



**ANTI-CORRUPTION COMMISSION
CATHEDRAL HOUSE
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FREETOWN
SIERRA LEONE WEST AFRICA**

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MEDIA RELEASE

**UPDATE ON ACC's ACTIONS AND INTERVENTIONS ON AUDITOR
GENERAL'S REPORTS 2019 AND 2020 (No.2)**

The Anti-Corruption Commission (ACC) in this second media release, wishes to update the general public of the actions and steps it has taken to address critical issues raised in the Audit Reports of Sierra Leone 2019 and 2020. These interventions focused on aspects of possible, or alleged corruption, and conducts inconsistent with the provision(s) in the Anti-Corruption Act of 2008 as amended in 2019.

After a thorough review, and analysis of the aforementioned Reports, the Commission initiated actions; with a view to investigating, prosecuting, or recovering public funds, public revenue, public property, as the case maybe, in accordance with Sections 7, and 48 of the Anti-Corruption Act of 2008 as amended in 2019, respectively.

Below are the **second set** of issues, and areas of ACC interventions, and the outcomes of same:

1. **MAKENI GOVERNMENT HOSPITAL.** The 2019 Audit Report highlighted **Five** queries against the Makeni Government Hospital. They include; **Ninety Million Leones (Le90,000,000)** paid for fuel that was not supplied; payment of **One Hundred and Twelve Million, Six Hundred and Thirty Thousand, Four Hundred Leones (Le112,630,400)** contract not fully executed; imprest of **Thirty-nine Million, Four Hundred and Sixteen Million Leones (Le 39,416,000)** not retired in 2019; payment of **Three Hundred and Ninety-eight Million, Forty-seven Thousand, One Hundred and Fifteen Leones (Le398,047,115)** without supporting documents; and withholding tax of **Seven Million, Nine Hundred and Eighty-eight Thousand, Nine Hundred and Six-one Leones (Le7,988,961)** deducted but not paid to the National Revenue Authority (NRA). After thorough investigation into the said issues, the Commission was able to establish that no act of corruption was committed, as all supporting documents in relation to the queries were presented to ACC Investigators.
2. **FALABA DISTRICT COUNCIL.** The 2019 Auditor General's Report alleged that Council authorities failed to deduct and pay withholding tax to the NRA totaling **Thirty-one Million, Seven Hundred and Ninety-Seven Thousand, Six Hundred and Forty-five Leones (Le 31,797,645)**. The Report further alleged that the Council failed to account for revenues collected as timer dues to the tune of **Eighty-two Million, Six Hundred Thousand Leones (Le82,600,000)**, paid allowances to absentee councilors to the tune of **Forty-three Million, Two Hundred and Seventy thousand Leones (Le43,270,000)**, and improperly used resources by some devolved



sectors to the tune of **Eighty-Seven Million, Six Hundred and Eighty Thousand Leones (Le87,680,000)**. The Report also claimed that the sum of **One Hundred and Forty-two Million, Four Hundred Thousand Leones (Le142,400,000)** was revenue collected on receipt books but which the Council failed to account for. The ACC Investigations however found no evidence that may warrant a prosecution, due to the fact that, documents were produced to account for the said funds.

3. **ELECTRICITY DISTRIBUTION AND SUPPLY AUTHORITY (EDSA)**. The 2020 Audit Report stated that EDSA was given a loan valued at **Seven Million United States Dollars (USD \$7,000,000)**, which was a clear liability of EDSA related to a revolving Letter of Credit to enable a steady supply of fuel for the Karpowership. But relevant documents for this loan were neither submitted to the Auditors nor disclosed in the General-Purpose Financial Statement. Investigations by the ACC however show that, EDSA was not given a loan as mentioned in the Report. The Investigations show that the Letter of Credit remains a contingent liability yet to be utilized. The ACC also finds that EDSA has so far been fulfilling its financial obligation under the contract. Therefore, this issue will be Kept in View (KIV).
4. **SIERRA LEONE ROADS AUTHORITY (SLRA)**. The 2020 Audit Report alleged that SLRA paid untaxed allowances to the tune of **One Hundred and Sixty Million, Nine Hundred and Sixty-five Thousand Leones (Le160,965,000)** to Board Members between 2016 and 2018. ACC investigations however showed that there was no direct/indirect fraud of embezzlement of public funds; rather it was negligence on the part of the authorities concerned. Therefore, ACC has recommended for the Management of SLRA to refund the full amount.
5. **SIERRA LEONE MARITIME ADMINISTRATION (SLMA)**. The 2020 Auditor General's Report alleged that on diverse dates between January 2019 and December 2020, SLMA failed to pay into the Consolidated Revenue Fund (CRF) the total sum of **Eight Hundred and Eighty-eight Thousand, Thirty-five United States Dollars and Twenty-six Cents (USD \$888,035.26)**. ACC upon concluding investigation finds that;
 - a) The amount of **Eight Hundred and Seventy-two Thousand, Three Hundred and Forty-nine United States Dollars and Sixty-seven Cents (USD \$872,349.67)** which was allegedly used to purchase Maritime items/equipment is owed to the Government of Sierra Leone (GoSL) by the Ship Registration Limited/SLMARAD.
 - b) The then Executive Director single handedly took the decision to utilize the 3rd party money owed to GoSL without the approval of the line Ministry, Board of Directors of SLMA and Ministry of Finance. The ACC has therefore asked him to refund the said **USD \$872,349.67**.



- c) With regards the **Fifteen Thousand, Six Hundred and Eighty-five United States Dollars and Fifty-Nine Cents (USD \$15,685.59)** highlighted in the Audit Report as outstanding payment to be made by SLMARAD, the ACC has asked that the payment is effected and evidence of payment be requested.
- d) The agreement between SLMARAD and GoSL and SLMA is revisited and to go through the Ministry of Justice, Cabinet and/or Parliament for ratification.
- e) The parties to the contract representing GoSL should be hiring external Auditors to audit the activities of SLMARAD every six months to ascertain detailed sales, government shares, number and details of registered vessels, certified seafarers, technical statistics, legal and operational overview.

6. **THE GUMA VALLEY WATER COMPANY.** The 2020 Auditor General's Report highlighted that the total sum of **Three Billion, One Hundred and Seventy-three Million, Five Hundred and Twenty-nine Thousand, Six Hundred and One Leones (Le3,173,529,601)** were deducted as Pay As You Earn (PAYE) taxes from staff salaries and allowances and not paid to the NRA by the Management of the Guma Valley Water Company (GVWC). The ACC investigation confirms that, PAYE for the years 31st December, 2018 and 2019 were not paid to the NRA by the Management of GVWC. The Commission therefore instructed the payment of the money due as PAYE to NRA and as of 23rd March, 2022, **Five Hundred Million Leones (Le500,000,000)** has been paid to NRA. The remaining amount of **Two Billion, Six-hundred and Seventy-three Million, Five Hundred and Twenty- nine Thousand, Six Hundred and One Leones (Le2,673,529,601)** still remains as PAYE to be paid to the NRA by the GVWC. GVWC has however committed to pay same over a period of time.

We continue to thank and appreciate Audit Service Sierra Leone (ASSL) for their diligence and cooperation in helping to combat corruption in Sierra Leone and Parliament for their support.

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