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Assets missing from agency

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MALACCA, Wed. - The State Government has detected assets amounting to RM21 million missing from its agency, Yayasan Melaka, dating back to 1996.

However, RM8 million has been recovered by the internal auditors appointed by Chief Minister Inc, an agency investigating the case.

Chief Minister Datuk Seri Mohd Ali Rustam said discrepancies in accounting practices led to the detection of the sale of shares owned by Yayasan Melaka.

"The internal auditors, who are accountants and bank managers, appointed in the last four months are trying to trace the remaining RM13 million which has been reported missing since 1996.

"The State is determined to take action including legal action if there is evidence of abuse of power by officials of the foundation," he said.

The Chief Minister said the matter would be clarified further in the State Legislative Assembly meeting.

He said when he was appointed Chief Minister in 1999, Prime Minister Datuk Seri Dr Mahathir Mohamad had asked him to look into the management and accounts of the State's agencies.

"This is what I'm doing, no stone will be left unturned," he said after chairing the State Exco meeting today.

Yayasan Melaka is the educational arm of the State Government and has a wide range of investments including a minority share in Kolej Yayasan Melaka.

Mohd Ali added the sale of shares amounting to RM8 million was authorised by the then deputy chairman, general manager and accountant.

"It could have been authorised by the board of directors of the foundation," he said.

In 1997, Yayasan Melaka was also reportedly involved in accounting irregularities and one of its officers was investigated by the Anti-Corruption Agency. An accountant was detained.

In 1998, it was reported in the Auditor-General's Report that funds from the foundation had been used to purchase expensive coats for the directors, a costly wooden door and aquarium for the office.

Mohd Ali said the internal auditors were working hard to detect the remaining RM13 million worth of assets. The State Government did not discount the possibility of accounting discrepancies.