsibility under generally accepted auditing standards: International Standards on Auditing require that we plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements is not designed to identify all matters that may be relevant to those charged with governance. Accordingly, the audit does not ordinarily identify all such matters and this report includes only those matters of a governance interest which came to our attention as a result of the performance of our audit.

Responsibilities of Management and those charged with governance: Management's responsibilities are detailed in the engagement letter to which this engagement was subject. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Other information in documents containing audited financial statements: We have not reviewed any other documents containing audited financial statements.

General approach and overall scope of the audit: We applied a top-down, risk-based approach to planning and conducting the audit, through the application of well-reasoned professional judgment. We obtained an understanding of the Commission's operations and the related risks, which drove our assessment of materiality and identification of audit risks, including significant risks, which are audit risks that require special audit considerations. We also obtained an understanding of how management controls these risks, by considering management's approach to internal controls, and we determined how we will test significant account balances and classes of transactions.

Our audit approach was primarily substantive and included the testing, on sample basis, of significant transactions and balances

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W wbfinancial.tc



Significant accounting practices: We are responsible for providing our views about qualitative aspects of the Commission's significant accounting practices, including accounting policies, accounting estimates and financial statement disclosures. Generally accepted accounting principles provide for the Commission to make accounting estimates and judgments about accounting policies and financial statement disclosures. We are not aware of any changes to estimates made by management. We are not aware of any areas where the significant accounting practices have changed from previous year or are not consistent with general industry practice. In addition, we are not aware of any new or controversial accounting practices reflected in the Commission's financial statements.

Significant risks and exposures: Significant risks and exposures are disclosed in the financial statement footnotes.

Management's judgments and accounting estimates: There were no matters which required management to make significant judgments or which required significant estimates. Management has disclosed its most critical estimate in the notes to the financial statements though this is not considered to be a significant estimate.

Significant identified misstatements (both recorded and unrecorded): A summary of identified misstatements both recorded and unrecorded is attached in appendixes 1 and 2 respectively to this letter.

Going concern doubts: As a result of our audit, we did not become aware of any material uncertainties relating to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern.

Fraud or illegal acts: Applicable auditing standards recognize that the primary responsibility for the prevention and detection of fraud and compliance with applicable laws and regulations rests with both those charged with governance of the entity and with management. It is important that management, with the oversight of those charged with governance, place a strong emphasis on fraud prevention, and fraud deterrence. They are also responsible for establishing and maintaining controls pertaining to the entity's objective of preparing financial statements that are presented fairly, in all material respects, in accordance with the applicable financial reporting framework and managing risks that may give rise to material misstatements in those financial statements. In exercising oversight responsibility, those charged with governance should consider the potential for management override of controls or other inappropriate influence over the financial reporting process.

As auditors, in planning and performing the audit, we are required to reduce audit risk to an acceptably low level, including the risk of undetected misstatements in the financial statements due to fraud. However, we cannot obtain absolute assurance that material misstatements in the financial statements will be detected because of such factors as the use of judgment, the use of testing, the inherent limitations of internal control and the fact that much of the audit evidence available to the auditor is persuasive rather than conclusive in nature.

No fraud or illegal acts came to our attention as a result of our audit.

Disagreements with management: We have had no disagreements with management resulting from our audit.

Management representations: We have requested that management provide us with certain representations. The representations that we are seeking from management are available upon request.

Audit report: We do not intend to make any modifications to our audit report.

Other miscellaneous matters:

We are not aware of any consultations between management and other auditors about audit and accounting matters.

We have no questions regarding management integrity. No significant matters were discussed with management prior to our appointment as auditors.

No serious difficulties were encountered in the performance of our audit.

The attached appendix 3 describes the management letter points that were identified during the course of our engagement.

Other engagement commitments: There were no other specific matters agreed upon in the terms of our engagement.

If you would like to discuss the results of our audit or any other matters in further detail please feel free to call Ryan Blain or Jordan Bolton at (649) 941-7299.

This letter including any appendices is intended for the purpose and use set out above and should not be used for any other purpose or by any other party. It may not be made available to others without our consent.

Yours faithfully,

NB Financial

APPENDIX 1: SUMMARY OF ADJUSTED MISSTATEMENTS

March 31, 2014

Summary of adjusted differences

Client : **Turks and Caicos Islands Integrity Commission**
 Year ended : **3/31/2014**

#	a/c	B/S		P&L		Narrative
		DR	CR	DR	CR	
1	Accruals Professional fees - audit		9,500	9,500		Being accrual for audit fee for 2014
2	FA - Office furniture & fixtures FA - Office furniture & fixtures depn FA - Computer equip depn Office supplies Depreciation expense	99 168	1,010	1,010	267	Being adjustments arising from fixed asset errors identified
Total		267	10,510	10,510	267	
		Net P&L		-10,243		

APPENDIX 2: SUMMARY OF UNADJUSTED MISSTATEMENTS

March 31, 2014

Summary of unadjusted differences

Client : **Turks and Caicos Islands Integrity Commission**
 year ended : **3/31/2014**

#	a/c	B/S		P&L		Narrative
		DR	CR	DR	CR	
1	Bank Expenses	2,572			2,572	Being old outstanding cheques on bank rec as at March 31, 2014
2	Prepayments Overseas training	2,378			2,378	Being prepayment of course attended by Karin in July 2014
3	Bank charges Bank		252	252		Being bank charges posted in April which related to March
4	Prepayments Other sundry expenses	898			898	Being prepayment of deposit for window tinting
Total		5,848	252	252	5,848	
		Net P&L		5,596		



APPENDIX 3:

Management Letter Points

The following are recommendations, while not exhaustive, that summarize some of the management points we noted and discussed with you during the year-end audit process:

1. Surplus for the year

Observation

During our audit we noted a significant surplus generated in the year to March 31, 2014 of \$523,493 which is primarily held in cash reserves. This surplus was generated primarily as result of the subvention budget being approved on the basis of the required man-power resources required to effectively operate the Commission. However, due to time taken to go through the recruitment process to employ the required additional employees the salary expense for FY2014 was significantly below that budgeted.

Risk

From a review of the Ordinance there are no specific sections which detail any requirement to return any surplus to Government. As such the accounting treatment applied is correct. However given the sensitive nature of the Commissions operations, the Commission may be leaving itself open to being questioned in the public domain as to why the Commission has and requires this level of cash reserves.

Recommendation

We recommend that the Commission discuss the surplus with Government and obtain written documentation regarding the treatment of the surplus.

2. Fixed assets register

Observation

During our audit we noted issues with the fixed assets register. The register had been created on an individual asset basis which is best practice as this allows for better control and protection of fixed assets managed by the Commission. However, we experienced difficulties when trying reconcile individual fixed asset additions listed on the register to specific invoices. This was primarily due to the fact there were no vendor or invoice number references on the register.

Risk

There is a risk that the fixed asset register could be prepared with undetected errors when prepared in this manner.

Recommendation

We recommend that additional columns be included on the fixed asset register for the vendor purchase name and the vendor invoice number.



3. **Audit fee**

Observation

During our audit we noted that no audit accrual had been included in the financial statements.

Risk

Liabilities and expenses were understated by \$9,500 which resulted in an audit adjustment.

Recommendation

We recommend that the audit fee be accrued on an annual basis in line with the fee as detailed in the signed engagement letter.

4. **Prepaid training**

Observation

During our audit of expenses we noted that a UK training course for Karin Taylor Bell was paid and expensed in FY2014. However, this course was scheduled to be attended in July 2014

Risk

The expense of \$2,378 should have been prepaid and expensed to the statement of comprehensive income when the course was attended. As such prepayments were understated and expenses overstated. This error was included on the listing of unadjusted differences.

Recommendation

We recommend that all expenses be reviewed to ensure that the timing of the recorded expense is matched to the when the goods/services were received.

5. **Stale dated cheques**

Observation

During our audit of the bank reconciliation as of March 31, 2014 we noted cheques totalling \$2,572 which were stale dated. These were corrected in FY2015.

Risk

The timing of the correcting entry has been recorded in the incorrect period. As such this has been included on our listing of unadjusted differences.

Recommendation

We recommend that stale dated cheques be regularly reviewed and corrected in a timely manner.



6. Window tinting

Observation

During our audit of expenses we noted that a deposit of \$898 was paid in respect of window tinting for the Grand Turk office in March 2014. The final payment for the tinting was made in July 2014 shortly after the windows had been tinted.

Risk

The expense of \$898 should have been prepaid and expensed to the statement of comprehensive income when the tinting works were actually performed. As such prepayments were understated and expenses overstated. This error was included on the listing of unadjusted differences

Recommendation

We recommend that all expenses be reviewed to ensure that the timing of the recorded expense is matched to the when the goods/services were received.

7. Rent expense

Observation

We noted that the Commission commenced lease payments on the Grand Turk office from April 2014. However, from a review of the lease agreement it was noted that the Commission occupied that the new office from January 2014. It was later identified that the lease payments for January through March 2014 were paid by Government.

Risk

By not accounting for these expenses it understates the subvention revenue received and the expenses incurred.

Recommendation

We recommend that management effectively account for expenses paid by Government as additional subvention monies received and account for the expense.



Financial Statements of

**TURKS AND CAICOS ISLANDS
INTEGRITY COMMISSION**

Year ended March 31, 2014



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Financial Statements
Year ended March 31, 2014

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Statement of Cash Flow	5
Notes to Financial Statements	6-15



INDEPENDENT AUDITOR'S REPORT

To the Chairman and Members of Turks & Caicos Islands Integrity Commission

We have audited the accompanying financial statements, which comprise the statement of financial position of Turks & Caicos Islands Integrity Commission (the Commission) as at March 31, 2014 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2014 and its financial performance and its cash flows for the year then ended in accordance with IFRS.

Other Matters

This report, including the opinion, has been prepared for and only for the Commission's Chairman and Members, as a body and the Government of the Turks & Caicos Islands and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

WB Financial

Chartered Accountants
Providenciales, Turks & Caicos Islands

Date: *SEPTEMBER 22, 2015*



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Statement of Financial Position

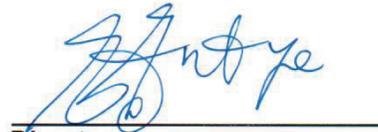
As at March 31, 2014
with comparative figures as at March 31, 2013

Expressed in United States Dollars

		2014	2013
ASSETS			
Current assets:			
Cash	US\$	534,378	15,857
Receivables		5,000	-
		539,378	15,857
Non Current Assets			
Property, plant and equipment (Note 5)		51,745	36,602
		591,123	52,459
LIABILITIES AND EQUITY			
Current Liabilities:			
Accounts payable and accrued expenses (Note 6)		18,060	2,889
		18,060	2,889
Equity			
General fund		573,063	49,570
	US\$	591,123	52,459

Approved for issuance on behalf of the Chairman and Members of the Turks and Caicos Islands Integrity Commission on SEPTEMBER 22, 2015.


