



**2011 Fraud Survey in Organizations
in the Czech Republic and Slovakia**

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2. Introduction

Two years ago we presented the results of our first fraud survey in organizations in Slovakia for 2009, one of a handful of similar surveys offering an insight into the area of fraud in the country. As the Czech and Slovak economies are related and face similar political and economic problems we decided to carry out the **2011 Fraud Survey in Organizations** not only among organizations doing business in **Slovakia**, but also among those in the **Czech Republic**. Fraudulent behavior is very harmful to the society and has a damaging effect on the development of business. It does not only cause direct financial losses. Its other impacts include loss of business partners, damaged business relations, departure of the best employees or decay of the morale within the organization. Dozens of corruption scandals and fraud cases publicized by the media seem to indicate that the degree of corruption and fraud at all levels of our society has exceeded the acceptable limit. However, what is the situation like in ordinary organizations? Are also common companies aware of the risks of fraud? Are they also able to discern illegal activities in the behavior of their employees or business partners? How ready are they to face such activities? These are just some of the many questions we asked our respondents and to which you will find answers in this report.

The answers of the survey respondents did not surprise us. Almost one-half of the participants in both countries confirmed that they encountered fraudulent behavior in the past two years. Is that a lot? Or is it still little because organizations are afraid to admit the existence of fraud?

We believe that by presenting the survey results to the general public we will contribute to better communication of the subject in the Czech Republic and Slovakia. We hope we will also help increase the public awareness of the dangers and negative impacts of fraud, build and develop an ethical culture in our society, and eliminate wrongdoing in companies and government. Our goal is to prepare such a survey on a regular basis in order to help monitor trends in fraud development and introduce measures to eliminate fraud in all economic sectors of the Czech Republic and Slovakia.

We would like to thank all individuals and organizations that took part in this survey and contributed with their attitude and information to the preparation of this unique report. Without your help we would never be able to make this survey happen.

The survey was conducted by Surveilligence and the Slovak and Czech offices of TPA Horwath in cooperation with ACCA (Association of Chartered Certified Accountants). Surveilligence is a specialized forensic agency focused on fraud detection, investigation and prevention. TPA Horwath is an audit and advisory firm ranking globally among the TOP 10 in the professional services industry. ACCA is a global organization associating professional accountants with operations in more than 170 countries worldwide.

We believe that this report will be an interesting source of information for you, help you or your organization build a more effective control system, and contribute to the elimination of fraud risks.

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3. Main conclusions of the survey

- Fraud exists and is very wide-spread
 - The answers indicate that **one-half** of organizations in the Czech Republic and **two-fifths** in Slovakia encountered fraudulent behavior within their organization in the past two years.
 - In the Czech Republic, the **most frequent types of fraud** include asset misappropriation, bribery, conflict of interest, and bid rigging; while Slovakia adds financial statement fraud to the same.
 - Fraud most frequently occurred in **trade units**.
 - The most frequent perpetrator of fraud was the **rank-and-file employee** in both countries; on the other hand, in both countries it is an organization's own employee that most often detects fraud.
 - Eight out of ten Czech and nine out of ten Slovak organizations see **corruption and bribery** as the **most harmful type of fraud**.
- Why does fraud occur? There are external circumstances and internal factors
 - Respondents in the Czech Republic designated the **decline of moral principles and values in the society** as the most serious factor of the growth of fraud (71% of organizations). Respondents in Slovakia see **ineffective judiciary** as the most important factor (83%), on which they agree with 69% of the Czech respondents.
 - The most frequent circumstance that contributed to fraud was **inadequate or missing controls** in both countries (34% of organizations in the Czech Republic and 39% in Slovakia). Other frequent causes of fraud included **collusion between perpetrators and employees** and **bypassing of internal controls** (both were checked by approximately one-quarter of the respondents).
 - Besides these major circumstances, respondents pointed to the growing **peer pressure to commit fraud**, whether peer pressure on an employee or pressure by shareholders on company management. We are afraid that the economic recession will further underscore the importance of this factor.
- The impacts of fraud are significant and incurred losses are high
 - Two-thirds of the participants (74% in the Czech Republic, 62% in Slovakia) cited **financial losses** as the most frequent impact of fraud.
 - The most frequent amount of loss was **between EUR 10,000 and 50,000** (41% of participants in the Czech Republic, 32% in Slovakia).
 - The dangerousness of fraud is also confirmed by the 7% of organizations in the Czech Republic and 11% in Slovakia which recorded losses **exceeding EUR 1 million**.

- Asset recovery and damage claiming are inadequate
 - The respondents' answers indicate that **asset recovery and compensation for damage** were **more successful in the Czech Republic** than in Slovakia. This trend is apparent mainly in categories with higher portions of recovered funds – **one-fifth of organizations** in the Czech Republic, but, unfortunately, **none** in Slovakia, managed to recover **more than 50% of funds**.
 - Approximately **one-half of organizations** managed to recover **only one-quarter of the losses incurred**.

- Why no success in taking legal action? Lack of evidence
 - Where fraud was detected and investigated in an organization, the **most serious reason** why such organizations **did not take legal action** against the perpetrator was **lack of evidence**. This was stated by almost **one-quarter** of the respondents in the Czech Republic and **two-fifths** of the respondents in Slovakia.

- Fraud prevention – passive attitude based on policies and controls
 - Organizations in the Czech Republic and Slovakia mostly use **passive anti-fraud tools** (policies and procedures, internal anti-fraud controls, monitoring of employees, and IT measures) to prevent fraud.
 - Fraud education for management and employees, which is one of the most important elements of prevention programs, helping organizations detect and prevent fraud in the future, is used minimally.



Detailed survey results

Note

The respondents' answers in the following parts of the survey are presented in graphic form. For many questions, respondents could choose more than one answer per question or formulate an answer on their own. For this reason, the sum total of the answer percentages in some charts is higher than 100%.

4. Fraud incidence in organizations

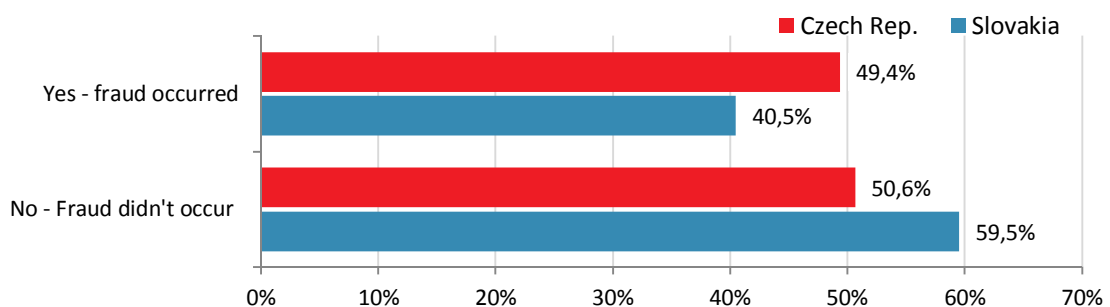
If organizations want to effectively fight fraud they first need to realize what they are actually facing. If management is unable to admit the risk of fraud in their organization such attitude can harm them in the future. The fact that an organization has not noted any fraud does not mean that fraud does not exist. Rather the opposite. If an organization cannot detect any fraud and has no effective prevention system in place the risk that hidden fraud exists is high.

The survey respondents' answers indicate that one-half of organizations in the Czech Republic and two-fifths in Slovakia encountered incidents of fraudulent behavior within their organization in the past two years.

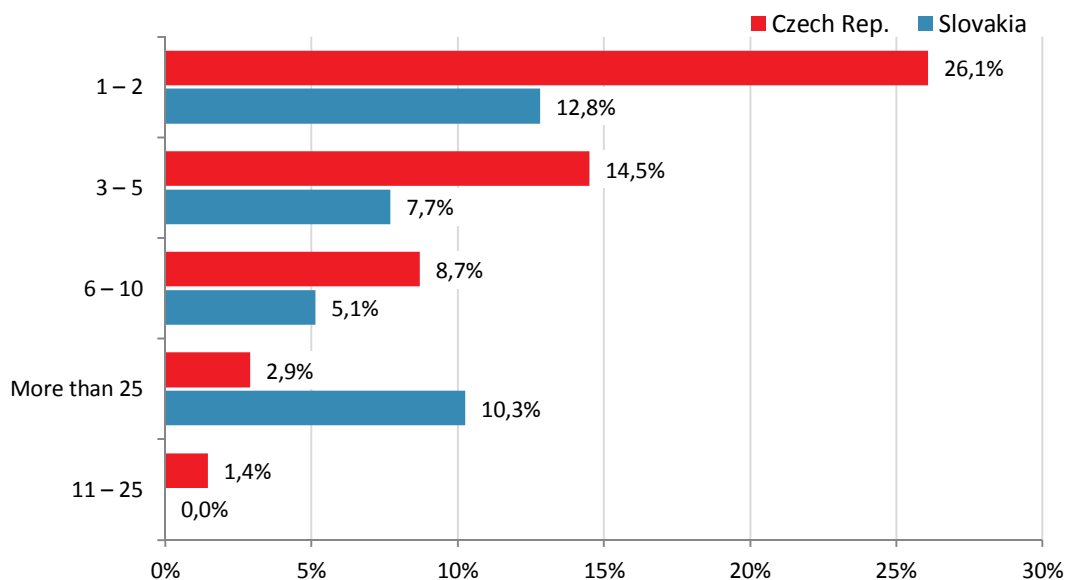
Of those that encountered fraudulent behavior, 26% of the respondents in the Czech Republic noted 1 to 2 instances of fraudulent behavior (13% in Slovakia). As much as one-tenth of the participants in Slovakia and nearly 3% in the Czech Republic noted more than 25 frauds. The difference might be caused by a higher proportion of Slovak participants being from the financial services sector. In this sector, we assume a higher likelihood of the existence of a fraud prevention system compared to other sectors.

