Auditor's Role in Addressing Fraud and Corruption
April 22 – April 24, 2013
Workshop Report

April 26, 2013

Center of Excellence in Finance
External and internal auditors play an important role in indicating the existence of opportunities for corruption, and in detecting the actual events of fraud if they have occurred. Corruption can take form of commissions, bribery and other benefits without leaving any evidence in the official records. Fraud, however, consists of deriving undue benefit by bypassing control or bending rules and unlike corruption does leave opportunities for detecting evidence in financial statements. It is therefore essential to distinguish between fraud auditing, where evidence is extracted from the documents of the organization, and corruption auditing where such evidence does not exist. It is equally important to understand that identifying corruption is very challenging for the auditor, and that quantifying the financial consequences is almost impossible.

Topics covered:
- General introduction to fraud, corruption, and ethics
- Roles and responsibilities of the organizations specialized in fraud and corruption detection (e.g. role of the Supreme Audit Institutions - SAI)
- Fraud and corruption risk management
- Procedures for fraud and corruption investigation
- Introduction to forensic auditing
- Procedures for reporting fraud and corruption (What happens in case an internal auditor detects fraud and/or corruption? What to do and where to begin?)
- Prevention of fraud and corruption and review of fraud control arrangement

Lecturers:
- Erik Schrijner, Ministry of Finance The Netherlands
- Aarjen Slot, Ministry of Finance, The Netherlands
- Zdenka Vidovič, KPMG, Slovenija

Participants:
There were 21 participants from Albania, Bosnia and Herzegovina, Croatia, Jordan, Kosovo, Slovenia and Turkey, and one observer from Bosnia and Herzegovina.
Evaluation:

The materials distributed were useful to my current work

- 5 - very satisfied: 4 responses
- 4: 3 responses
- 3: 2 responses
- 1 - not satisfied: 2 responses

No. of all responses: 20, Average mark: 4.10

Enough time was allowed for questions and free class discussion.

- 5 - very much: 8 responses
- 4: 4 responses
- 3: 3 responses
- 2: 2 responses
- 1 - not at all: 1 response

No. of all responses: 20, Average mark: 4.15

Selected Participants’ Comments:

“I look forward to more CEF training opportunities. Thank you for great hospitality.”

“It’s my pleasure to be participant in this workshop.”

“I will share my knowledge and materials with the team in my organization and make policy recommendations.”