Chairman


Director

The accompanying Notes form an integral part of these financial statements

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Statement of Comprehensive Income

Year ended March 31, 2014

with comparative figures for the year ended March 31, 2013

Expressed in United States Dollars

		2014	2013
Gross Revenue			
Government subvention	US\$	1,165,376	514,509
Capital grants		-	1,138
		1,165,376	515,647
Expenses			
Salaries and benefits		461,566	382,078
Commissioner fees and expenses		50,388	59,313
Travel and subsistence		40,248	37,094
Depreciation		21,048	18,532
Professional fees		21,150	2,943
Utility expense		12,557	644
Office expenses		13,395	7,777
Other operating and administrative expenses		10,443	4,664
Training		5,807	-
Communication expenses		4,589	4,347
Bank charges		692	1,042
		641,883	518,434
Net surplus / (deficit) and total comprehensive income / (loss) for year	US\$	523,493	(2,787)

The accompanying Notes form an integral part of these financial statements



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Statement of Changes in Equity

Year ended March 31, 2014

Expressed in United States Dollars

		Total
Balance as at April 1, 2012	US\$	52,357
Comprehensive income		
Net deficit and total comprehensive loss for the year		(2,787)
Balance as at March 31, 2013		49,570
Comprehensive income		
Net surplus and total comprehensive income for the year		523,493
Balance as at March 31, 2014	US\$	573,063

The accompanying Notes form an integral part of these financial statements

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Statement of Cash Flow

Year ended March 31, 2014

with comparative figures for the year ended March 31, 2013

Expressed in United States Dollars

		2014	2013
Cash flows from operating activities			
Net surplus / (deficit) and total comprehensive income / (loss) for the year	US\$	523,493	(2,787)
Adjustment for:			
Depreciation		21,048	18,532
		544,541	15,745
Changes in working capital other than cash			
Receivables		(5,000)	-
Accounts payable and accrued expenses		15,171	2,889
Net cash from operating activities		554,712	18,634
Cash flows from investing activities			
Additions to property, plant and equipment		(36,191)	(2,777)
Net cash used in investing activities		(36,191)	(2,777)
Net change in cash		518,521	15,857
Cash at beginning of year		15,857	-
Cash at end of year	US\$	534,378	15,857

The accompanying Notes form an integral part of these financial statements



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For the year ended March 31, 2014

1. General information

The Commission was established under the Integrity Commission Ordinance (Ordinance 8 of 2008 as amended). Section 102 of the Turks & Caicos Islands Constitution Order 2011 made further provisions on the Commission as an institution protecting good governance. The primary responsibility of the Commission is to promote integrity, honesty and good faith in public life in the Turks and Caicos Islands.

The principal place of business of the Commission is at Church Folly, Grand Turk, Turks & Caicos Islands (TCI).

2. Basis of preparation

(a) *Statement of compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

(b) *Basis of measurement*

These financial statements have been prepared on an historical cost basis.

The methods used to measure fair values are discussed further in Note 4.

(c) *Functional and presentation currency*

These financial statements are presented in United States (US) dollars, which is the Commission's functional currency. All financial information presented in US dollars has been rounded to the nearest dollar.

(d) *Use of estimates and judgements*

The preparation of these financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the opinion of management, there are no judgements, estimates or assumptions that will have a material impact on these financial statements.

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2014

2. Basis of preparation, continued

(e) *Changes in accounting policy and disclosures*

(i) New and amended standards and interpretations adopted by the Commission

There are no IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 April 2013 that would be expected to have a material impact on the Commission.

(ii) New and amended standards and interpretations issued but not effective for the financial year beginning 1 April 2013 and not early adopted

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the financial statements.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Commission.

(a) *Non-derivative financial assets*

The Commission initially recognises loans, receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Commission becomes a party to the contractual provisions of the instrument.

The Commission derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial assets that is created or retained by the Commission is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented on the statement of financial position when, and only when, the Commission has a legal right to offset the amount and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Commission's non-derivative financial assets comprise loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest rate method, less impairment losses.



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2014

3. Significant accounting policies, continued

(a) *Non-derivative financial assets, continued*

Loans and receivables of the Commission comprise cash and receivables.

(i) Cash

Cash comprises cash balances and call deposits with original maturities of three months or less from the date of purchase. Any bank drafts that are payable on demand and form an integral part of the Commission's cash management are included as a component of cash for the purposes of cash flows.

(ii) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provisions for impairment. A provision for impairment is established when there is objective evidence that the Commission will not be able to recover all amounts due according to the original terms of the contracts. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

(b) *Non-derivative financial liabilities*

The Commission recognises debt securities issued and subordinated liabilities on the date they are originated. All other financial liabilities are recognised initially on the trade date at which the Commission becomes a party to the contractual provisions of the instrument.

The Commission derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Commission has accounts payable as non-derivative financial liabilities. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

(c) *Accounts payable*

Accounts payable are stated at cost.

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2014

3. Significant accounting policies, continued

(d) *Property, plant and equipment*

(i) *Recognition and measurement*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (note 3(f)(ii)). Cost includes expenditures that are directly attributable to the acquisition of property, plant and equipment. Gains or losses arising from the disposal of property, plant and equipment are reflected in the statement of comprehensive income.

(ii) *Subsequent costs*

The cost of replacing an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied will flow to the Commission and its cost can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment is recognised in the statement of comprehensive income as incurred.

(iii) *Depreciation*

Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

Office furniture and fixtures	5 years
Computer equipment	3 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(e) *Government subvention and grants*

Government subvention and grants are recognised initially as deferred income when there is reasonable assurance that they will be received and that the Commission will comply with the conditions associated with the subvention or grant. Subvention and grants that compensate the Commission for expenses incurred are recognised in the statement of comprehensive income on a systematic basis in the same periods in which the expenses are recognised. Subvention and grants that compensate the Commission for the cost of an asset are recognised in the statement of comprehensive income on a systematic basis over the useful life of the asset.



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2014

3. Significant accounting policies, continued

(f) *Impairment*

(i) *Financial assets*

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Commission on terms that the Commission would not consider otherwise, indications that a debtor or issuer will enter bankruptcy or the disappearance of an active market for a security.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. In assessing collective impairment, the Commission uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement.

All impairment losses are recognised in the statement of comprehensive income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the statement of comprehensive income.

(ii) *Non-financial assets*

The carrying amounts of the Commission's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash generating unit).

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2014

3. Significant accounting policies, continued

(f) *Impairment, continued*

(ii) *Non-financial assets, continued*

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

(g) Lease payments

Payments made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expenses, over the term of the lease.

(h) Provisions

A provision is recognised if, as a result of a past event, the Commission has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

4. Financial instruments

(a) *Financial risk management*

The Commission's activities expose it to a variety of financial risks namely credit and liquidity risks.

The Chairman and Members of the Commission (the Commissioners) have overall responsibility for the establishment and oversight of the Commission's risk management framework. The Commissioners are responsible for developing and monitoring the Commission's risk management policies.

The Commission's risk management policies are established to identify and analyse the risks faced by the Commission, 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.



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2014

4. Financial instruments (continued)

(a) *Financial risk management (continued)*

The Commission, through its training, management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Commissioners oversee how management monitors compliance with the Commission's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Commission.

(i) *Credit risk*

Credit risk is the risk of financial loss to the Commission if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Commission's cash.

The Commission banks primarily with recognised banks and financial institutions with minimal risk of default apparent. Provision is made where there is apparent default from a financial institution.

The maximum exposure to credit risk for cash equates to the carrying value of those financial instruments.

The carrying amount of financial assets represents the maximum amount of exposure. The maximum amount of exposure to credit risk at the reporting date was:

	2014	2013
Cash	534,378	15,857

Credit quality of financial assets

The credit quality of financial assets that are neither past due or impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	2014	2013
Cash at bank and short-term bank deposits		
AA rated financial institutions	534,378	15,857

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2014

4. Financial instruments, continued

(a) *Financial risk management, continued*

(ii) *Liquidity risk*

Liquidity risk is the risk that the Commission will encounter difficulties meeting 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 liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Commission's reputation.

All the Commission's liabilities fall due within one year.

(b) *Fair value determination*

A number of the Commission's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes as described below. Where applicable, further information about the assumptions made in determining fair value has been disclosed in the Notes specific to that asset or liability.

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties.

Due to their short-term nature, the carrying amounts of the financial assets and liabilities, of the Commission approximate to their fair value.



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2014

5. Property, plant and equipment

2014

		Office furniture and fixtures	Computer equipment	Total
Cost				
At April 1, 2013	US\$	17,152	46,665	63,817
Additions		21,610	14,581	36,191
At March 31, 2014		38,762	61,246	100,008
Depreciation				
At April 1, 2013		7,044	20,171	27,215
Depreciation for year		4,732	16,316	21,048
At March 31, 2014		11,776	36,487	48,263
Carrying amounts:				
As March 31, 2014	US\$	26,986	24,759	51,745

2013

		Office furniture and fixtures	Computer equipment	Total
Cost				
At April 1, 2012	US\$	17,032	44,008	61,040
Additions		120	2,657	2,777
At March 31, 2013		17,152	46,665	63,817
Depreciation				
At April 1, 2012		3,630	5,053	8,683
Depreciation for year		3,414	15,118	18,532
At March 31, 2013		7,044	20,171	27,215
Carrying amounts:				
As March 31, 2013	US\$	10,108	26,494	36,602

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2014

6. Accounts payable and accrued expenses

		2014	2013
Accounts payable	US\$	8,560	2,889
Accrued expenses		9,500	-
	US\$	18,060	2,889

7. Related party balances and transactions

For the years ended March 31, 2014 and March 31, 2013, the following were the significant transactions and balances with the Commissioners, the Director of the Commission and other related parties, which are not separately disclosed elsewhere in these financial statements.

		2014	2013
Director's salaries/ benefits plus Commissioners' fees and expenses	US\$	187,137	188,265

8. Operating lease commitments – as lessee

The Commission leases an office under a non-cancellable operating lease agreement. The non-cancellable lease term runs until August 2015.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		2014	2013
No later than 1 year	US\$	72,000	-
Later than 1 year and no later than 5 years		30,000	-
	US\$	102,000	-



APPENDIX A2



FINANCIAL STATEMENTS OF TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

» *Year ended March 31, 2015*



**TURKS & CAICOS ISLANDS
NATIONAL AUDIT OFFICE
Waterloo Road, Grand Turk
(649)-338-2739/40**

2 November, 2015

Attention: H.E. The Governor

Governor's Office
Waterloo Road,
Grand Turk.

RE: Turks & Caicos Islands Integrity Commission Audited Financial Statements

In fulfilling my responsibility as Auditor General under the Turks & Caicos Islands Constitution Order 2011 and the National Audit Office Ordinance 2012, I have relied on the work, statements and reports of WB Financial Group in relation to the *audited financial statements and additional agreed-upon procedures performed for the years ended 31 March, 2013 – 31 March, 2015*.

I concur with the opinion of WB Financial.

Anand Heeraman FCCA, CGA, CPA, CFE
Auditor General
National Audit Office
Waterloo Road, Grand Turk, Turks & Caicos Islands

cc. Minister for Finance,
cc. Clerk to the House of Assembly





September 22, 2015

WB Financial Group
PO Box 137 The Regent Village
Unit G202 Grace Bay Road
Providenciales Turks & Caicos Islands
British West Indies

**To the National Audit Office
Turks & Caicos Islands Integrity Commission**

Use of report

This report is made solely for the use of the National Audit Office (NAO), as a body, and solely for the NAO's requirement to ensure that the financial affairs of the Turks & Caicos Islands Integrity Commission (the Commission) are in compliance with Section 18 of the National Audit Office Ordinance for the year ended March 31, 2015, in accordance with the terms of our engagement letter dated April 13, 2015.

Our work has been undertaken so that we might report to the NAO those matters that we have agreed to state to them in this report, to allow the NAO to place reliance upon this opinion and present this to the House of Assembly, and for no other purpose. Except for presentation in the House of Assembly, our report must not be recited or referred to in whole or in part in any other document nor made available, copied or recited to any other party, in any circumstances, without our express prior written permission.

To the fullest extent permissible by law, we do not accept or assume responsibility to anyone other than the NAO, for our work, for this report or for the conclusions we have formed.

Subject matter

This report covers the requirement of Section 18 of the NAO Ordinance which requires a specific level of assurance for the audit of Government Entities.

Respective responsibilities

The Chairman and Members of the Commission are responsible for compliance with the statutory requirements as enumerated within Section 18 of the NAO Ordinance.

It is our responsibility to provide limited assurance that the Commission has complied with the statutory requirements as enumerated within Section 18 of the NAO Ordinance.

Scope of our examination

We conducted our examination in order to provide limited assurance under the International Standard on Assurance Engagements (ISAE) 3000 *Assurance engagements other than audits or reviews of historical financial information* issued by the International Federation of Accountants (IFAC).