The survey confirmed that organizations attempted to investigate identified fraud internally or externally. A surprisingly high number of organizations in the Czech Republic (39%) investigated more than three-quarters of the frauds detected (16% in Slovakia). Of the organizations where fraud occurred, 15% in the Czech Republic did not investigate any fraud (12% in Slovakia).

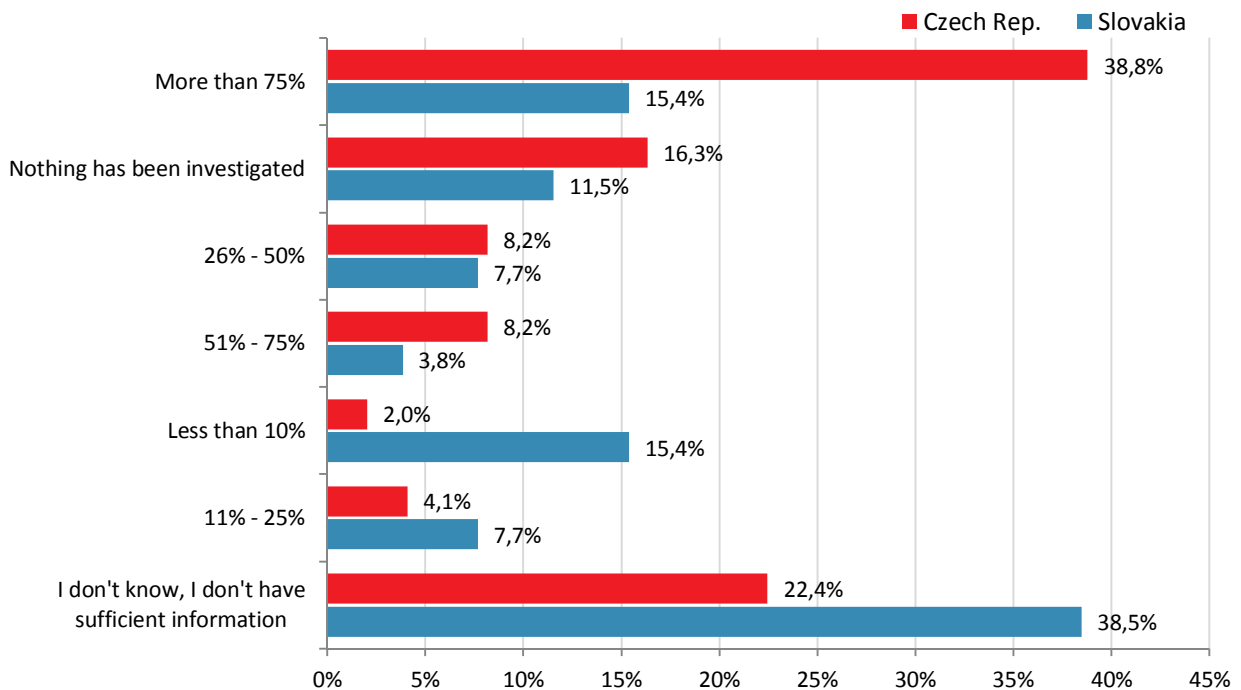
Number of organizations which experienced fraudulent behavior in the last two years



Number of detected fraud cases in organizations that have experienced fraud in the last two years

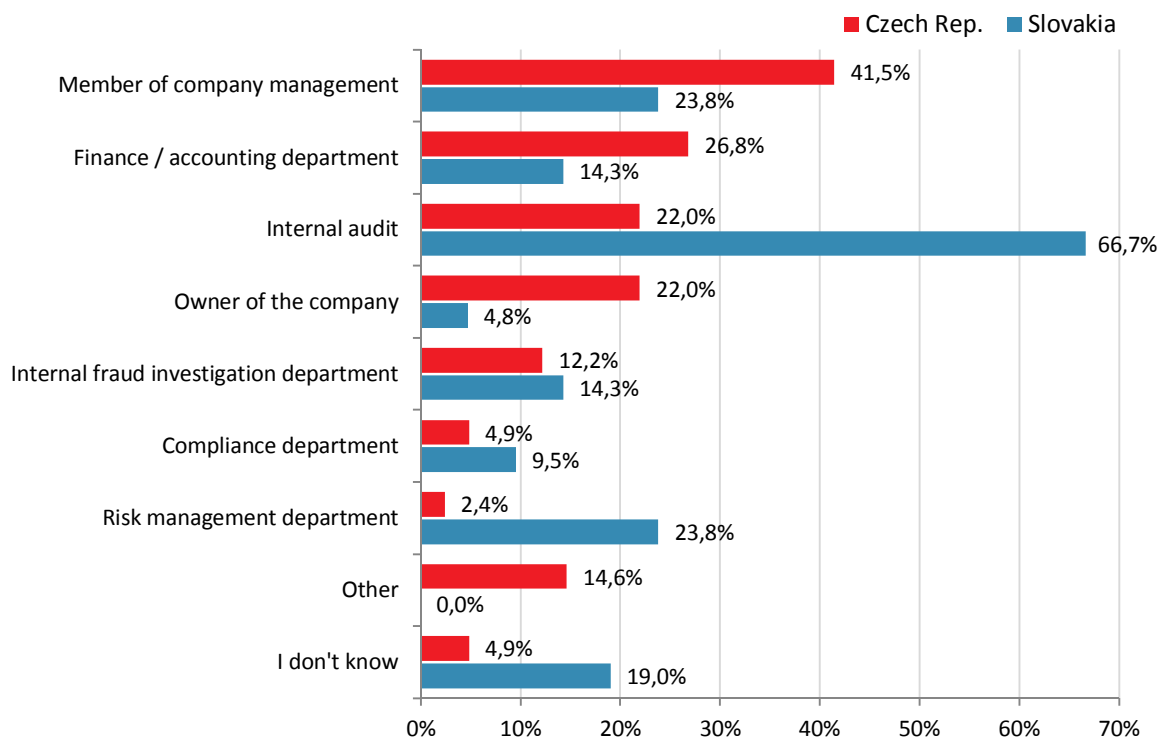


Percentage of investigated fraud cases from the total number of detected fraud in the last two years



Departments and positions that conducted investigations

The survey participants' answers indicate that besides a member of management, the internal audit department of the organization also played an important role in investigations (note the nearly two-third occurrence in Slovakia). An interesting result is the existence of a specialized investigation department, with more than one-tenth of the participants in both the Czech Republic and Slovakia confirming they have created and use such a department.

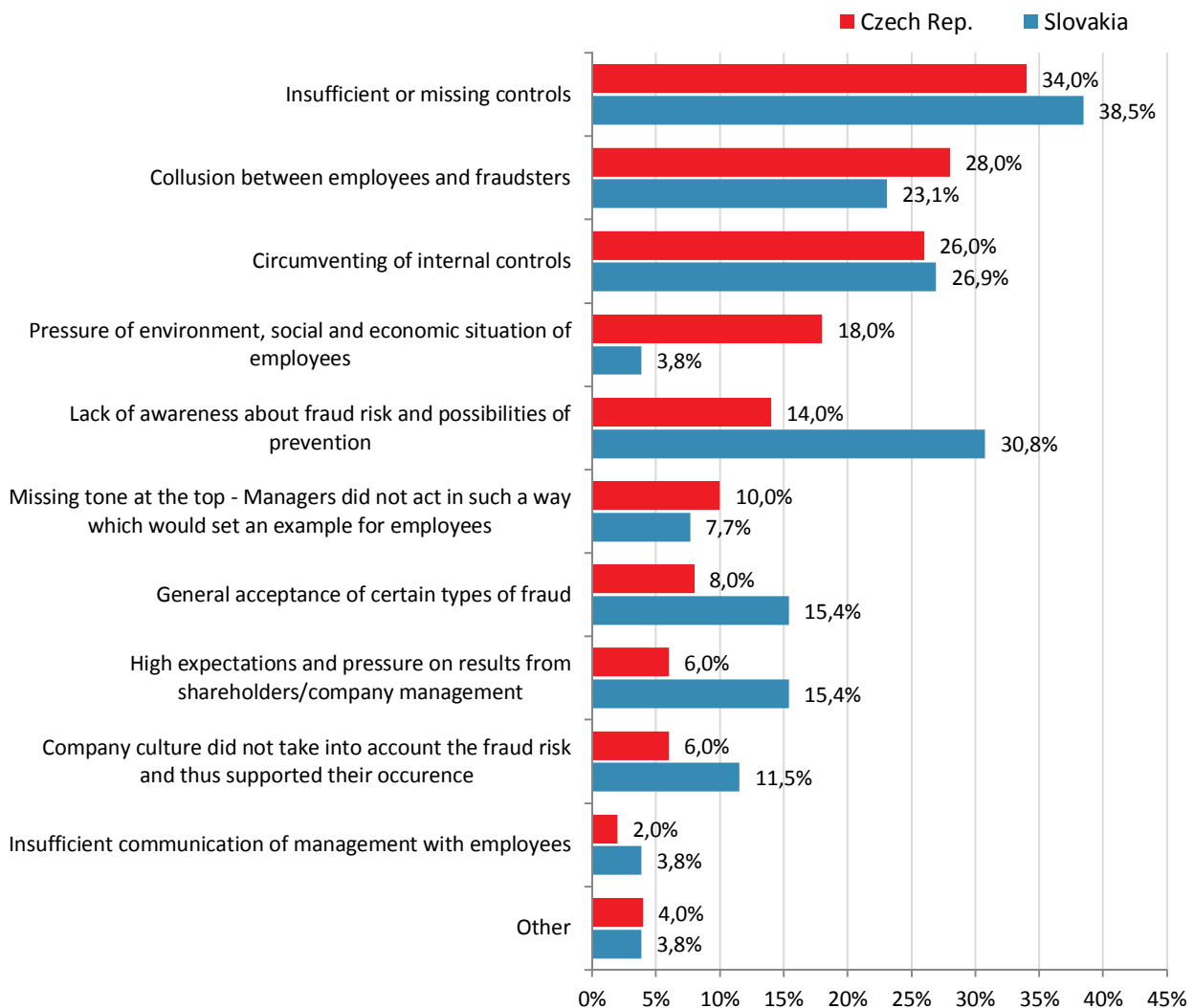


Circumstances that contributed to fraud

Inadequate or missing controls were the most frequent cause of fraud. Other frequent causes included collusion between the offenders and employees, and bypassing of internal controls (both were checked by approximately one-quarter of the respondents).

