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`States poor in keeping accounts'

Sarban Singh; Sumitha Martin

PUTRAJAYA, Sun. - Datuk Seri Dr Mahathir Mohamad said today some States were "poor" in updating and managing their accounts despite repeated reminders and this had raised concern as to whether government funds were being misappropriated.

The Prime Minister also advised those concerned not to draw conclusions until the Anti-Corruption Agency concluded its investigations on such matters.

"We always take note of the Auditor-General's report on these matters. We write to the States ... but sometimes the States' account keeping is very poor despite our repeated reminders to them," he said after a private function here.

Dr Mahathir was asked to comment on a revelation by the ACA deputy director-general (operations) Datuk Ahmad Said Hamdan in Malacca yesterday that the agency would investigate discrepancies which appeared in the accounts of several States.

Citing an example, Ahmad Said had said almost all State Government departments and agencies in Malacca were being probed over the RM58 million losses highlighted in the 1998 Auditor-General's report.

The report, which was released recently, stated there were numerous administrative weaknesses, which resulted in the RM58 million losses from the Malacca Government's coffers.

Among those weaknesses were poor expenditure controls, improper revenue collection and incomplete banking records.

Ahmad Said had stated if there were weaknesses in the financial management system of State departments and agencies, the ACA would make recommendations to address them.

To this, Dr Mahathir said: "We have to study... we cannot make any conclusion until we have made a conclusive study."

He said some of the problems arose because some officers were not familiar with accounting and book-keeping methods.

On which States had constantly failed to update their accounts, Dr Mahathir refused to name them, but added that the issue had been raised several times during his meetings with Menteri Besar and Chief Ministers.

He said among measures taken to address the issue was the employment of more staff to key departments and agencies which managed the respective States' funds.

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