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The procedures performed consist principally of tests of controls, transaction testing and testing to ensure the Commission has utilized its resources efficiently and effectively. Our examination excludes audit procedures such as verification of assets, liabilities and transactions and is substantially less in scope than an audit performed in accordance with International Standards on Auditing and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the Commission's compliance with the statutory requirements as enumerated within Section 18 of the NAO Ordinance.

Our procedures are not designed to cover the period at all times but we performed our procedures related to the fiscal year of the Commission from April 1, 2014 to March 31, 2015.

Conclusion

Based on our examination no matters have come to our attention that the Commission has not complied with the statutory requirements as enumerated within Section 18 of the NAO Ordinance in all material respects.

WB Financial Management Ltd.

Chartered Accountants
Providenciales, Turks & Caicos Islands



September 2, 2015



WB Financial Group
PO Box 137 The Regent Village
Unit G202 Grace Bay Road
Providenciales Turks & Caicos Islands
British West Indies

The Chairman & Members of the Commission
Turks & Caicos Islands Integrity Commission
Franklyn Missick's Building
Church Folly
Grand Turk
Turks and Caicos Islands

Dear Sirs,

RE: Audit of March 31, 2015 financial statements

Purpose and use: We have substantially completed our audit of the March 31, 2015 financial statements of Turks & Caicos Islands Integrity Commission (the Commission) and, subject to satisfactory completion of our remaining audit procedures, intend to issue an unqualified opinion on those statements. Professional standards require that we communicate certain matters to those charged with governance of the Commission. The following, which is intended solely for the use of the Chairman and Members of the Commission (the Commissioners) and management of the Commission, is a summary of that information.

Auditor's responsibility under generally accepted auditing standards: International Standards on Auditing require that we plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements is not designed to identify all matters that may be relevant to those charged with governance. Accordingly, the audit does not ordinarily identify all such matters and this report includes only those matters of a governance interest which came to our attention as a result of the performance of our audit.

Responsibilities of Management and those charged with governance: Management's responsibilities are detailed in the engagement letter to which this engagement was subject. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Other information in documents containing audited financial statements: We have not reviewed any other documents containing audited financial statements.

General approach and overall scope of the audit: We applied a top-down, risk-based approach to planning and conducting the audit, through the application of well-reasoned professional judgment. We obtained an understanding of the Commission's operations and the related risks, which drove our assessment of materiality and identification of audit risks, including significant risks, which are audit risks that require special audit considerations. We also obtained an understanding of how management controls these risks, by considering management's approach to internal controls, and we determined how we will test significant account balances and classes of transactions.

Our audit approach was primarily substantive and included the testing, on sample basis, of significant transactions and balances

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Significant accounting practices: We are responsible for providing our views about qualitative aspects of the Commission's significant accounting practices, including accounting policies, accounting estimates and financial statement disclosures. Generally accepted accounting principles provide for the Commission to make accounting estimates and judgments about accounting policies and financial statement disclosures. We are not aware of any changes to estimates made by management. We are not aware of any areas where the significant accounting practices have changed from previous year or are not consistent with general industry practice. In addition, we are not aware of any new or controversial accounting practices reflected in the Commission's financial statements.

Significant risks and exposures: Significant risks and exposures are disclosed in the financial statement footnotes.

Management's judgments and accounting estimates: There were no matters which required management to make significant judgments or which required significant estimates. Management has disclosed its most critical estimate in the notes to the financial statements though this is not considered to be a significant estimate.

Significant identified misstatements (both recorded and unrecorded): A summary of identified misstatements both recorded and unrecorded is attached in appendixes 1 and 2 respectively to this letter.

Going concern doubts: As a result of our audit, we did not become aware of any material uncertainties relating to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern.

Fraud or illegal acts: Applicable auditing standards recognize that the primary responsibility for the prevention and detection of fraud and compliance with applicable laws and regulations rests with both those charged with governance of the entity and with management. It is important that management, with the oversight of those charged with governance, place a strong emphasis on fraud prevention, and fraud deterrence. They are also responsible for establishing and maintaining controls pertaining to the entity's objective of preparing financial statements that are presented fairly, in all material respects, in accordance with the applicable financial reporting framework and managing risks that may give rise to material misstatements in those financial statements. In exercising oversight responsibility, those charged with governance should consider the potential for management override of controls or other inappropriate influence over the financial reporting process.

As auditors, in planning and performing the audit, we are required to reduce audit risk to an acceptably low level, including the risk of undetected misstatements in the financial statements due to fraud. However, we cannot obtain absolute assurance that material misstatements in the financial statements will be detected because of such factors as the use of judgment, the use of testing, the inherent limitations of internal control and the fact that much of the audit evidence available to the auditor is persuasive rather than conclusive in nature.

No fraud or illegal acts came to our attention as a result of our audit.

Disagreements with management: We have had no disagreements with management resulting from our audit.

Management representations: We have requested that management provide us with certain representations. The representations that we are seeking from management are available upon request.

Audit report: We do not intend to make any modifications to our audit report.

Other miscellaneous matters:

We are not aware of any consultations between management and other auditors about audit and accounting matters.

We have no questions regarding management integrity. No significant matters were discussed with management prior to our appointment as auditors.

No serious difficulties were encountered in the performance of our audit.

The attached appendix 3 describes the management letter points that were identified during the course of our engagement.

Other engagement commitments: There were no other specific matters agreed upon in the terms of our engagement.

If you would like to discuss the results of our audit or any other matters in further detail please feel free to call Ryan Blain or Jordan Bolton at (649) 941-7299.

This letter including any appendices is intended for the purpose and use set out above and should not be used for any other purpose or by any other party. It may not be made available to others without our consent.

Yours faithfully,

WB Financial



APPENDIX 1: SUMMARY OF ADJUSTED MISSTATEMENTS

March 31, 2015

Summary of adjusted differences

Client : **Turks and Caicos Islands Integrity Commission**
Year ended : **3/31/2015**

#	a/c	B/S		P&L		Narrative
		DR	CR	DR	CR	
1	Accruals Professional fees		6,000	6,000		Being accrual for audit fee for 2015
Total		0	6,000	6,000	0	
		Net P&L		-6,000		

APPENDIX 2: SUMMARY OF UNADJUSTED MISSTATEMENTS

March 31, 2015

Summary of unadjusted differences

Client : **Turks and Caicos Islands Integrity Commission**
year ended : **3/31/2015**

#	a/c	B/S		P&L		Narrative
		DR	CR	DR	CR	
1	Fixed assets Other sundry expense	444			444	Being freight and duty on capitalised item
Total		444	0	0	444	
		Net P&L		444		

APPENDIX 3:

Management Letter Points

The following are recommendations, while not exhaustive, that summarize some of the management points we noted and discussed with you during the year-end audit process:

1. Budget for FY2016

Observation

During our audit we reviewed the forthcoming budget for FY2016 we noted that the Commission proposed a budget of \$1,663,182 however the Government approved a budget of \$1,200,238. We have discussed the budget with the management who are of the opinion that an expenditure budget of \$1,663,182 is required in order for the Commission to properly and effectively perform its functions. As such we have been advised by the Commission that they intend to work to its proposed budget of \$1,663,182 and utilise its prior year cash reserves to fund the current deficit. We have been advised the Commission has communicated this to Government.

The current year approved subvention represents a 3% increase on the prior year whereas proposed expenditure is 39% above the actual approved budget. Whilst the Commission has the cash reserves in place to fund the shortfall of expenditures paid over subvention received in the current financial year it would require a significant increase in subvention in FY2017 to maintain this level of expenditure. Further we understand that there is currently no evidence to suggest that Government will be willing to fund such a significant increase.

Risk

Given there is such a significant variance in the agreed subvention and the required subvention, the Commission may encounter difficulties in being able to properly perform its functions in future years unless the Government agrees to the subvention or expenditures are cut back.

Recommendation

We recommend that the Commission open active discussions with Government as to the current position and the funding subvention level that is required for FY2017 and future years.

2. Audit fee accrual

Observation

During our audit we noted that no audit accrual had been included in the financial statements for FY 2014 or FY2015.

Risk

Liabilities and expenses were understated by \$15,500 which resulted in an audit adjustment.

Recommendation

We recommend that the audit fee be accrued on an annual basis in line with the fee as detailed in the signed engagement letter.

3. Freight & duty

Observation

During our audit of expenses we noted freight and duty costs which had been expensed relating to an APC UPS Backup Battery whereas the actual invoice had been capitalised to fixed assets.

Risk

As a result expenses are overstated and fixed assets understated.

Recommendation

We recommend that expenses be reviewed to ensure consistency of postings to the general ledger.





Financial Statements of

**TURKS AND CAICOS ISLANDS
INTEGRITY COMMISSION**

Year ended March 31, 2015



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Financial Statements
Year ended March 31, 2015

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Statement of Comprehensive Income	3
Statement of Changes in Equity	4
Statement of Cash Flow	5
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INDEPENDENT AUDITOR'S REPORT**To the Chairman and Members of Turks & Caicos Islands Integrity Commission**

We have audited the accompanying financial statements, which comprise the statement of financial position of Turks & Caicos Islands Integrity Commission (the Commission) as at March 31, 2015 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with IFRS.

Other Matters

This report, including the opinion, has been prepared for and only for the Commission's Chairman and Members, as a body and the Government of the Turks & Caicos Islands and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Chartered Accountants
Providenciales, Turks & Caicos Islands
Date: *SEPTEMBER 22, 2015*

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Statement of Financial Position

As at March 31, 2015
with comparative figures as at March 31, 2014

Expressed in United States Dollars

		2015	2014
ASSETS			
Current assets:			
Cash	US\$	507,012	534,378
Receivables		2,541	5,000
		509,553	539,378
Non Current Assets			
Property, plant and equipment (Note 5)		67,534	51,745
		577,087	591,123
LIABILITIES AND EQUITY			
Current Liabilities:			
Accounts payable and accrued expenses (Note 6)		27,582	18,060
		27,582	18,060
Equity			
General fund		549,505	573,063
	US\$	577,087	591,123

Approved for issuance on behalf of the Chairman and Members of the Turks and Caicos Islands Integrity Commission on SEPTEMBER 22, 2015.


Chairman


Director

The accompanying Notes form an integral part of these financial statements



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Statement of Comprehensive Income

Year ended March 31, 2015

with comparative figures for the year ended March 31, 2014

Expressed in United States Dollars

		2015	2014
Gross Revenue			
Government subvention	US\$	1,165,377	1,165,376
Expenses			
Salaries and benefits		849,357	461,566
Travel and subsistence		92,688	40,248
Rent		72,000	-
Commissioner fees and expenses		42,150	50,388
Other operating and administrative expenses		35,405	10,443
Depreciation		27,657	21,048
Utility expense		26,313	12,557
Office expenses		15,508	13,395
Professional fees		11,440	21,150
Training		7,320	5,807
Communication expenses		6,847	4,589
Bank charges		2,250	692
		1,188,935	641,883
Net (deficit) / surplus and total comprehensive (loss) / income for year	US\$	(23,558)	523,493

The accompanying Notes form an integral part of these financial statements

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Statement of Changes in Equity

Year ended March 31, 2015

Expressed in United States Dollars

		Total
Balance as at April 1, 2013	US\$	49,570
Comprehensive income		
Net surplus and total comprehensive income for the year		523,493
Balance as at March 31, 2014		573,063
Comprehensive income		
Net deficit and total comprehensive loss for the year		(23,558)
Balance as at March 31, 2015	US\$	549,505



The accompanying Notes form an integral part of these financial statements

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Statement of Cash Flow

Year ended March 31, 2015

with comparative figures for the year ended March 31, 2014

Expressed in United States Dollars

		2015	2014
Cash flows from operating activities			
Net (deficit) / surplus and total comprehensive (loss) / surplus for the year	US\$	(23,558)	523,493
Adjustment for:			
Depreciation		27,657	21,048
		4,099	544,541
Changes in working capital other than cash			
Receivables		2,459	(5,000)
Accounts payable and accrued expenses		9,522	15,171
Net cash from operating activities		16,080	554,712
Cash flows from investing activities			
Additions to property, plant and equipment		(43,446)	(36,191)
Net cash used in investing activities		(43,446)	(36,191)
Net change in cash		(27,366)	518,521
Cash at beginning of year		534,378	15,857
Cash at end of year	US\$	507,012	534,378

The accompanying Notes form an integral part of these financial statements

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For the year ended March 31, 2015

1. General information

The Commission was established under the Integrity Commission Ordinance (Ordinance 8 of 2008 as amended). Section 102 of the Turks & Caicos Islands Constitution Order 2011 made further provisions on the Commission as an institution protecting good governance. The primary responsibility of the Commission is to promote integrity, honesty and good faith in public life in the Turks and Caicos Islands.