Besides these major circumstances, respondents pointed to the growing peer pressure to commit fraud, whether peer pressure on an employee or pressure by shareholders on company management. We are afraid that the current economic recession will further underscore the significance of this factor.

We would like to point out that nearly one-third of the respondents in Slovakia stated that insufficient information on fraud and its prevention contributed to fraud. The low awareness in this respect indicates a risk that, without knowing its control system weakness, an organization would probably be unable to set an adequate prevention control to eliminate the recurrence of fraud.

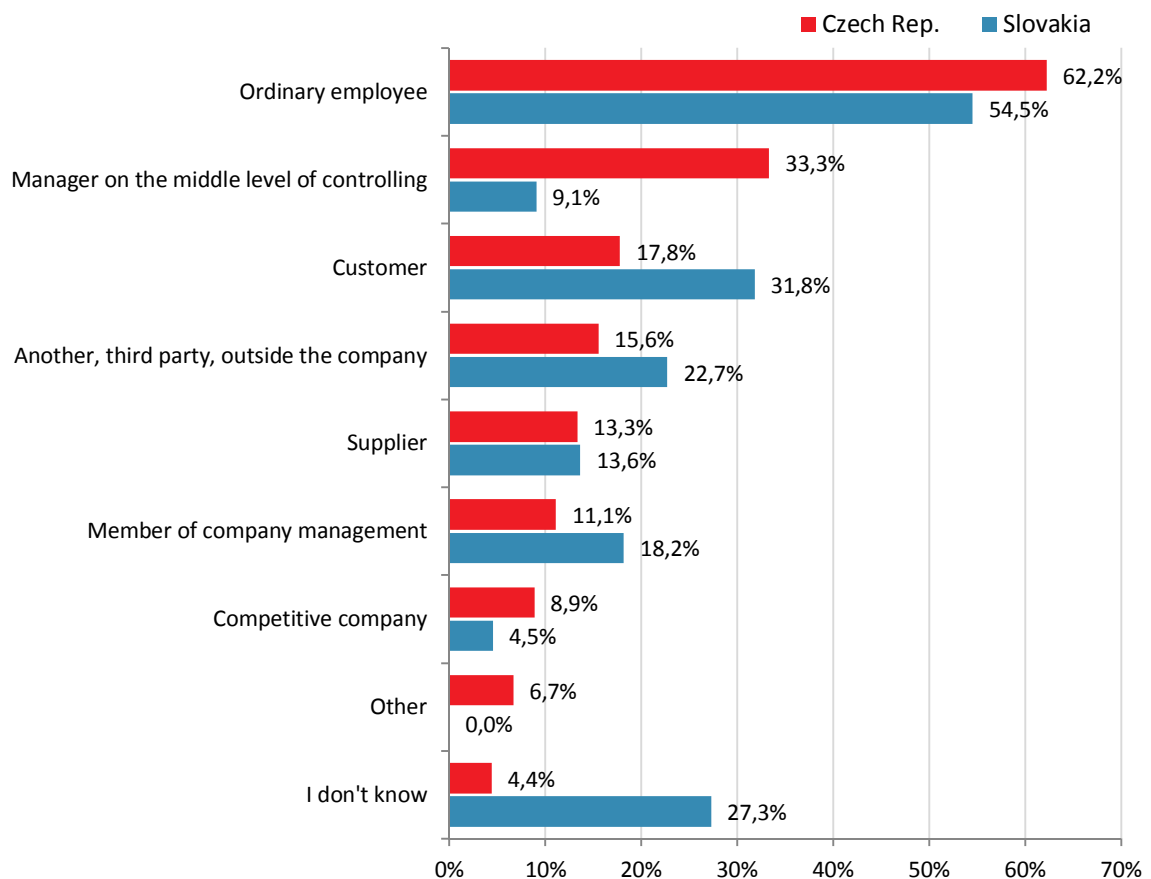


5. Methods of fraud perpetration and detection

The answers of the survey participants indicate that rank-and-file employee was the most frequent fraud perpetrator in both the Czech Republic and Slovakia. Next in the Czech Republic came line manager and customer, while in Slovakia it was primarily an external entity – customer, third party and supplier. Rank-and-file employee probably became the most frequent perpetrator because he has the highest percentage representation compared to other positions in an organization and because organizations were able to detect mostly the less complicated fraudulent schemes (such as asset misappropriation).

Please note that the percentage results in this chapter were calculated only from answers by those survey participants who stated that fraud occurred in their organization. As respondents could choose more than one answer the sum total of the percentage values is higher than 100% in some charts.

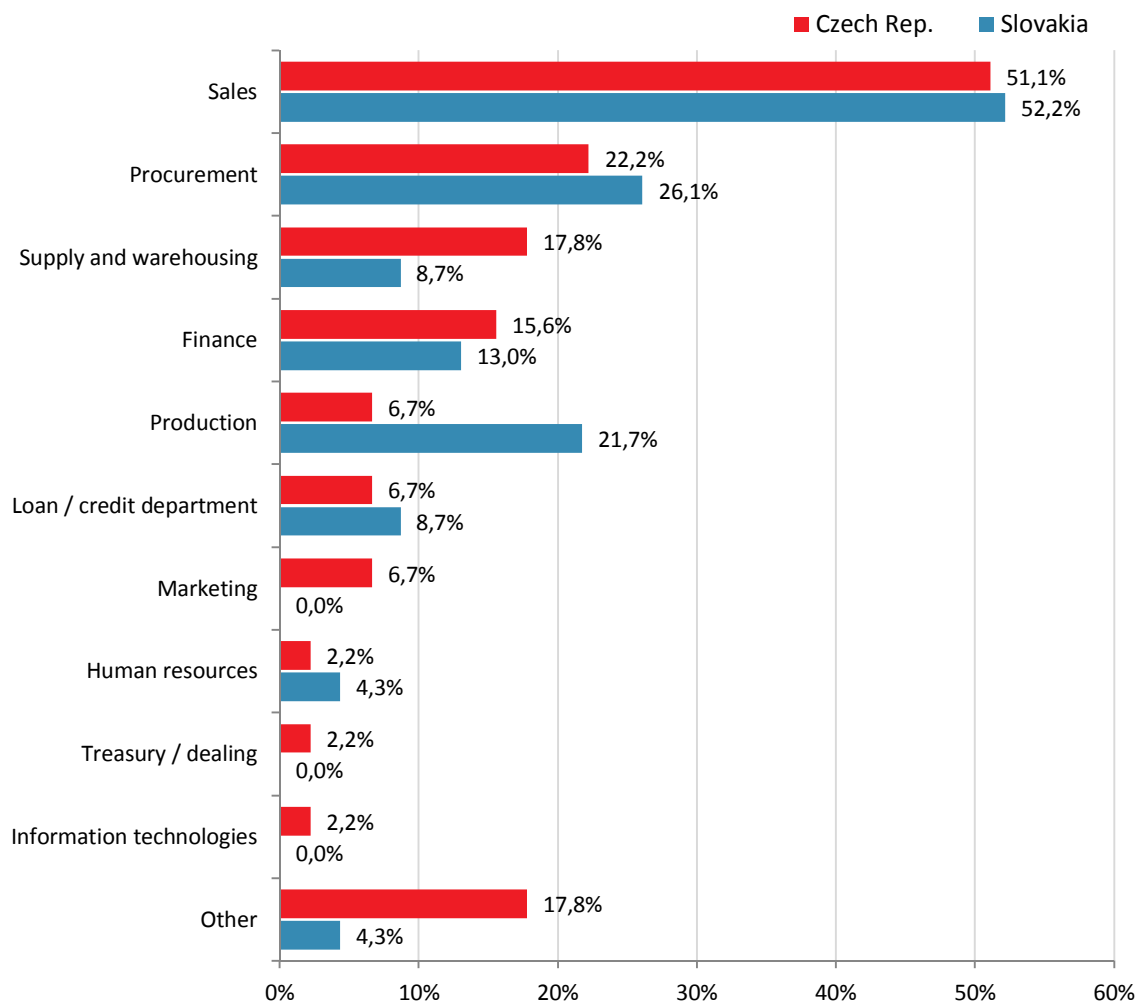
Perpetrators of fraud



Departments and positions where organizations detected fraudulent behavior

Departments and positions most susceptible to fraud include trading, purchasing, and procurement and stock-keeping. The most frequently mentioned department was trading, which was cited by more than one-half of the respondents. We assume that the rather high proportion of survey participants from the trade sector may have had a significant influence on this result. Besides, the third most recurring type of fraudulent schemes – invoice fraud (indicated by nearly one-fifth of the organizations in the Czech Republic and Slovakia) – was committed in trading and purchasing departments.

Also the rather high participation of financial companies and banks probably pushed the loan department to the sixth place with 7% occurrence in the Czech Republic and 9% in Slovakia. Production fraud was a surprising result, flagged by as many as one-fifth of the participants in Slovakia.

