

Audit Finds Record Cash Misspent

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State officials misspent more than 718 billion rubles (\$22.7 billion) from the federal budget last year, the record amount in a decade, the Audit Chamber said.

But only 7.5 billion rubles (\$237 million), or 1 percent of the sum, "fall into the zone of corruption risks," the watchdog said in its [report](#) to the State Duma, cited by Izvestia on Thursday.

Much of the misspending is due to nontransparent or unclear financial rules, or due to incompetent officials who neglect duties, miss deadlines and fail to use computers in their work, the report said.

The Audit Chamber reported 176 instances of misspending of state money to the Prosecutor General's Office and other law enforcement agencies, with 72 criminal cases opened based on the checks — both figures the biggest since 2007.

The amount of misspent state money grew from 97 billion rubles in 2008 to 238 billion rubles

in 2009 and 484 billion rubles in 2010, Izvestia reported.

In one example from last year, the military spent on the construction of weapons depots for old ammunition two to three times the money earmarked for the purpose.

Moscow officials issued more than 7 billion rubles in illegal subsidies to the city's transportation industry, the report said. It did not elaborate, but listed it separately from the money in the "corruption risk" zone.

The financial watchdog also reported "failing to understand" the mechanisms through which the country's customs service was selling confiscated property since 2009.

Last year, the presidential administration estimated annual corruption in Russia at 1 trillion rubles (\$31 billion), while Military Prosecutor General Sergei Fridinsky reported 20 percent of all military spending being lost to embezzlement.

The Investigative Committee established suspects in the bribery case reported by the Daimler car maker, but did not press charges in the case, which has been in the works since 2010, whistleblower Alexei Navalny [reported](#) on his blog Thursday. He added that investigators may be trying to stall the inquiry until the statute of limitations expires.

Daimler acknowledged in a U.S. court in 2010 paying 5 million euros (\$6.3 million) in kickbacks to various Russian officials in the early 2000s.

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