The principal place of business of the Commission is at Church Folly, Grand Turk, Turks & Caicos Islands (TCI).

2. Basis of preparation

(a) *Statement of compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

(b) *Basis of measurement*

These financial statements have been prepared on an historical cost basis.

The methods used to measure fair values are discussed further in Note 4.

(c) *Functional and presentation currency*

These financial statements are presented in United States (US) dollars, which is the Commission's functional currency. All financial information presented in US dollars has been rounded to the nearest dollar.

(d) *Use of estimates and judgements*

The preparation of these financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the opinion of management, there are no judgements, estimates or assumptions that will have a material impact on these financial statements.



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2015

2. Basis of preparation, continued

(e) *Changes in accounting policy and disclosures*

(i) New and amended standards and interpretations adopted by the Commission

There are no IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 April 2014 that would be expected to have a material impact on the Commission.

(ii) New and amended standards and interpretations issued but not effective for the financial year beginning 1 April 2014 and not early adopted

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the financial statements.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Commission.

(a) *Non-derivative financial assets*

The Commission initially recognises loans, receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Commission becomes a party to the contractual provisions of the instrument.

The Commission derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial assets that is created or retained by the Commission is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented on the statement of financial position when, and only when, the Commission has a legal right to offset the amount and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Commission's non-derivative financial assets comprise loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest rate method, less impairment losses.

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2015

3. Significant accounting policies, continued

(a) *Non-derivative financial assets, continued*

Loans and receivables of the Commission comprise cash and receivables.

(i) Cash

Cash comprises cash balances and call deposits with original maturities of three months or less from the date of purchase. Any bank drafts that are payable on demand and form an integral part of the Commission's cash management are included as a component of cash for the purposes of cash flows.

(ii) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provisions for impairment. A provision for impairment is established when there is objective evidence that the Commission will not be able to recover all amounts due according to the original terms of the contracts. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

(b) *Non-derivative financial liabilities*

The Commission recognises debt securities issued and subordinated liabilities on the date they are originated. All other financial liabilities are recognised initially on the trade date at which the Commission becomes a party to the contractual provisions of the instrument.

The Commission derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Commission has accounts payable as non-derivative financial liabilities. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

(c) *Accounts payable*

Accounts payable are stated at cost.



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2015

3. Significant accounting policies, continued

(d) *Property, plant and equipment*

(i) *Recognition and measurement*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (note 3(f)(ii)). Cost includes expenditures that are directly attributable to the acquisition of property, plant and equipment. Gains or losses arising from the disposal of property, plant and equipment are reflected in the statement of comprehensive income.

(ii) *Subsequent costs*

The cost of replacing an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied will flow to the Commission and its cost can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment is recognised in the statement of comprehensive income as incurred.

(iii) *Depreciation*

Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

Office furniture and fixtures	5 years
Computer equipment	3 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(e) *Government subvention and grants*

Government subvention and grants are recognised initially as deferred income when there is reasonable assurance that they will be received and that the Commission will comply with the conditions associated with the subvention or grant. Subvention and grants that compensate the Commission for expenses incurred are recognised in the statement of comprehensive income on a systematic basis in the same periods in which the expenses are recognised. Subvention and grants that compensate the Commission for the cost of an asset are recognised in the statement of comprehensive income on a systematic basis over the useful life of the asset.

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2015

3. Significant accounting policies, continued

(f) *Impairment*

(i) *Financial assets*

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Commission on terms that the Commission would not consider otherwise, indications that a debtor or issuer will enter bankruptcy or the disappearance of an active market for a security.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. In assessing collective impairment, the Commission uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement.

All impairment losses are recognised in the statement of comprehensive income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the statement of comprehensive income.

(ii) *Non-financial assets*

The carrying amounts of the Commission's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash generating unit).



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2015

3. Significant accounting policies, continued

(f) *Impairment, continued*

(ii) *Non-financial assets, continued*

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

(g) Lease payments

Payments made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expenses, over the term of the lease.

(h) Provisions

A provision is recognised if, as a result of a past event, the Commission has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

4. Financial instruments

(a) *Financial risk management*

The Commission's activities expose it to a variety of financial risks namely credit and liquidity risks.

The Chairman and Members of the Commission (the Commissioners) have overall responsibility for the establishment and oversight of the Commission's risk management framework. The Commissioners are responsible for developing and monitoring the Commission's risk management policies.

The Commission's risk management policies are established to identify and analyse the risks faced by the Commission, 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.

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2015

4. Financial instruments (continued)

(a) *Financial risk management (continued)*

The Commission, through its training, management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Commissioners oversee how management monitors compliance with the Commission's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Commission.

(i) *Credit risk*

Credit risk is the risk of financial loss to the Commission if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Commission's cash.

The Commission banks primarily with recognised banks and financial institutions with minimal risk of default apparent. Provision is made where there is apparent default from a financial institution.

The maximum exposure to credit risk for cash equates to the carrying value of those financial instruments.

The carrying amount of financial assets represents the maximum amount of exposure. The maximum amount of exposure to credit risk at the reporting date was:

	2015	2014
Cash	507,012	534,378

Credit quality of financial assets

The credit quality of financial assets that are neither past due or impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	2015	2014
Cash at bank and short-term bank deposits		
AA rated financial institutions	507,012	534,378



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2015

4. Financial instruments, continued

(a) *Financial risk management, continued*

(ii) *Liquidity risk*

Liquidity risk is the risk that the Commission will encounter difficulties meeting 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 liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Commission's reputation.

All the Commission's liabilities fall due within one year.

(b) *Fair value determination*

A number of the Commission's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes as described below. Where applicable, further information about the assumptions made in determining fair value has been disclosed in the Notes specific to that asset or liability.

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties.

Due to their short-term nature, the carrying amounts of the financial assets and liabilities, of the Commission approximate to their fair value.

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2015

5. Property, plant and equipment

2015

		Office furniture and fixtures	Computer equipment	Total
Cost				
At April 1, 2014	US\$	38,762	61,246	100,008
Additions		288	43,158	43,446
At March 31, 2015		39,050	104,404	143,454
Depreciation				
At April 1, 2014		11,776	36,487	48,263
Depreciation for year		7,846	19,811	27,657
At March 31, 2015		19,622	56,298	75,920
Carrying amounts:				
As March 31, 2015	US\$	19,428	48,106	67,534

2014

		Office furniture and fixtures	Computer equipment	Total
Cost				
At April 1, 2013	US\$	17,152	46,665	63,817
Additions		21,610	14,581	36,191
At March 31, 2014		38,762	61,246	100,008
Depreciation				
At April 1, 2013		7,044	20,171	27,215
Depreciation for year		4,732	16,316	21,048
At March 31, 2014		11,776	36,487	48,263
Carrying amounts:				
As March 31, 2014	US\$	26,986	24,759	51,745



TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

Notes to Financial Statements

For year ended March 31, 2015

6. Accounts payable and accrued expenses

		2015	2014
Accounts payable	US\$	8,782	8,560
Accrued expenses		18,800	9,500
	US\$	27,582	18,060

7. Related party balances and transactions

For the years ended March 31, 2015 and March 31, 2014, the following were the significant transactions and balances with the Commissioners, the Director of the Commission and other related parties, which are not separately disclosed elsewhere in these financial statements.

		2015	2014
Director's salaries/ benefits plus Commissioners' fees and expenses	US\$	182,110	187,137

8. Operating lease commitments – as lessee

The Commission leases offices under non-cancellable operating lease agreements.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		2015	2014
No later than 1 year	US\$	57,000	72,000
Later than 1 year and no later than 5 years		60,750	30,000
	US\$	117,750	102,000

APPENDIX B



INQUIRY REPORTS

TURKS AND CAICOS ISLANDS INTEGRITY COMMISSION

TURKS AND CAICOS ISLANDS



**REPORT OF AN INQUIRY CONCERNING DECLARATIONS OF
MRS. JUDITH CAMPBELL UNDER THE INTEGRITY COMMISSION
ORDINANCE 2008 AS AMENDED**

INQUIRY NO. FI/JC/3-10/1/12

TO: THE PUBLIC SERVICE COMMISSION

THE CHIEF EXECUTIVE

and

THE ATTORNEY GENERAL

1. On Monday, 19th March 2012, The Integrity Commission (the Commission) conducted an Inquiry under section 32 of the Integrity Commission Ordinance 2008 as amended (the Ordinance).
2. The Members of the Commission who participated in the Inquiry were as follows:
 - Sir David Simmons, Chairman
 - Mr. Gary Brough
 - Rev. Reuben Hall
 - Mr. Paul Harvey
3. The Inquiry concerned Declarations filed by Judith Campbell on 4th August 2012 and 11 February 2011 respectively.
4. Mrs. Judith Campbell was present and represented by Mr. Robert Nathaniel D'Arceuil, Attorney-at-law. She gave evidence on oath to the

Commission. Mrs. Wanda Ariza, Secretary to the Commission attended and took notes of the proceedings.

5. Mr. Simon Baker, Investigative Officer of the Commission, asked questions of Mrs. Campbell, after which members of the Commission addressed questions to her and her attorney-at-law was invited to make submissions.

Summary of the Evidence

6. Mrs. Campbell agreed that her declarations related to the period July 2009 – July 2010. She testified that the company, TB Development Ltd, was incorporated on 30 July 2006 and, at the date of incorporation, the nominee Director was Apex Directors Ltd and the shareholders were Alliance Nominees Ltd (90 shares) and THE DECLARANT (10 shares). By the time of filing her declaration, the shareholders had changed to herself and Alliance Nominees Ltd. Mr. Melbourne Wilson was a Director of Alliance Nominee Ltd as well as Alliance Directors Ltd. She was then questioned in respect of the status, tenure and circumstances surrounding two parcels of land viz. parcel 60000/139 and parcel 60000/140.

7. Re: PARCEL 60000/139

Mrs. Campbell said that this land was purchased in 2006 and TB Developments Ltd paid \$695,000.00 to Government for the Land. This parcel was declared in her declarations.

8. Re: PARCEL 60000/140

This parcel of land was not disclosed on Mrs. Campbell's declaration. She said this parcel is also owned by TB Development Ltd and was purchased at the same time as lot 139 (supra). She said that the assets of TB Development Ltd are the lands in lot 139 and lot 140. Counsel intervened to suggest that as Mrs. Campbell was not a Director of TB Development Ltd, she could not give evidence about lot 140. The Chair ruled that she could give evidence about matters of which she had knowledge. Mrs. Campbell said that both lots were valued at \$695,000.00 each.

9. She said that her failure to disclose lot 140 was due to an oversight. At the date of her declaration, her annual salary was approximately \$71,000.00. Mrs. Campbell's further explanation or excuse for not disclosing lot 140 was that, although as a shareholder she knew of the transaction relating to it, she did not know that she had to disclose it BECAUSE the company bought the land from a third party. She said "at the time of the declaration my mind



was fixed on things that had come through me" i.e. she was responsible for bringing lot 139 into the company but, in respect of lot 140, someone else brought the lot into the company.

