



BERACA
ACCOUNTANTS & AUDITORS INC.

CORE
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the future - now

FORENSIC INVESTIGATION

FINANCIAL AUDIT vs FORENSIC AUDIT

- Financial audit
 - Report on financial statements
 - Materiality
 - Predetermined audit plan and standards
- Forensic audit
 - Report for legal proceedings
 - No level of assurance / materiality
 - Well documented findings

WHEN TO CONSIDER A FORENSIC REVIEW

- Known fraud and embezzlement
- Corruption
- Asset misappropriation
- Financial irregularities
- Allegations vs facts
- Non-compliance to laws and regulations

FORENSIC REVIEW IN SCHOOLS

- Section 16A (2)(g)(ii) to Section 16A (2)(k)
- Communication to Department and role players
- Department vs Governing body
- Governing body to start the process in most instances

PROCEDURES IN A FORENSIC REVIEW

- Planning
 - What, when, why, how, who
- Collection of evidence
 - Interviews
 - Analytical procedures
 - Substantive techniques
- Reporting
- Court proceedings

OTHER CONSIDERATIONS

- Control environment
- Untoward relationships
- Ethical / political considerations
- Source of evidence

OUTCOMES

- Criminal proceedings
 - Case to be opened at SAPS
 - State to prosecute
 - Criminal record
- Civil proceedings
 - Claim against guilty party
 - School/Governing body is claimant
 - Monetary settlement
- Disciplinary proceedings
 - By employer
 - Labour legislation and regulations
 - Sanctions may vary



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