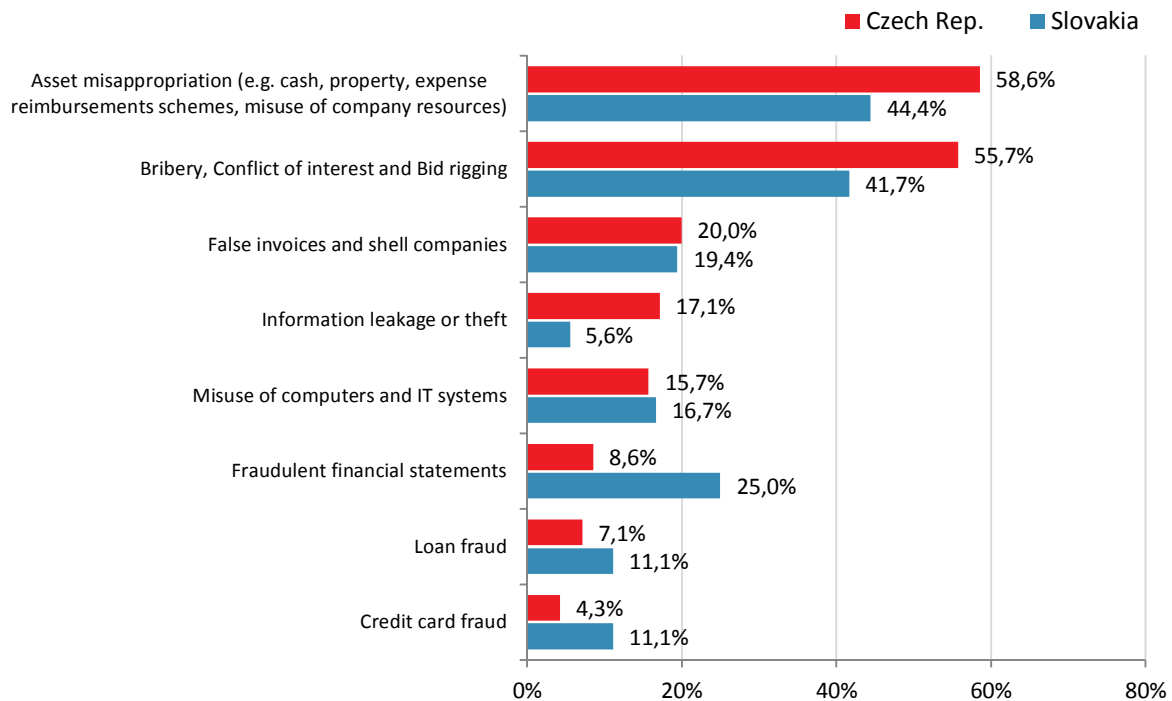


Types of fraud detected in the last two years

The most frequent type of fraud was fraud related to asset misappropriation such as misappropriation of property or cash or misuse of company funds for private purposes. This type of fraud was checked by almost 59% of the organizations in the Czech Republic and nearly 45% in Slovakia. The second most frequent category was fraud related to conflict of interest such as bribery, bid rigging or corrupt practices.

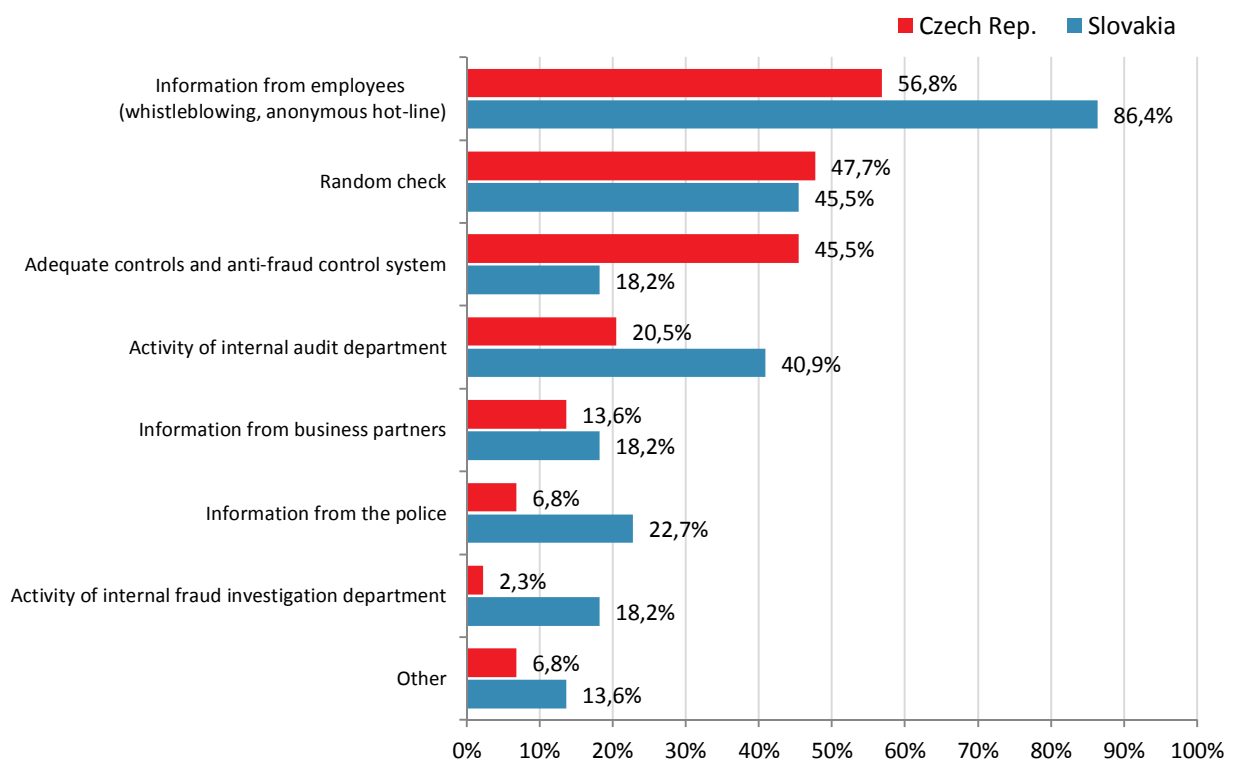
Due to the rather high participation of financial companies, credit card fraud and loan fraud made it into the ranking. Nearly one-quarter of the survey participants in Slovakia marked the fraudulent scheme of false financial reporting, which includes overstatement of assets, recording of fictitious sales, and manipulation of cost and revenue accruals).

Types of fraud detected in the last two years



Methods of fraud detection

Using information from own employees was the most frequent method of detecting fraud in both the Czech Republic and Slovakia. Random checks and the use of a control system were ranked next. These results only confirm the fact that a system of collecting information from own employees and supporting whistleblowers is one of the best prevention tools. Employees will always be a source of important information for the organization. For this reason, organizations should support and protect employees with high morals and personal integrity who are not afraid to stand up against fraud.

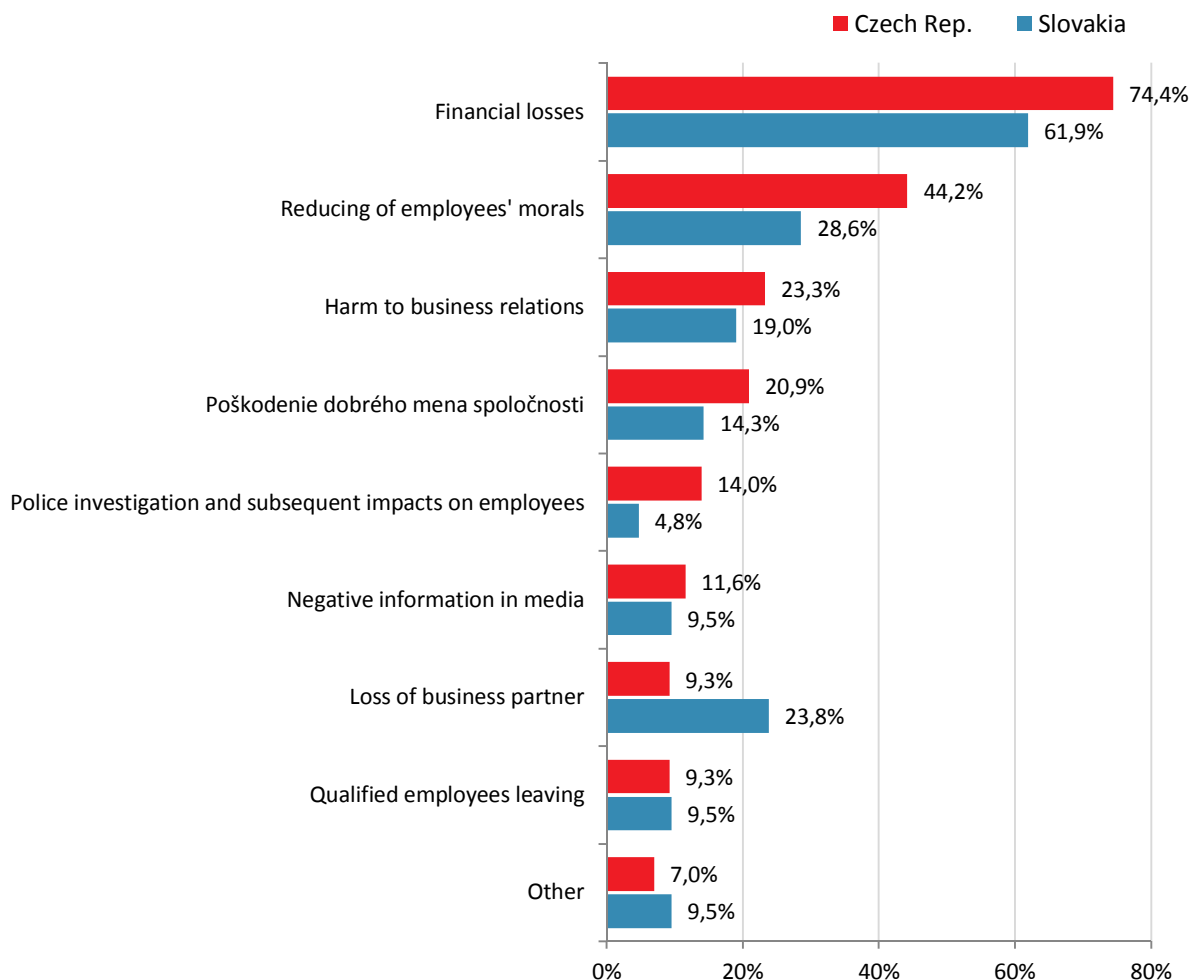


6. Impacts of fraudulent behavior

A positive attitude of an organization to the introduction of a control system is often related to what kind of experience with fraud the organization had in the past. Often, the impulse to introduce preventative measures only comes with the realization of the amount of losses caused by fraud. Calculating an exact value of losses is difficult because besides financial loss it often involves non-monetary impacts associated with damage to reputation or business relations. Underestimating these impacts may put at risk not only the meeting of business goals in the short term, but also the organization's ability to successfully operate on the market and prosper in the long run.