10. Under examination by Commissioners, Mrs. Campbell said that TB Development paid \$695,000.00 per parcel for lots 139 and 140. Lot 139 was originally Crown land and the full market value was paid for it. No Belonger discount was obtained in respect of either lot 139 or lot 140. She explained that, when the two parcels (lots) were purchased, the Government was paid stamp duty together with the purchase price of \$695,000.00. Her 10% of the shares in TB Development Ltd are worth \$351,000.00 and she also received \$526,000.00. During her evidence Mrs. Campbell mentioned that lot 139 was sold for \$1,756,000.00.

11. When re-examined by her Attorney, Mrs. Campbell said that at the time of filing her declaration she was "not focusing" on TB Development Ltd. She produced a document setting out the policy in respect of Crown Lands and said that the transaction complied with paragraph 8 of the policy.

Findings of the Commission

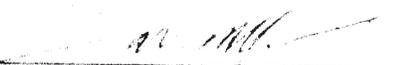
12. The Commission did not believe Mrs. Campbell's explanation that her failure to disclose lot 140 was "an oversight". The Commission finds it incredible that a person could be involved in a company which purchased two lots of 5 acres each and made disclosure of one lot but not the other. We find that Mrs. Campbell deliberately concealed information about lot 140 on her declarations.

13. The Commission is fortified in its findings because Mrs. Campbell produced a document, namely, a letter dated 16 March 2012, from the Deputy Commissioner of Lands which is appended to this report as Appendix 1. She also produced two other documents namely, a letter from the Commissioner of Lands dated 26th July 2006 and certified copy of the Land Register in respect of parcel 60000/140. These are Appendices 2 and 3 respectively.

14. The Commission is bound to say that it does not comprehend how a transaction involving 5 acres of land which was the subject of Cabinet Approval and in which Mrs. Campbell was specifically named, could suddenly have escaped her memory four or five years later. The document referred to as Appendix I, reinforces the belief of the Commissioners that Mrs. Campbell's excuse/explanation of an oversight was not genuine.

15. This report is the unanimous report of all the Commissioners who participated in the Inquiry

Dated this 27th day of March, 2012



Sir David Simmons (CHAIRMAN)



TURKS AND CAICOS ISLANDS



**REPORT OF AN INQUIRY CONCERNING DECLARATION OF
ARTHUR SMITH UNDER THE INTEGRITY COMMISSION ORDINANCE
2008 (AS AMENDED)**

INQUIRY NO. FI/AS/3-10/3/12

TO: H.E. THE GOVERNOR

THE PORTS AUTHORITY

and

THE ATTORNEY GENERAL

On Thursday 17 May 2012, The Integrity Commission (the Commission) conducted an Inquiry under section 32 of the Integrity Commission Ordinance 2008 as amended (the Ordinance)

BEFORE: Sir David Simmons (Chairman)
Bishop Clarence Williams
Rev. Reuben Hall
Mr. Gary Brough
Mr. Martin Green
Mr. Paul Harvey

In Attendance: Mr. Simon Baker

Appearances: Mr. Kwame Smith, Attorney-at-Law for Mr. Arthur Smith

1. By NOTICE dated 30 April, Mr. Arthur Smith was required to attend a meeting of the Integrity Commission on 17 May 2012 for the purpose of inquiring into declarations dated 13 August 2010 and 9 March 2011 respectively as filed by Mr. Smith.



ISSUES

2. The Commission, pursuant to its discretionary powers conferred by S.32 of the INTEGRITY COMMISSION ORDINANCE 2008 (as amended), required the attendance of Mr. Smith to be heard in respect of the following matters relating to his Declarations, namely:
 - (i) The ownership, assets and value of the company or business entity called S&L Enterprises;
 - (ii) The tenure or ownership of the parcel of land, numbered 10506/41 situate at South Suburbs, Grand Turk.

THE DECLARATIONS

3. Mr. Smith filed the declarations mentioned above for the period August 2009 – August 2010. The first declaration (13 August 2010) under the rubric “Assets” disclosed 2 parcels of land. Under the rubric “Shareholding in Companies....” a shareholding in a company, TAC Ltd was disclosed. In his second declaration (7 March 2011) details of income for the relevant period were stated although no details under the relevant part of the declaration were included in the first declaration. Four sources of income were stated in the second declaration.

THE EVIDENCE

4. Mr. Smith’s evidence disclosed that he is and was at the material time (August 2009- August 2010) a person in public life, within the meaning of the Ordinance. He became Chairman of the Ports Authority in 2010 but, with effect from 2009, he had been a member of the Authority.
5. Mr. Smith is a cousin of Lawrence Talbot. A quite considerable time ago Mr. Talbot suffered severe injuries. He lost both arms in an accident. He received substantial compensation for his injuries and took steps to invest some of the money.

THE INVESTMENTS

6. The parcel of land, numbered 10506/41, South Suburbs, Grand Turk was vacant. Messrs Smith and Talbot were granted a Conditional Purchase Lease by the Ministry of Environment and District Administration in 2002; they decided to construct a building on the parcel of land. Mr. Talbot invested some of the money he had received into a proposed joint venture. Mr. Smith was unable to make any substantial financial contribution and the joint venture did not become a reality. However, Mr. Smith oversaw and supervised the construction of the building. He was, in effect, the building contractor. As he put it "I built the building for Mr. Talbot."

RENTAL OF BUILDING

7. About 2007, when Mr. Talbot was living overseas, the building was rented to the Ports Authority. The rents were paid to an account at the TCI Bank in the joint names of Messrs. Smith & Talbot. When the bank collapsed, the rents were paid to Mr. Smith until October 2011.

LEASE

8. It appears that no formal lease or exchange of letters were in existence to evidence the arrangement made under which Messrs. Talbot and Smith occupied and constructed the building; and no lease was executed between the Ports Authority and Messrs Talbot and Smith prior to 2008. However Mr. Smith tendered in evidence a lease undated except for stating the year as "2008" purporting to be made between the Ports Authority and S&L Enterprises. Mr. Smith was named as "Managing Partner". He signed the document and a Director of the Ports Authority also signed it. It was a lease for 4 years.

POWER OF ATTORNEY AND ACCESS TO BANK ACCOUNT

9. When Mr. Talbot moved abroad, he gave Mr. Smith a Power of Attorney limited to the latter's authority to conduct financial and banking business on behalf of Mr. Talbot. Mr. Smith had access to Mr. Talbot's bank account and, in particular, to the account into which rents from the Ports Authority were paid. In fact Mr. Smith said that when the matter of the Lease came to the Board of Directors of the Ports Authority, he told the members that he was responsible for the



building. He said no one objected when he directed that the rents be paid to him. It was common knowledge that he was Mr. Talbot's ALTER EGO in Grand Turk.

10. With access to the bank account, Mr. Smith paid all expenses properly attributable to Mr. Talbot; he also re-imbursed himself when he had expended money on Mr. Talbot's behalf.
11. He further agreed that, from time to time, if he needed relatively small sums (\$1,000 - \$1,200) he would pay himself. These sums were considered no more than compensation for his time and trouble and re-imburement of expenditure on behalf of Mr. Talbot. There were approximately 6 or 7 such payments per year. These were rather in the nature of gratuities than remuneration properly so called.

NON-DISCLOSURE

12. At the hearing Mr. Smith agreed that he ought to have disclosed this income on his declaration but the matter was not present to his mind at the time.

CONFLICT OF INTEREST

13. Mr. Smith produced a letter dated 26 September, 2011 from Mr. Martin Stanley in which Mr. Stanley drew attention to Mr. Smith's "Role as Chairman of the Ports Authority and the representative of Lawrence Talbot" in the TCI (A copy of this letter is appended to this report). Inter alia, the letter pointed out that, Mr. Smith's role as Chairman and his role as Mr. Talbot's agent in respect of the rental of the Ports Authority Building, gave rise to a conflict of interest.
14. Mr. Smith replied by letter dated 1 October 2011 (reply also appended). He assured us that, as soon as he was alerted to the conflict situation, he forthwith ceased to receive any rents on behalf of Mr. Talbot, to whom he also copied his reply.

FINDINGS

15. Having seen and heard Mr. Smith, it is our finding that Mr. Smith did not intentionally conceal the income which he received from management of Mr. Talbot's affairs. There was a loose arrangement between members of a family in which nothing was committed to writing, save and except the Power of Attorney.
16. We find that there was no partnership whose existence was not disclosed on the declarations. Mr. Smith was truly an agent, as evidenced by the Power of Attorney. We are of the view that his failure to disclose any income was the result of an honest mistake. Because of the loose nature of the family arrangement, we doubt whether Mr. Smith could truthfully quantify what sums he paid himself over time.
17. We find that there was neither a company nor a partnership called S&L Enterprises. S&L Enterprises was, in law, a trade or business name. It was adopted at the time of the initial investment when both parties contemplated a joint venture. When that vehicle became immobilized, Mr. Talbot continued to use the name and Mr. Smith was able to facilitate transactions on Mr. Talbot's behalf through continued use of the name.
18. As to the second issue raised in the NOTICE, viz the tenure or ownership of the land, it is our finding that, since 2008, the land numbered 10506/41 has been occupied under a Lease by S&L Enterprises at a monthly rent of \$3,600.00. On the other hand, for the period prior to 2008 it is our finding that the relevant authorities of the Crown permitted occupation of the land and construction of the building without ensuring that all necessary documentation was prepared and signed by the relevant parties.

CONFLICT OF INTEREST

19. This issue came to the attention of the Commission EX IMPROVISO during the hearing. Mr. Smith was not given notice that this was a matter which the Commission intended to inquire



into. We are satisfied, however, that this matter was drawn to the attention of any Board members and none objected to Mr. Smith receiving the rent on behalf of Mr. Talbot.

20. Although ignorance of the law is no excuse and Mr. Smith is presumed to be aware of paragraph 7 of Schedule 1, of the Ports Authority Ordinance 2007, having regard to all the circumstances, it is our finding that Mr. Smith did not intend any corrupt practice. We take into account also his immediate cessation of the practice of confusing his duty as Chairman with his personal interest as agent for Mr. Talbot when Mr. Stanley alerted him to the breach of the law.

RECOMMENDATION

21. Among the functions of the Commission set out in Section 13 of the Ordinance are these:

“(f) To examine the practices and procedures of public bodies in order to Facilitate the discovery of corrupt practices, except where there is a statutory duty on any person to perform that function.”

“(g) To instruct, advise and assist the management of public bodies of any change of practices and procedures which may be necessary to Reduce the occurrences of corrupt acts, except where there a statutory duty of any person to perform that function”

22. Accordingly, we are of the opinion that we should make the following recommendation to the Ports Authority with a view to promoting good governance, transparency and improving integrity in public life:-

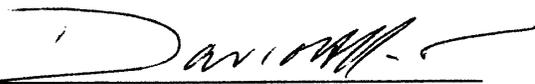
1. Management should ensure that, at the very first meeting of a member or members of the board, the provisions of the Ports Authority Ordinance and the Integrity Commission Ordinance are explained to all members including the Chairman.
2. So long as Mr. Smith continues to be a member of the Ports Authority Board, he must desist from being part of any discussion concerning the building and should excuse himself during the meeting and have the fact of his excuse minuted.

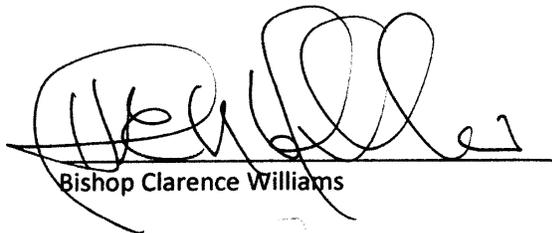
3. Before any new lease is entered into, the board should appoint a reputable and qualified valuer of real property to investigate and recommend a fair and equitable rent for use of the building.

