

Forensic audit unit for Auditor General

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Auditor General Junias Kandjeke.

THE Office of the Auditor-General (OAG) is planning to establish a forensic audit unit to deal with the misappropriation of state resources and other fraud cases.

Auditor-General (AG) Junias Kandjeke told Nampa on Thursday that this is due to demands from the government and members of the public concerning the increase of fraud cases in the country.

Kandjeke said his office has been using the support of private auditing firms to help with investigations, especially less-complicated cases.

He is motivating his staff to acquire training, and become more professional forensic auditors.

"I want this unit to have professionals. Some of the investigations may be used in the courts of law, and thus need competent work done," he said.

Kandjeke said the country established its fraud examination body – the Association of Certified Fraud Examiners (ACFE) Namibian Chapter – last February.

The OAG is affiliated to the ACFE South African Chapter since March 2012, along with more than 50 Namibians. Individuals can also become certified fraud examiners. However, they need to renew their certificates every year by fully participating in fraud examinations, and attend training every year.

The Auditor-General explained that the Association of Certified Fraud Examiners deals with white-collar crime – crime committed by officials in different organisations – and includes asset misappropriation in the form of corruption, conflict of interest, bribery and economic extortion.

This type of crime also includes assets being misappropriated, such as taking company properties like pens, books and other small items which staff may give to their children.

Kandjeke said white-collar crime happens often in Namibia, and involves pretending to work overtime, but doing personal things in offices.

He said during the renovation of State buildings, the Government may use or lose a lot of money if no control and monitoring is done on how contractors use the materials.

Kandjeke also mentioned an increase of fraud in the form of people applying for subsistence and travel (S&T) allowances, although they are not travelling.

"However, the Anti-Corruption Commission (ACC) deals with these cases as it is not part of our office or the AG's duties, but we can prevent this," he said.

Meanwhile, a number of financial experts attended the first-ever fraud examiners' course in the country during November 2012.

Kandjeke said the course includes modules in fraud prevention and detection, ethics, law, investigation and finance, which were presented by the Risk and Investigation Training Academy (RITA) of South Africa.

Government and private officials from the Office of the Auditor-General, NamPower, Telecom, non-governmental organisations as well as banks and insurance companies attended the training.

This training is open to all people who deal with risk management, fraud and corruption, but they must have experience in the field, or must have a university degree and a few years' experience.

Namibia currently only has two qualified fraud examiners, but more are coming through as they are preparing to write examinations in due course.

– Nampa