

**TRANSPORT AUTHORITY 1 – INTERNAL AUDIT DEPARTMENT**  
**PRELIMINARY REPORT: *Potential Procurement Fraud***  
**CASE ID: IA-2025-088**  
**CLASSIFICATION: SECRET – INTERNAL AFFAIRS**

## **1. Subject**

**Mr. Robert Clarke**, Deputy Head of Procurement.

## **2. Summary of Preliminary Findings**

Internal Audit has identified indications of potential procurement irregularities involving Mr. Clarke. The findings below are based on current document reviews and system-log analysis. The investigation remains active.

## **3. Detailed Findings**

### **3.1 Invoice Approvals and Related-Party Concerns**

- Mr. Clarke approved **27 invoices** totalling **€1.2M** issued to *Aethelgard IT Solutions*.
- Corporate-registry checks indicate the company is **owned by Mr. Clarke's brother-in-law**, raising concerns of undisclosed related-party conflict.

### **3.2 Questionable Service Delivery**

- Invoices describe services related to "*network monitoring*".
- **No evidence** has been found that these services were delivered, implemented, or commissioned by Transport Authority 1 ICT teams.
- No project documentation, system changes, or monitoring configurations were identified during review.

### **3.3 Personnel Status**

- The investigation is ongoing; **Mr. Clarke has not yet been interviewed or notified**.
- His **system access remains active**, including procurement workflow approval rights.

#### 4. Risk Observations

- Continued access presents potential **data-integrity and process-integrity risks**.
- Presence of a possible related-party relationship may constitute a breach of Transport Authority 1 procurement policy and public-sector ethics standards.
- Financial exposure may exceed the €1.2M identified if additional undiscovered invoices exist.

#### 5. Recommended Immediate Actions

1. **Suspend procurement-system privileges** for Mr. Clarke pending completion of the investigation.
2. Conduct a **full retrospective audit** of all vendors associated with Mr. Clarke's approval chain.
3. Notify the **Chief Legal Officer** to assess mandatory reporting obligations.
4. Prepare an **Executive Risk Note** for distribution to the COO and CEO.