DECISION

23. Having regard to all the circumstances and matters raised in this Inquiry, the Integrity Commission is unanimously agreed that a Certificate of Compliance be issued to Mr. Arthur Smith for the period August 2009 – August 2010

Dated this *18th* day of *May* May 2012

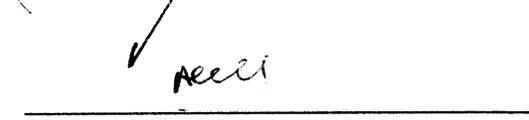

Chairman, Sir David Simmons KA BCH Q.C


Bishop Clarence Williams


Rev. Reuben Hall


Mr. Gary Brough


Mr. Martin Green


Mr. Paul Harvey

**REPORT OF AN INQUIRY CONCERNING A COMPLAINT OF AN ACT OF
CORRUPTION BY EZEKIEL HALL UNDER THE INTEGRITY
COMMISSION ORDINANCE 2008 (AS AMENDED)**

INQUIRY NO.CI-EH-9-1-2012

TO: THE ATTORNEY GENERAL

On 2nd October 2012, the Integrity Commission (the Commission) conducted an Inquiry under section 56 of the Integrity Commission Ordinance 2008 as amended (the Ordinance).

BEFORE: Sir David Simmons (Chairman)
Bishop Clarence Williams
Rev. Reuben Hall
Mr. Gary Brough
Mr. Martin Green
Mr. Paul Harvey

In Attendance: Mr. Simon Baker

Appearances: Mr. Ezekiel Hall
Mr. Mark Fulford, Attorney-at-Law for Mr. Ezekiel Hall

THE COMPLAINT

1. The Commission conducted an inquiry into an alleged act of corruption by Mr. Ezekiel Hall pursuant to Section 56 of the Integrity Commission Ordinance. Mr. Hall was at the time the Deputy Permanent Secretary at the Department of Immigration and the complaint was made by his immediate superior, Ms. Clara Gardiner.
2. The details of the complaint are set out in the report of 21st August 2012 by Ms. Gardiner to the Chief Executive Officer and Human Resources Director.



It was alleged that during the course of legal proceedings to which he was party in a personal capacity, he used his position to check the immigration status of his opponent's attorney, Ms. Samantha Ryan of Swann and Swann. Having established that the attorney's application for a temporary permit was still pending, he caused officers to attend firstly the attorney's office and ultimately the Supreme Court on an occasion when his matter was to be heard, in order to prevent the attorney from working.

3. The report refers to the fact that Mr. Hall was said to be indebted to his opponent in the sum of \$90, 000. We did not consider this matter which is more properly dealt with in the litigation itself. We should add that the apparent delay in dealing with the work permit application was not, so far as we were able to ascertain, something for which Mr. Hall was responsible.

THE EVIDENCE

4. In addition to Ms. Gardiner's report, we were assisted by reports from the Assistant Director of Immigration and from the following officers who have been directly involved in the matter: Deomando Clare, Bjorn Griffith and Cynthia Fulford-Oxil. We also had sight of a report into the matter filed by Mr. Hall himself. We were further assisted by the report of our own Investigative Officer.
5. At its meeting of 2nd October 2012, the Commission heard oral evidence from Mr. Hall and submissions from his attorney-at-law.

SUMMARY OF MR. HALL'S CASE

6. Both Mr. Hall and his attorney-at-law submitted that Ms. Gardiner's complaint stemmed from the insecurity of Ms. Gardiner vis-à-vis Mr. Hall. According to Mr. Fulford, Ms. Gardiner's insecurity was reflected in her



failure to allow Mr. Hall to carry out his role and responsibilities. He said that Ms. Gardiner was fearful of losing standing in the eyes of the senior management team.

7. Mr. Hall said that when he joined the Ministry in April 2012, the image of both the Ministry and Immigration Officers was extremely negative. Staff morale was “at an all-time low”. He said that his primary focus was to change that image and demonstrate to the Officers that the Ministry would support the staff so long as their actions were in accordance with the rule of law. He said that the public did not respect the Immigration Department and he mentioned two occasions on which Immigration Officers were insulted and/or humiliated.
8. He therefore took it upon himself to champion the cause of Immigration Officers and boost their morale. He said that, through the Sub-Board, he sought to establish policies to change the image of the Ministry and Department. Ms. Gardiner was in support of the efforts to change the Department’s image but, in Mr. Hall’s view, she had issues with Officers coming to me”.
9. With respect to the complaint pertaining to Ms. Ryan, Mr. Hall said that he did not know that Ms. Ryan was acting as attorney-at-law against his company Halltech Ltd. His company had filed a counterclaim against Ms. Ryan’s client. He said that he first came into contact with Ms. Ryan on 26th July 2012 and he enquired about her immigration status. At the time he was in court. He ascertained that she had no Work Permit. On that very day, he notified the Permanent Secretary and told her that the matter in court might involve an attorney-at-law who did not have a Work Permit. He claimed that Ms. Gardiner did not alert him to the possibility of a conflict of interest or that he was likely to be in breach of the General Orders. He said that the report he sent on 2nd August 2012 was not a response to the Permanent Secretary or to

any charge of misconduct but he said that, on the day before, (1 August 2012), Ms. Gardiner had warned him that his actions might have an adverse effect on the reputation of the Islands.

10. Mr. Hall told the Commission that when he found out that Ms. Ryan “was illegal”, his public duty overrode his personal interests and he did not seek to gain any advantage for his own benefit. In so far as her application process was delayed, he was not responsible. He asked senior officials why the application process was delayed and those responsible could not give an account of tracking process or provide a written response. Mr. Hall further claimed that on 1st August 2012, he advised Parker and Lewis that “the application needed to be dealt with on its own merits”.
11. He said that all he did was to ask Ms. Ryan to discontinue work until her status was regularised so that her appearance before the Court was in accordance with the law. “I wanted to bring her into compliance with the law; not intimidate her or suppress her activities.”
12. He said that Ms. Ryan’s application was incomplete and it was the Department’s policy not to accept incomplete applications. He said that before he saw Ms. Ryan, he had instructed Parker and Lewis to do a thorough check and have the application sorted out but he had “nothing to do with the processing of Ryan’s application”.
13. Mr. Hall denied that he had given directions to the police or the bailiff in respect of the litigation. He said “I merely informed the officers that Ryan was still working illegally. I wanted the officers to see that she was still working after being warned. The officers were told not to enter the courtroom or cause any disturbance.”



14. When Ms. Ryan applied for an adjournment of the case, Mr. Hall instructed his attorney-at-law to seek an adjournment also “because Ms. Ryan no longer had any proper status in the TCI but my lawyer did not raise the point”.
15. He said that it never occurred to him that he should avoid having anything to do with the case because of his private interests.
16. Mr. Hall’s employment came to an end on 29 August 2012.

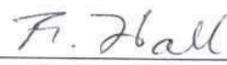
CONCLUSION AND FINDINGS

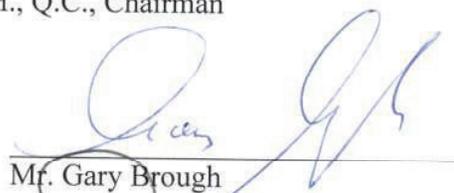
17. The Commission, by a majority (5:1) concluded that a criminal offence may have been committed under s.44 of the Ordinance and agreed that a report be transmitted to the Attorney-General pursuant to s.56(1)(c) of the Ordinance
BECAUSE:
 - (i) the written reports of the Immigration Officers who were at Court were clear and unambiguous that they had acted on Mr. Hall’s instructions throughout. Where his evidence was in conflict with the written reports, the Commission preferred the evidence contained in the written reports.
 - (ii) We therefore disbelieved Mr. Hall’s evidence in relation to the Ryan matter. He said at one point that he was surprised to see Immigration Officers at Court but when confronted with the contents of their reports, Mr. Hall said that he instructed them to attend but not enter the Court.
 - (iii) He denied that he had suggested that Ms. Ryan be arrested but it is clear from the Officers’ written reports that an arrest was precisely what was envisaged.
 - (iv) At the time when Mr. Hall first saw Ms. Ryan in Court, appearing in a private matter against him, he ought to have been aware of the potentiality of a

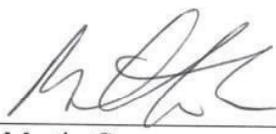
conflict of his personal interests with his public duties. He took no proper steps to avoid such a conflict but, rather, proceeded to use the weight of his office to embarrass or harass Ms. Ryan. Such conduct, in the opinion of the Commission, appeared to be caught by the provisions of s.44(d) of the Ordinance.

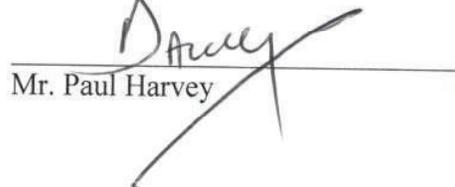
- (v) The Commission placed no weight on the matters referred to at paras.6-8 (above) since they were not relevant to the gravamen of the complaint.


Sir David Simmons K.A, B.C.H., Q.C., Chairman


Rev. Reuben Hall


Mr. Gary Brough


Mr. Martin Green


Mr. Paul Harvey

Dated this 28th day of January 2013.



THE CHURCH OF GOD OF PROPHECY



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Bishop of Turks and Caicos
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COMPLAINTS OF ACTS OF CORRUPTION AGAINST PERSONS IN PUBLIC LIFE

AGAINST

Mr. Ezekiel Hall,
Deputy Permanent Secretary, Ministry of Border Control & Labour

AN INQUIRY

held at the Integrity Commission's office,
Grand Turk

on

Tuesday, 02nd October, 2012 in the fore-noon

COMMISSIONERS PRESENT:

Sir. David Simmons, Chairman
Bishop Clarence N. Williams
Mr. Gary Brough,
Mr. Paul Harvey,
Rev. Reuben Hall
Mr. Martin Green.

Mr. Ezekiel Hall
Mr. Mark Fulford, Mr. Hall's attorney

THE COMPLAINT AND CIRCUMSTANCES are duly wet out in a letter dated 20th September, 2012 from the Commission's Director and addressed to Mr. Ezekiel Hall.

THE MINORITY REPORT

Point One

In the oral defense evidence given by Mr. Ezekiel Hall, he clearly stated several new and never before heard points of accusations against his chief complaint, Mrs. Clara Gardiner, his immediate boss and Permanent Secretary in the Ministry of Border Control and Labour. In addition, he made substantial accusations against several Immigration Officers. All were concerned and connected to the inquiry.

Since some of the accusations were substantial, it is my opinion that the Commissioners should have invited Mrs. Gardiner and the Immigration Officers to respond to the said accusations. This would provide more fairness and balance to the Commissioners' inquiry as to a possible corrupt act by Mr. Hall.

Point Two

The written evidence before the Commissioners by Mrs. Clara Gardiner and others has been labeled by Mr. Hall as "untrue", "incorrect" and "it never happened".

Again, it is the opinion of this Commission that Mrs. Gardiner and the others should have been asked to appear before the Commissioners to respond. With their written or oral response, I would have been able to form a more fair and balance opinion concerning a possible corrupt action by Mr. Hall and any recommendation I might make to the Attorney General.

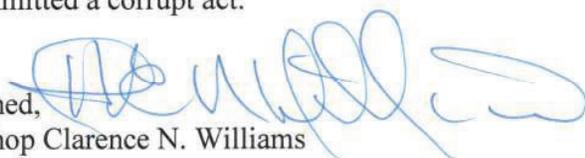
Point Three

Mr. Hall gave sworn evidence before the Commissioners, Mrs. Gardiner and the others did not.

CONCLUSION

In light of the points aforementioned, this Commissioner is presently of the opinion the Commissioners did not received sufficient fair and balanced information that Mr. Hall had committed an act of possible corruption and as such, at this time, this Commissioner does not recommend to the Attorney General that Mr. Hall may have committed a corrupt act.