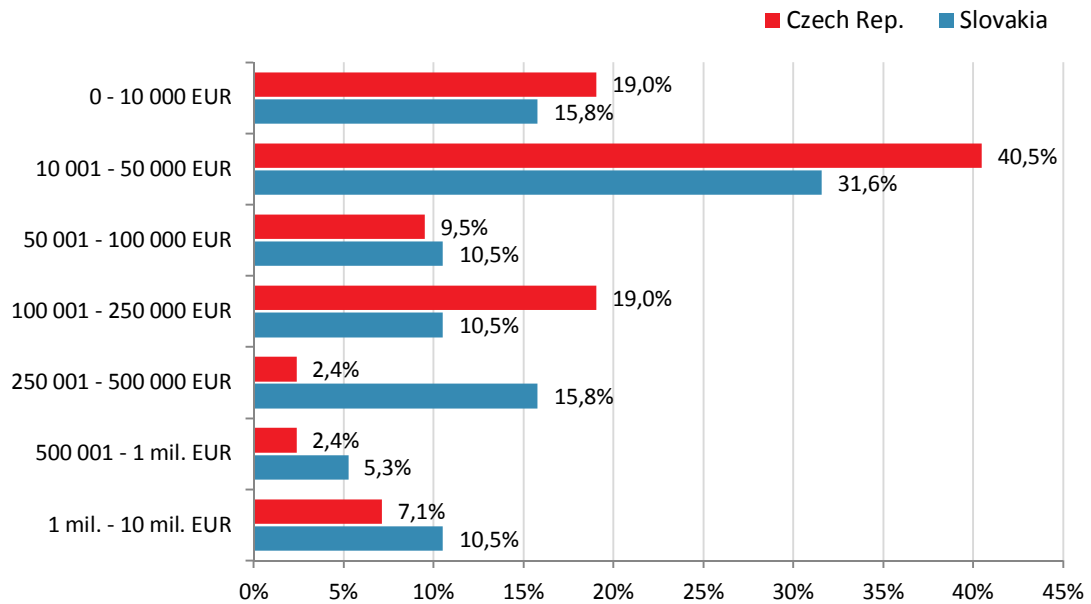
The survey respondents' answers indicate that direct financial losses were the most frequent consequence of fraudulent behavior in both the Czech Republic and Slovakia. Other negative impacts included deteriorated employee morale, disruption of business relations and damage to the reputation of the organization.

Impacts of fraudulent behavior



The most frequently reported interval of the value of losses was between EUR 10,000 to 50,000 (reported by 41% organizations in the Czech Republic and 32% in Slovakia). The dangerousness of fraud was confirmed by the 7% of organizations in the Czech Republic and 11% in Slovakia which suffered losses in excess of EUR 1 million.

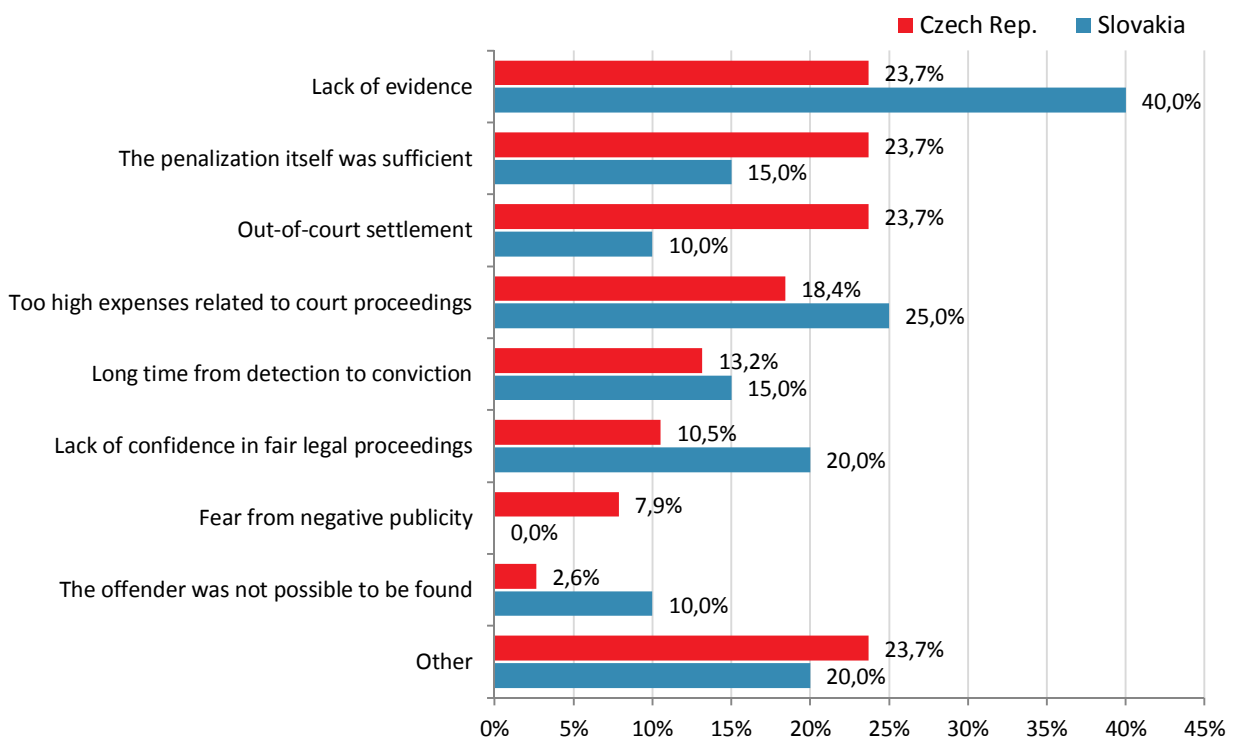
Overall financial loss caused by fraudulent behavior (in EUR)



Where a fraud was detected and investigated in an organization, the most serious reason why organizations did not take any legal action against the perpetrator was lack of evidence. This was reported by almost one-quarter of the respondents in the Czech Republic and as many as two-fifths of the respondents in Slovakia. This fact indicates the low use of internal or external fraud specialists (i.e. investigators, forensic auditors) and the inadequate education of employees and management in fraud detection and investigation.

Other reasons included out-of-court settlement, sufficient punishment of the offender and high legal fees.

Reasons, why organizations did not take any legal action against the perpetrator



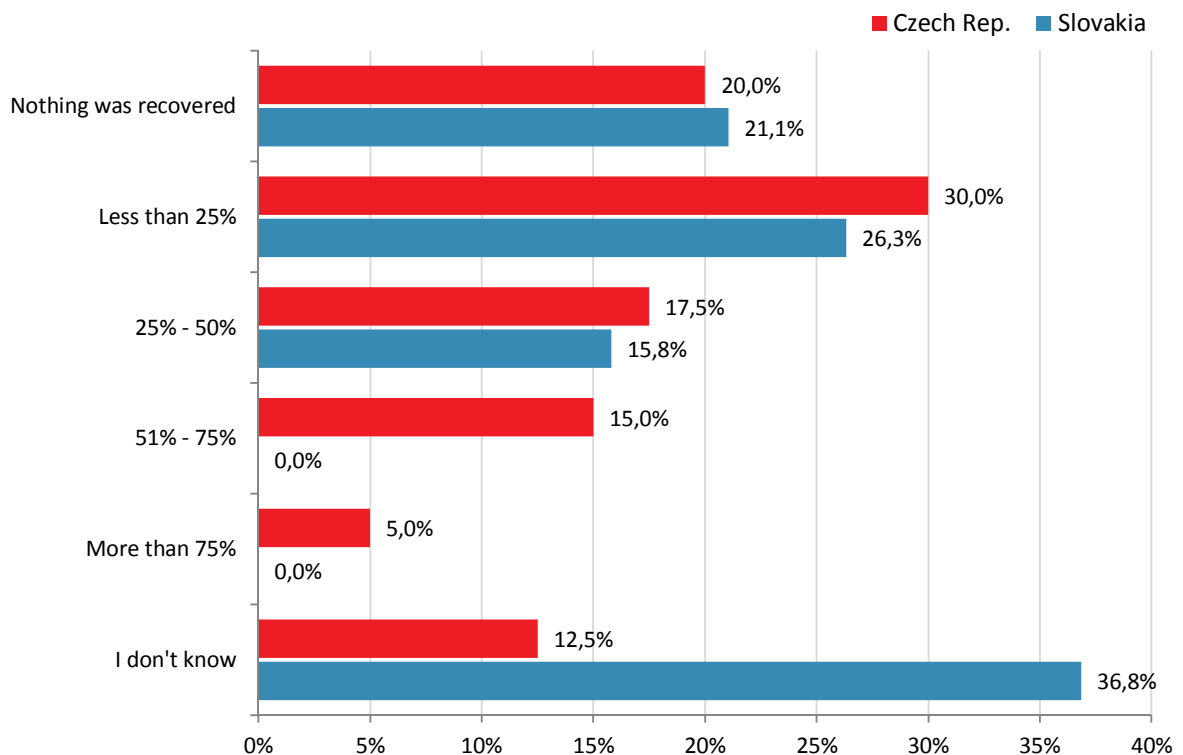
7. Asset recovery and compensation for losses

Asset recovery and compensation for losses caused by fraudsters is a lengthy and difficult process in which a number of factors come into play. One of the crucial ones, which organizations themselves can influence by their fraud detection and prevention programs, is effective gathering of evidence. The ability to obtain information about the existence of fraud and professionally conducted investigation will help the organization collect evidence about wrongdoing and initiate steps towards compensation for the losses suffered. Our survey looked into how successful companies were in this process and what volume of losses they managed to recover.