Signed,
Bishop Clarence N. Williams
Member, Integrity Commission



Dated at Providenciales, Sunday, 07th October, 2012



In the matter of the Code of Conduct for Persons in Public Life

And

In the matter of the Report by the DPP of an incident of discharge of firearms involving

the Hon. Minister Don-Hue Gardiner:

Report /Complaint no: CC/R-C/DG/4/1/13

Report of investigation into alleged contravention of the Code of Conduct by the Hon. Don-Hue Gardiner pursuant to section 58(C) of the Integrity Commission Ordinance (the Ordinance).

The Report:

1. On April 17, 2013, the Director of Public Prosecution (DPP) sent to the Integrity Commission (the Commission) an incident report of the discharge of firearm at Sand Bar, Grace Bay by one Sanjay Tolani who was, at all material times, in the company of Hon. Minister Don-Hue Gardiner (The Hon. Minister). The DPP was of the view that on the facts, a duty arose for the Commission to investigate under the Ordinance. She was also of the opinion that her duty as a public official under Chapter 1, paragraph 4 of the Code of Conduct and section 15 of the Public Service Ordinance required her to refer the matter to the Commission. The alleged facts and circumstances are set out in her Report (**Appendix A**).
2. The DPP subsequently sent the Commission a copy of the police file on the matter. This file contained copies of Witness Statements and materials that are also relevant to ongoing related criminal proceedings against Sanjay Tolani. It was therefore given to the Commission on the



undertaking that the content should be treated and used with confidence and in a manner so as not to prejudice the related criminal proceedings.

The Investigations:

3. The Commission's Investigative Officer reviewed the Police case file and carried out further investigations. He presented his report (**Appendix B**) with attached excerpts of the relevant witness statements in spread sheet (**Appendix B1**).
4. On May 17, 2013 (by way of a Round Robin) and on June 28, 2013 at its formal meeting, the Commission considered these Reports (**Appendices A and B**) as well as the submissions on the matter by the Director.

Findings/Conclusions:

5. The Commissioners by a majority (4:1) were of the opinion that there were no reasonable and probable grounds to believe that the Hon. Minister Don-Hue Gardiner contravene the Code of Conduct BECAUSE:
 - the alleged conduct of the Hon. Minister did not derogate from, or fall short of the highest standards of integrity, honesty and propriety expected of a Minister of Government as required under Chapter 1, paragraph 4 of the Code of Conduct.
6. Accordingly, the Commissioners were not satisfied that the Hon. Don-Hue Gardiner contravened the Code of Conduct.



Sir David Simmons, K.A;B.C.H.,QC
Chairman
(For the Commission)

Dated this 5th day of July, 2013

TURKS AND CAICOS ISLANDS



In the matter of the Code of Conduct for Persons in Public Life

And

In the matter of a complaint by the Hon. Sharlene Cartwright-Robinson of violation of laws and an abuse of power by the Hon. Premier, Dr Rufus Ewing

Report /Complaint no: CC/R-C/RE/5/2/13

Report of investigation into alleged contravention of the Code of Conduct by the Hon. Premier Dr Rufus Ewing pursuant to section 58(C) of the Integrity Commission Ordinance (the Ordinance).

The Complaint:

On 28th May, 2013, the Hon. Sharlene Cartwright-Robinson, Leader of the Opposition, sent a formal e-mail complaint to the Commission against the Hon. Premier, Dr Rufus Ewing for investigation. She alleged that she “...*learnt today (May 28, 2013) of an incident where (she believes) the Premier abused his powers, broke the laws and break security at the Airport ...*” The alleged facts and circumstances of the incident are set out in the e-mail complaint. (Appendix A).

The Investigation:

The Commission investigated this allegation. In furtherance thereof, a number of witnesses were interviewed including Darrita Smith, her supervisor and John Smith. The National Aviation Security Programme, Aviation regulations, and related Documents and correspondence as well as Press releases on this allegation were also obtained and reviewed. To the extent relevant to this matter, they are enclosed herewith as **Appendix B**



Findings/Conclusions:

1. The Commission considered all of the evidence relevant to the complaint at its meeting on June 28, 2013 and found that the Hon. Premier, Dr Rufus Ewing, did not abuse his powers and did not break any laws or Airport security regulations, BECAUSE:
 - He complied with the Aviation regulations and the National Aviation Security Programme (NASP) for the time being in force and applicable to him as Hon. Premier. Under the NASP(as amended), the Hon Premier was entitled to drive on the Tarmac to the Air Turks and Caicos Aircraft, being exempt from search during domestic flights. This privilege is extended to his spouse and children as well as his Police Protection Officer;
 - Reservation and airfare payment were actually made for the Premier's son at all material times;
 - The Police Protection Officer for the Hon. Premier (and not the Premier himself) made the complaint against Darrita Smith with whom he had some problems of a personal nature;
 - Although Ms. Smith was suspended for 24 hours upon receipt of the complaint, her suspension was to enable a quick internal administrative inquiry into the matter. She returned to work immediately thereafter; she did not suffer any loss of pay or other detriment in connection with this matter.

2. The Commissioners accordingly conclude that they are satisfied that the Hon. Premier did not contravene the Code of Conduct.


Sir David Simmons, K.A;B.C.H.,QC
Chairman:
(For the Commission)

Dated this 5th day of July, 2013

**TURKS AND CAICOS ISLANDS****INTEGRITY COMMISSION****INQUIRY No. CC/R-C/WC/3/1/14****RE: MR. WESLEY CLERVEAUX****Before Commissioners:**

**SIR DAVID SIMMONS K.A., BCH, Q.C. – Chairman
MR. MARTIN GREEN
REV. REUBEN HALL
MR. PAUL HARVEY**

**Appearances: Mr. R. Been for the Commission
Mr. Conrad Griffiths Q.C. for Mr. Clerveaux**

19 November 2014**REPORT OF COMMISSIONERS***The Allegations*

[1] Mr. Wesley Clerveaux is the Permanent Secretary, Office of the Premier. He has held this appointment since May 2013. Between April 2012 and May 2013, he had been Permanent Secretary, Ministry of Government Support Services. By letter dated 11 August 2014, the Integrity Commission (the Commission) gave Mr. Clerveaux notice of its intention to hold a formal inquiry into an alleged contravention of the Code of Conduct for Persons in Public Life (the Code).

[2] On 19 November 2014 the Commission held an inquiry into the alleged contravention and found that Mr. Clerveaux had not been in breach of the Code. The Commission absolved him from any liability. We, the undersigned Commissioners, promised to put our reasons for our decision in a Report. We now do so.

[3] The alleged contravention was framed in this way:

“That you deceived or knowingly misled the Commission and certain public officials with a view to making them act in a manner contrary to law and due process, in relation to the procurement of official vehicles for the Premier and other Ministers.”

It was further stated that the alleged contravention, if true, would be in breach of Chapter 4, para.16 of the Code and, in particular, paras.9 and 14 thereof.

Particulars

[4] The Commission provided particulars of the alleged contravention of the Code, which may briefly be summarised as follows at (a) to (e) below.

- (a) that Mr. Clerveaux conveyed the misleading impression that although a tender was published for a lease of an official vehicle for the Premier, he received only bids for

a purchase of a vehicle in correspondence to the Commission on 27 March 2014;

- (b) that, in correspondence of 30 April 2014, Mr. Clerveaux deliberately misrepresented the facts as to why the initial tender for lease only was abandoned. It was stated that Mr. Clerveaux had “concealed the fact that there was a successful bidder who, together with another bidder, provided both the maintenance and insurance components which he had described as critical requirements of the tender”;
- (c) that in the second tender which Mr. Clerveaux allegedly initiated in November 2013, he “deliberately provided potential bidders with an option to lease or purchase, knowing that both the Remuneration Report of the Commission and the House of Assembly (Speaker and other members’ Salaries and Allowances) Ordinance 2012 which it informed, provided for lease only”;
- (d) that, prior to the said correspondence referred to at (a) and (b) above, Mr. Clerveaux “had already improperly committed the TCIG by informing Butterfield Motors



that their “BUY ONLY” or “PURCHASE ONLY” BID had been accepted.....and, in furtherance of this commitment, Mr. Clerveaux had initiated the process of a 75% down payment to be made to Butterfield Motors”;

- (e) that he ensured that the 75% down payment was made to Butterfield Motors, “thus presenting the Commission, the Procurement Board, and other public officials with a *fait accompli* of an improper and unlawful process which you orchestrated in the first place”.

The Evidence

[5] Prior to the date of hearing, there was an exchange of voluminous correspondence between Mr. Clerveaux and/or his counsel and the Director of the Commission. The Commissioners perused and studied this correspondence before the inquiry.

[6] At the inquiry itself, the documentary evidence adduced to the Commissioners revealed the following:

- (i) At the material time of the initial transaction, there was no subsisting law which prohibited the purchase of an official vehicle for the Premier for use in Providenciales;
- (ii) In the entire procurement process a number of persons were involved and Mr. Clerveaux did not act alone;
- (iii) In 2012 when a tender was published by the Deputy Governor's office to secure vehicles to be located in Grand Turk for the new Ministers, Mr. Clerveaux was not involved in the tendering process;
- (iv) The first time Mr. Clerveaux saw a letter dated 8 November 2012 from the Evaluation Panel concerned with the tender process to the Chairman of the Tenders Board was at 10.26 a.m. on 30 April 2014 in an email sent to him by Ms. Ria Ramnasingsh;
- (v) The tender process was *deferred* and not abandoned in April 2013. The Procurement Board at its meeting on 20 March 2013 issued a Memorandum explaining that the matter of a vehicle for the Premier was not considered "as a result of changes which affect the requirements of the tender" and "*the project is being deferred*";



- (vi) On 7 November 2013, Mr. Clerveaux drafted and submitted a business case for approval by the Ministry of Finance in which he suggested two options for securing an official vehicle for the Premier viz. (a) outright purchase or (b) seconding a vehicle from another department of Government. More importantly, he wrote that “the Premier’s current vehicle will hold up until such time as the lease is signed and the new vehicle is delivered, “and he made it clear that a “*lease agreement*” should be developed”;
- (vii) The original report of the Commission recommended that the TCIG should lease official vehicles for use by the Premier in Grand Turk. Subsequently this recommendation was amended to include Providenciales.
- (viii) In late January 2014, Ronlee James, Michael Lightbourne, Norman Watts, Xavier Malcolm and Ria Ramnasib Singh exchanged a series of emails concerning an invitation to tender for the supply of a vehicle on lease terms. Mr. Clerveaux sent an email to those persons in

which he reminded them that it should be made evident that the vehicle was to be used in Providenciales.

- (ix) On 26 February 2014 the Panel to evaluate tender bids met. The Panel recommended that the tender of Butterfield Motors be accepted on the basis of a purchase of a vehicle for \$47 200. No one took any point that a purchase was prohibited. Moreover, Mr. Clerveaux was not the author of the invitation to tender.
- (x) On 21 March 2014, Mr. Clerveaux was instructed by Ms. Ramnasib Singh to liaise with Butterfield Motors to finalise arrangements for purchase of the vehicle. Accordingly, he notified Mr. Warren Forde of Butterfield Motors as he had been instructed. Three days later Mr. Forde emailed Mr. Clerveaux an invoice requesting a deposit of 75% of the purchase price.

Findings and Conclusions

[7] Having regard to the totality of the evidence, the Commissioners were satisfied, on a balance of probabilities, that Mr. Clerveaux did not deceive or



knowingly mislead the Commission or any public officials with a view to causing them to act contrary to law. We found that he did not deliberately or at all conceal or withhold relevant information from the Commission.

[8] Specifically, we found that the initial tender for lease was not abandoned. It was deferred. Moreover, the business case which Mr. Clerveaux drafted did, in fact, advert to a leasing arrangement.

[9] In addition, Mr. Clerveaux did not improperly commit the TCIG in his email to Mr. Warren Forde in March 2014. He was a mere messenger carrying out instructions from Ms. Ramnasib Singh. In fact, as regards the particulars given in the Commission's letter of 11 August 2014, there was no cogent evidence to conclude that Mr. Clerveaux was directly involved in the tender of 2012 or that he initiated the tender process in 2013 or initiated the process for a deposit of 75% of the purchase price of the vehicle.

[10] In conclusion, we desire to add that Mr. Been who appeared for the Commission, quite properly conceded upon a review of the total documentation, that the Commission had not proved any deliberate

misconduct on the part of Mr. Clerveaux, such as would amount to a breach of the Code.

[11] In the result, the matter is dismissed. An application made by Mr. Griffiths Q.C. for an award of costs to his client is outside the jurisdiction of the Commission. Although we are satisfied that Mr. Clerveaux has been obliged to incur very significant legal costs in seeking to clear his name, we have neither statutory authority to award costs nor the funds to satisfy an award.

Dated this 18th day of January 2015

Sir David Simmons

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Mr. Martin Green

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Rev. Reuben Hall

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Mr. Paul Harvey

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David Hall
[Signature]
R Hall
[Signature]





**REPORT OF AN INQUIRY CONCERNING A COMPLAINT OF AN ACT OF
CORRUPTION BY ANGELA BROOKS UNDER THE INTEGRITY
COMMISSION ORDINANCE 2008 (AS AMENDED)**

INQUIRY NO. CI-AB-6-13-1-14

TO: THE CHAIRMAN

PUBLIC SERVICE COMMISSION

The Integrity Commission held an inquiry on this matter on the 18th November 2014 and, after consideration of the complaint and hearing Mrs. Angela Brooks in person, the Commission made the following decision.

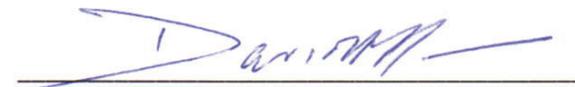
DECISION

1. The Commission is of the view that there is no merit in the Complaint.
2. The substance of Mr. Robinson's complaint is that Mrs. Brooks should not be allowed to recover her cost in the private litigation between himself and Mrs. Brooks' brother.
3. In the opinion of the Commission, the award and taxation of the costs are matters within the jurisdiction of the Courts and the Registrar. This Commission has no jurisdiction to inquire into or pronounce upon those issues. Moreover, having regard to correspondence in this inquiry, the Commission is satisfied that Mrs. Brooks was granted permission by previous Attorneys General to act on behalf of her brother and the various courts never refused to award her costs by reason of her representation in a private matter while serving substantively as a public official.
4. By way of an observation, the Commission does not believe that lawyers in the public sector should at any time be permitted to undertake private practice.
5. Further, the Commission wishes to emphasize that many of the complaints of Mr. Robinson related to a period when the Code of Conduct was not in force.
6. The Commission finds no breach of the Integrity Commission's Ordinance or the Code of Conduct. Specifically, the Commission finds that Mrs. Brooks did not use the time to which she should have devoted to her public duties to work on her private matter.



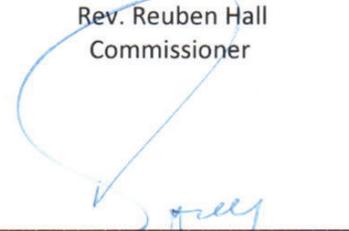
7. The Commission accepted Mrs. Brooks forthright admission that, on desultory occasions, she did use the fax machine in her office, more often than not, to receive faxes sent to her by Mr. Robinson's Attorney at Law, Mr. Clayton Green, and sometimes she went to the machine herself to initiate fax correspondence with Mr. Green. The Commission regards this use of the fax machine as a matter DE MINIMIS.

Dated this 19th day of November 2014


Sir David Simmons K A, BCH, Q.C.
Chairman


Rev. Reuben Hall
Commissioner


Nick Haywood
Commissioner


Paul Harvey
Commissioner


Martin Green
Commissioner



IN THE MATTER OF THE INTEGRITY COMMISSION ORDINANCE 2008

AND

**IN THE MATTER OF AN INQUIRY CONCERNING HON. ANYA SWANN-
WILLIAMS, DEPUTY GOVERNOR, AND CERTAIN EVENTS ON 7TH AUGUST
2014.**

Before: SIR DAVID SIMMONS - CHAIRMAN

MR. MARTIN GREEN – COMMISSIONER

MR. NICK HAYWOOD – COMMISSIONER

MR. PAUL HARVEY – COMMISSIONER

Mr. Ariel Misick Q.C. for Hon. Swann-Williams

Mr. Richard Been for the Integrity Commission

17th March 2015 and 4th May 2015

REPORT OF THE COMMISSION

1. At an Extra-Ordinary Meeting of the Integrity Commission (the Commission) on 25th September 2014, the Commissioners took certain decisions arising out of an incident at the Carnival Cruise Center, Grand Turk on 7th August 2014. INTER ALIA, the Commissioners decided that:



“There is no PRIMA FACIE evidence of an act of corruption by the Deputy Governor. The evidence shows that there may have been a breach of the code of conduct by the Deputy Governor. The Commission will give further consideration to this aspect of the matter.”

2. In pursuance of the decision to give further consideration to the matter of the Cruise Center incident, the Commission held an inquiry on 17th March 2015 and 4th May 2015 to determine whether the Deputy Governor had, in fact, been in breach of the Code of Conduct.
3. At the Inquiry, the Commissioners were seised of a long written statement of the Deputy Governor dated 22nd August 2014 and addressed to Mr. Simon Baker, Senior Investigative Officer of the Commission; his reply of 23rd August 2014 and the Deputy Governor’s written response of 24th August 2014 to a series of questions put to her in writing by Mr. Baker.
4. In addition, the Commissioners heard oral evidence from the Deputy Governor in answer to questions put to her by counsel and the Commissioners. Since there are criminal proceedings arising out of the incident at the Cruise Center on 7th August 2014, the Commissioners eschewed taking evidence from persons who are likely to be called as witnesses in those proceedings. As far as was practicable, the Commissioners were careful not to have adduced before them evidence which touched and concerned those criminal proceedings. EX ABUNDANTE CAUTELAE, the Commissioners have refrained from a recitation of the matter which may reasonably be addressed in the criminal proceedings.
5. So far as this Inquiry is concerned, the Commissioners were satisfied of the following:
 - (a) That on 7th August 2014, the Deputy Governor disembarked the ship at the Cruise Ship Center and went to her office to attend to correspondence that had come in while she was away from the Islands.
 - (b) Thereafter, she went to a salon and then to her home. Later that evening, she returned to the ship.

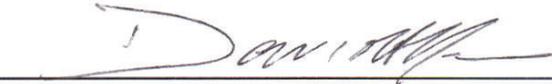
- (c) At no time did she speak to the Customs Officers who boarded the ship.
- (d) She had no packages when she disembarked and she left the ship with only her handbag.
- (e) When she left the ship she was not aware that certain members of her group of travelers “had issues with customs”. Later that day she was apprised of a dispute between some members of the group and officials of the Customs Department.
- (f) She had no knowledge of the contents of the individual bags and she made no request for anyone’s bags to be offloaded.
- (g) She remained neutral after she was informed of the issues involving certain passengers and Customs Officers. She did not at any time seek to use her position as Deputy Governor to interfere in a matter which involved certain members of her family and Customs Officials.
- (h) She advised aggrieved family members to lodge an official complaint with the Commission.
6. Mr. Been submitted that rules 14 and 32 of the Code of Conduct were engaged on the facts.
7. The Commissioners do not agree. We prefer the submissions of Mr. Misick, some of which are subsumed in the facts we have found at 5(a) to (h) above.

CONCLUSION

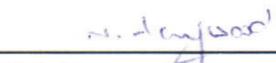
8. Having considered all the evidence adduced and the respective submissions of counsel, the Commission finds that there is no cogent evidence whatsoever of any conduct, whether by commission or omission on the part of the Deputy Governor, which amounts to a contravention of the Code of Conduct.

Dated this

5th day of MAY 2015



Sir David Simmons K A, BCH, Q.C.
Chairman



Nick Haywood
Commissioner



Paul Harvey
Commissioner



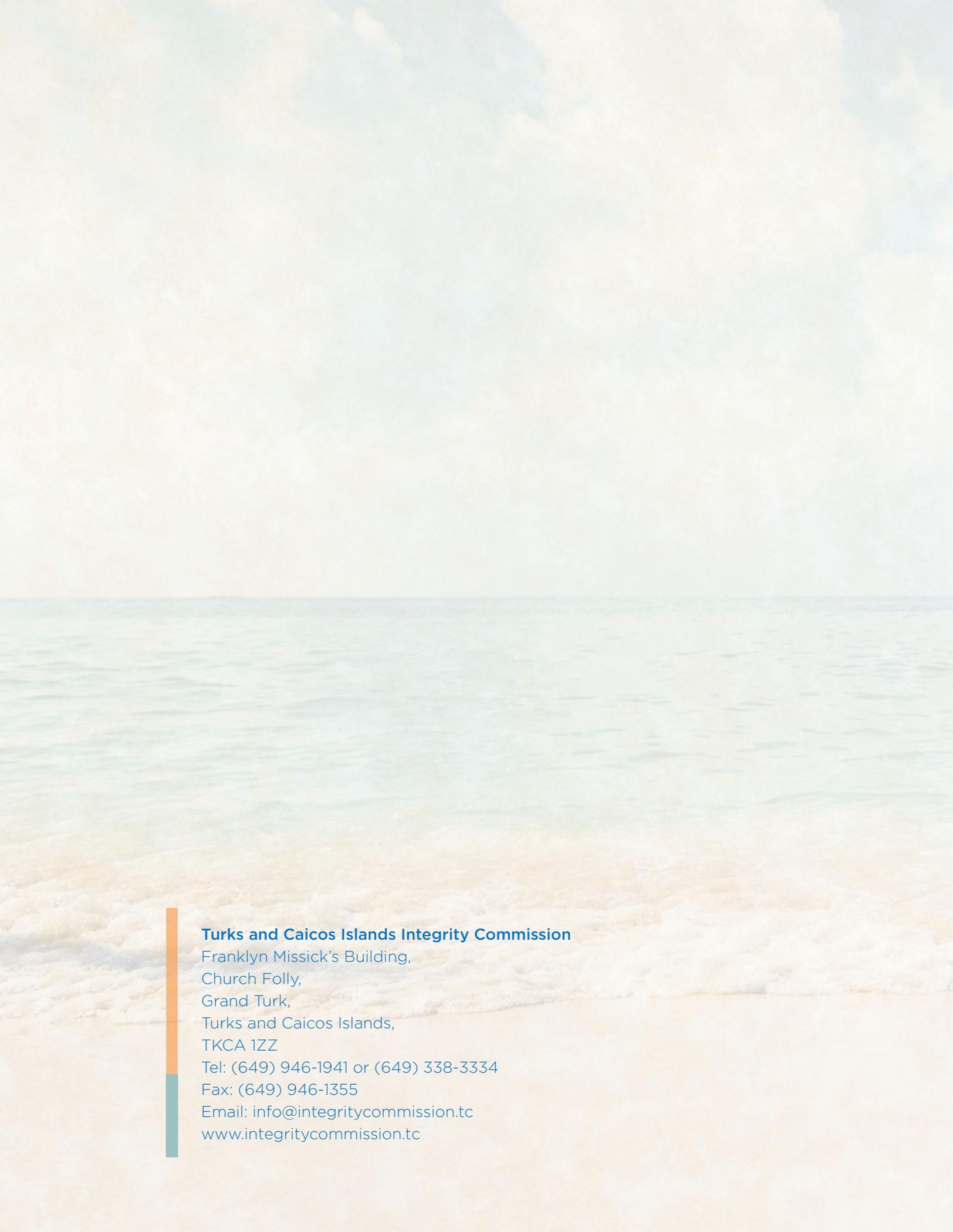
Martin Green
Commissioner

NOTES



NOTES





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