The respondents' answers indicate that companies in the Czech Republic were more successful in asset recovery and compensation for losses than companies in Slovakia. This trend is apparent particularly in categories with a higher portion of funds recovered – one-fifth of organizations in the Czech Republic, but none in Slovakia, managed to recover more than 50% of funds.

Approximately one-half of the respondents in both the Czech Republic and Slovakia managed to recover or exact only one-quarter of the losses incurred. Almost one-third of the respondents in Slovakia did not have the information and could not tell the amount of funds recovered.

Percentage of total financial losses caused by fraud a company managed to recover in the last two years



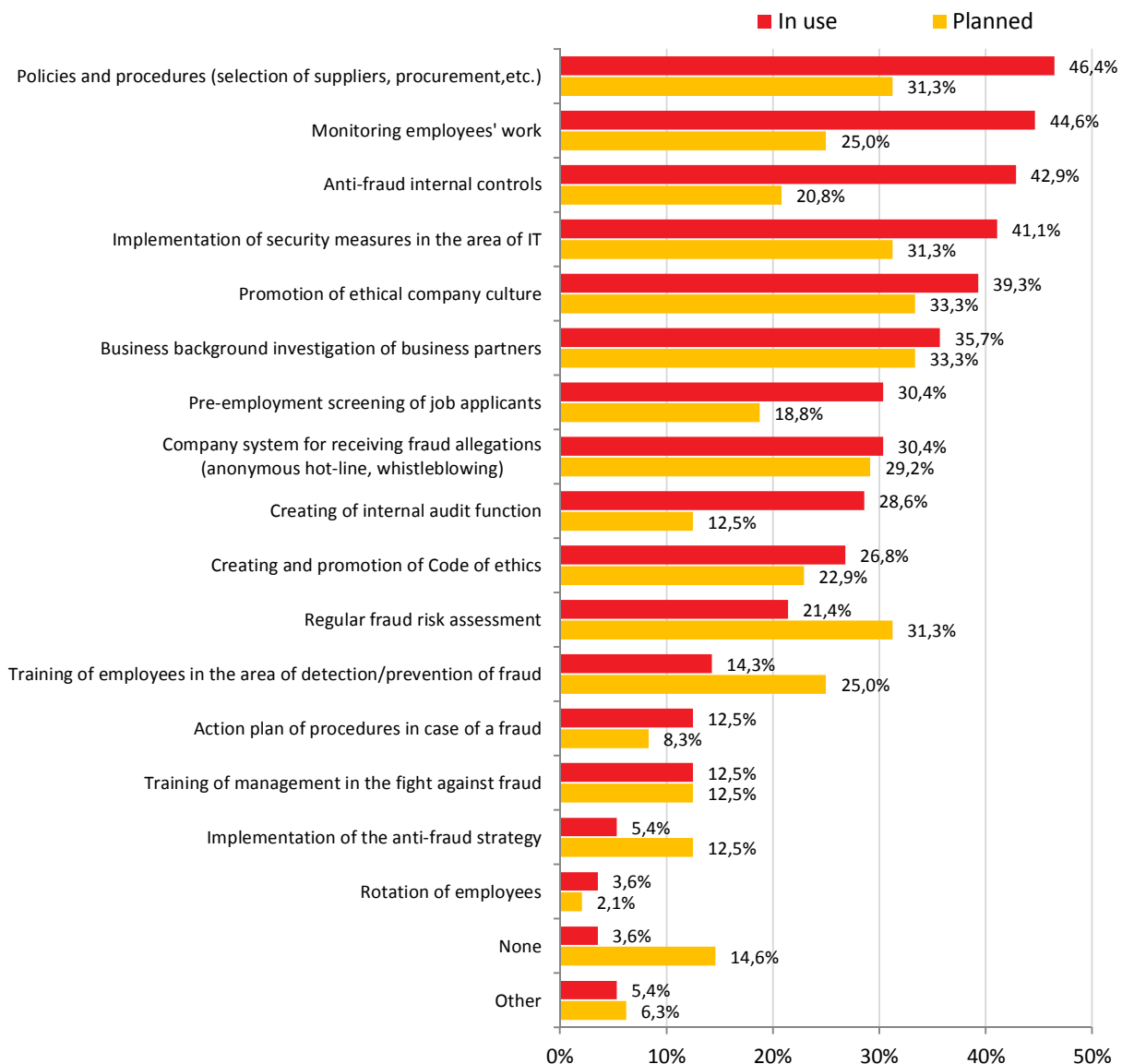
8. Fraud prevention

An effective fraud prevention program should be part of the management and control systems of each responsible organization. Such a program helps identify fraud risks, contains effective investigation procedures and tools, and sets prevention controls and measures. In the current situation, it is not enough just to introduce internal controls and perform regular external financial audits. Organizations should consider putting in place new procedures and mechanisms to detect and report fraud. Our survey probed the level of use of fraud prevention and detection controls and plans of organizations to use such controls in the future.

Czech Republic –anti-fraud control measures which organizations use and plan to use

Policies and procedures (such as for purchasing, vendor selection, conflict of interest or separation of duties), monitoring of employees' work, and internal anti-fraud controls were the most frequently used fraud prevention measures in the Czech Republic.

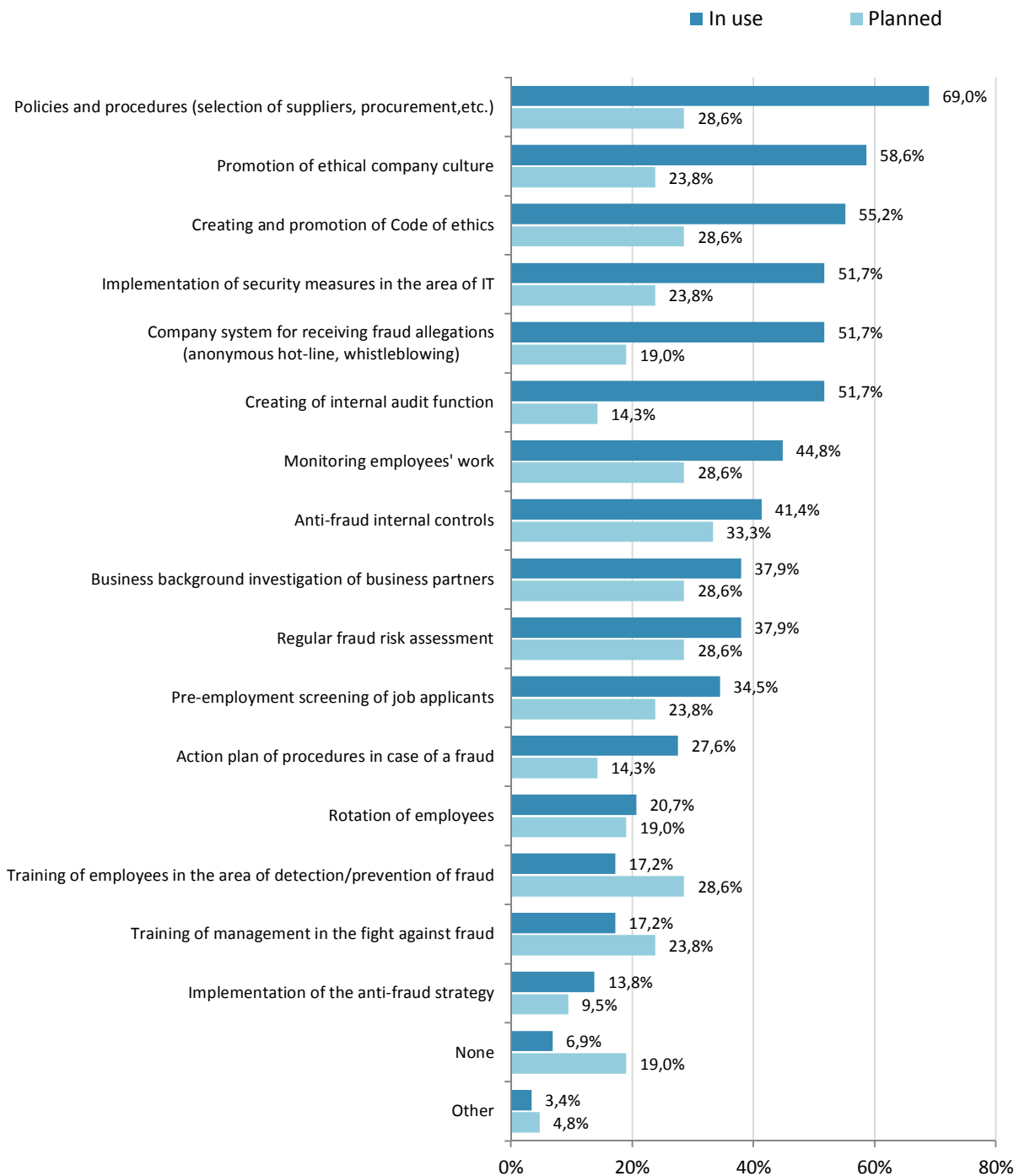
The four most frequent controls organizations plan to introduce include background checks on business partners, policies and procedures, promotion of ethical culture, and regular fraud risk assessments.



Slovakia – anti-fraud control measures which organizations use and plan to use

Like in organizations in the Czech Republic, so in Slovakia the most frequently used anti-fraud measures and tools are policies and procedures, supplemented with promotion of ethical and corporate culture.

The four most popular controls organizations in Slovakia plan to introduce include internal anti-fraud controls, employee education, background checks on business partners, policies and procedures, and regular fraud risk assessments.



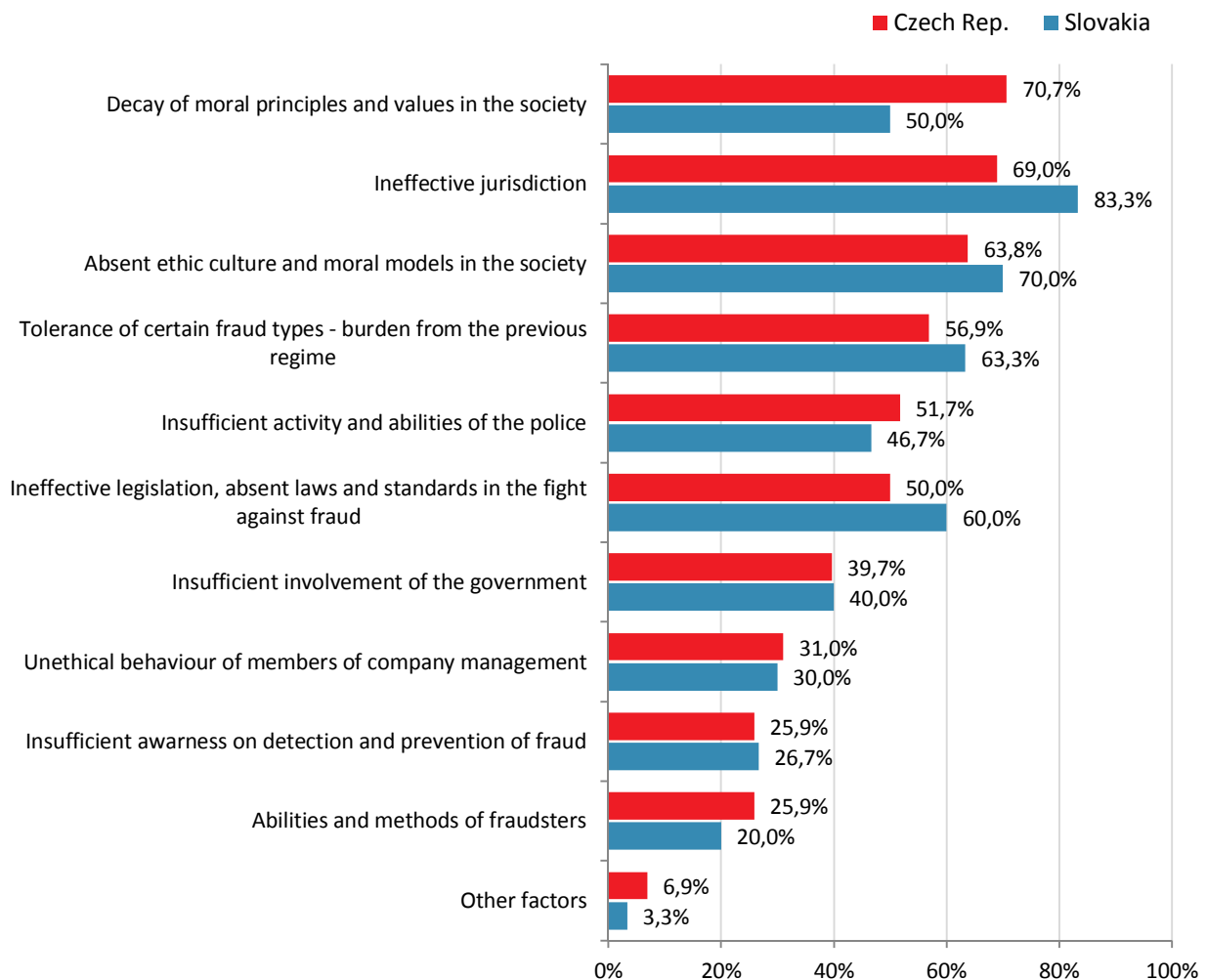
9. Influence of fraud on the society

In the last part of the survey, we focused on how organizations perceive conditions in the society that affect their business. We sought to ascertain how they rate government activity in the fight against corruption, which types of fraud they consider to be most harmful to the society and which factors contribute the most to the occurrence and growing incidence of fraud.

The most serious factors of the growing incidence of fraud

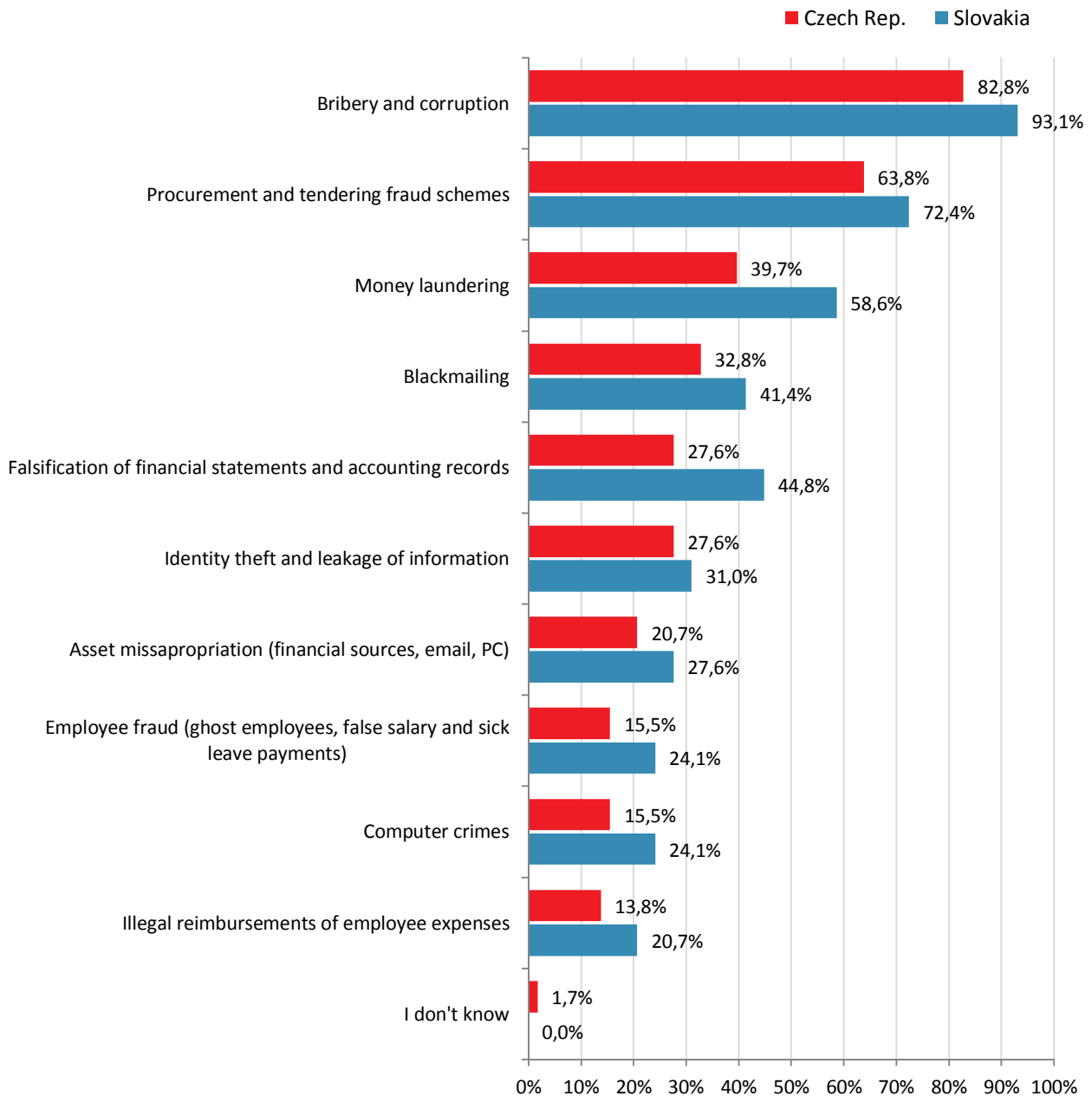
Czech respondents designated decline of moral principles and values in the society, ineffective judiciary, and lack of ethical culture and moral role models as the most serious factors of the growing incidence of fraud. On the other hand, Slovak respondents see ineffective judiciary as the most important factor. In the ranking of important factors, they more or less agree with the opinion of respondents in the Czech Republic. The ranking of these factors points to the actual negative experience organizations and common people have with law enforcement in courts and with seeking recovery of lost funds and fair punishment for perpetrators.

An interesting result is the placement of the factor of fraudsters' abilities and methods which the survey participants ranked as least important. This might indicate that fraud is not a matter of fraudsters' technical skills, but a matter of the attitude of public institutions to dishonest behavior, the level of ethical culture in the organization and the personal integrity of employees, management and owners.



Types of fraud which are most harmful to the society

The answer on which the respondents in this survey agreed the most concerned corruption. The survey participants clearly indicated bribery and corruption as the type of fraudulent behavior most harmful to our society. Closely related to corruption is bid rigging and favoritism, which were checked by approximately two-thirds of the survey participants. Probably due to the rather high participation of financial companies, money laundering became the third most harmful type of wrongdoing in the survey.



10. Final recommendations

The survey has offered us interesting findings about the extent, impact and occurrence of fraud in organizations in the Czech Republic and Slovakia. In short we can say we know where we stand. We know where we face risks of loss, how a fraudulent scheme manifests itself and who can commit it. This step is not where it should end for organizations. Quite the opposite, it should be a springboard for them to launch a campaign against fraud in their business.

What should organizations do?

- Do you believe that fraud can occur in your organization? Do the management and owner of the company believe so? Acknowledging the risk and having general awareness of fraud is the first step for key people in the organization towards successful fight against fraud.
- Promote ethical behavior in your organization and declare zero tolerance to wrongdoing. Clearly communicate to employees what stance the organization has on fraud and detected wrongdoing and what is the management's attitude to prevention.
- Find out where the organization faces risks of the various fraudulent schemes with the highest impact and highest likelihood of occurrence. Detect those risks and find out whether you have controls and procedures in place to mitigate them.
- Review the anti-fraud control system. Design and implement fraud detection and prevention mechanisms, which will help you effectively deter fraudsters and detect instances of wrongdoing in the very bud.
- Check out your business partners. Check their credibility, history, reputation and references. Verify information from job candidates you intend to hire. Make sure you do not employ fraudsters.
- Involve the entire organization in the fight against fraud. Educate your employees, management, but also business partners, about fraud. Teach your employees to discern and detect fraud and explain to them how harmful the impacts of fraud are not only on the organization, but also on their future as employees.
- Create a mechanism for protected whistleblowing. As the survey has shown, the best way to detect fraud is by using information from employees. Support them in this effort, motivate and protect those who decide to report fraud.

11. Several tips from respondents

We are grateful to all respondents who took the time and provided important information to answer our questions. In the last part of our survey, we asked the participants which further procedures and tools for effective fight against corruption and fraud should be introduced as part of the government's anti-corruption strategy and policy. Below we include some of the large number of very interesting recommendations.

System changes

- Thorough reviews, especially in public procurement, and consistent punishment of offenders
- Procedures and measures standard in the private sector to be introduced in the public sector
- Introduce special reporting for private companies (adding a line in the balance sheet and P&L statement) to report services and products delivered to government organizations
- Remove statutory exceptions and other administrative prerequisites of corrupt behavior
- Introduce a public register of convicts
- Disclose information at all levels of government

Politicians, government and civil servants

- If corruption is found with representatives of a political party, dissolve the political party
- Clearly specified responsibilities for each government official so that the culprit could be traced and legal action could be taken in the event of failure
- Rotation of regular employees of government offices and consistent reviews of the income of civil servants
- Streamline asset declarations and require proof of income of members of government and judiciary
- Long sentences for corrupt high government officials and politicians regardless of political affiliation

Law enforcement and fraud investigation

- Severe punishments and sanctions for fraudsters
- Speed up and streamline court trials (laws are OK, but are not used)
- Simplify legal conditions for claims
- Make judiciary more efficient so that conviction of culprits does not take too long
- Increase powers for economic crime investigators
- The police should be more thorough and faster in fraud investigations
- Introduce and use the institute of agent provocateur

Public procurement

- Introduce internet auctions and electronic bidding
- Disclose all major public procurement contracts
- Transparency and clarity in anything public, especially public procurement
- Disclose information on tender participants, including all conditions and documents
- Introduce multiple-round system of price quotation, separate delivery and quotation, and delivery negotiations
- Check individuals involved in tenders, their family members and related persons for conflict of interest
- Correct and consistent compliance with existing rules



Methodology

Participants

12. Methodology

The 2011 Fraud Survey in Organizations in the Czech Republic and Slovakia took place in May and June 2011. The survey was strictly anonymous. We contacted 2,500 organizations operating in the Czech Republic and Slovakia (of that 1,500 in the Czech Republic and 1,000 in Slovakia), selected on their size and business segment.

The request to complete the questionnaire was addressed to a management employee in the organization who had knowledge about fraud and about the controls of the organization (such as CEO, internal auditor or member of top management).

Requests were sent by mail or e-mail. 125 organizations, of that 81 headquartered in the Czech Republic and 44 in Slovakia, took part in the survey and sent us their answers.

The survey was only accessible on-line in the form of a web-based questionnaire. It contained 56 questions, divided into two parts. The first part of the questionnaire included questions focused on the occurrence of fraud and impacts of fraudulent behavior. The second part concentrated on ascertaining the status of the anti-fraud control system in the organizations.

13. Participants

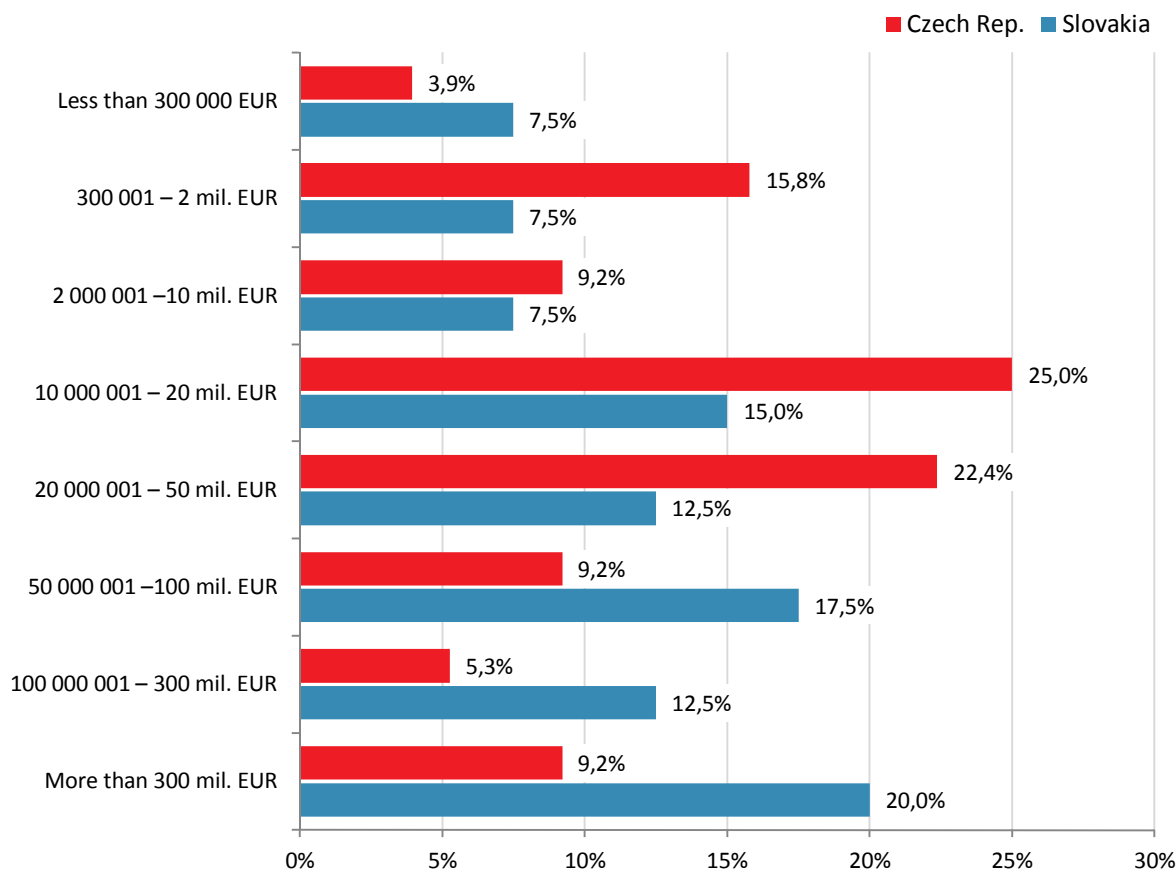
A majority of the organizations that took part in the survey had the legal form of a limited liability company. About one-third of the survey participants were joint-stock companies.

The state had no interest in 94% of the organizations in the Czech Republic and Slovakia, only 6% of the organizations were either partly or wholly state-owned. More than two-fifths of the respondents were companies fully owned by domestic capital, 45% were fully in the hands of foreign owners, and 12% had a share of both domestic and foreign capital.

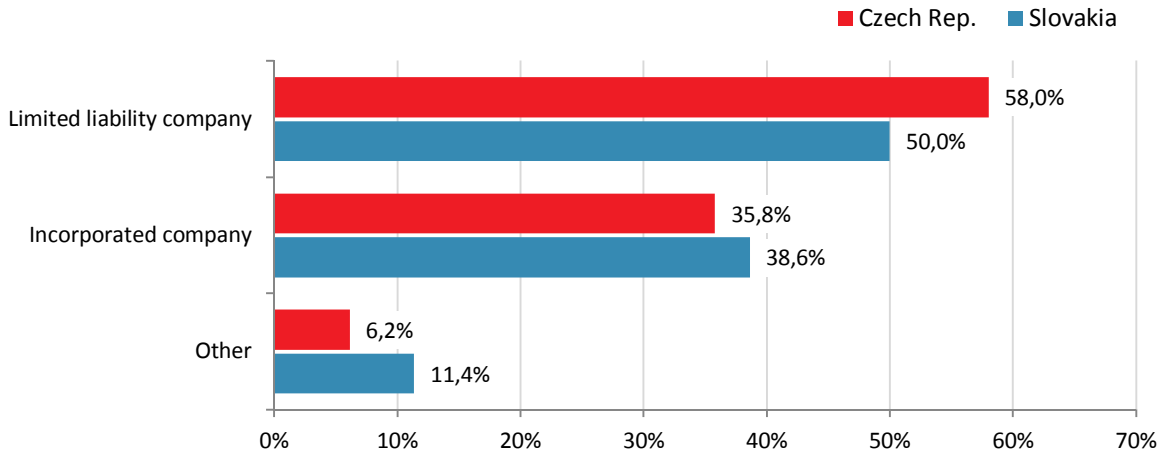
The most numerous group of organizations that took part in the survey (37% of the total number of respondents) were organizations with 101 to 500 employees. Thirty-six percent of the participants were small and medium-sized organizations with up to 100 employees. Large companies with more than 500 employees accounted for 27%.

The participating companies came from a wide spectrum of sectors. Industry had the strongest representation, followed by services, each with about one-third of the survey participants. Companies engaging in trade dominated in the Czech Republic, while in Slovakia it was financial services companies.

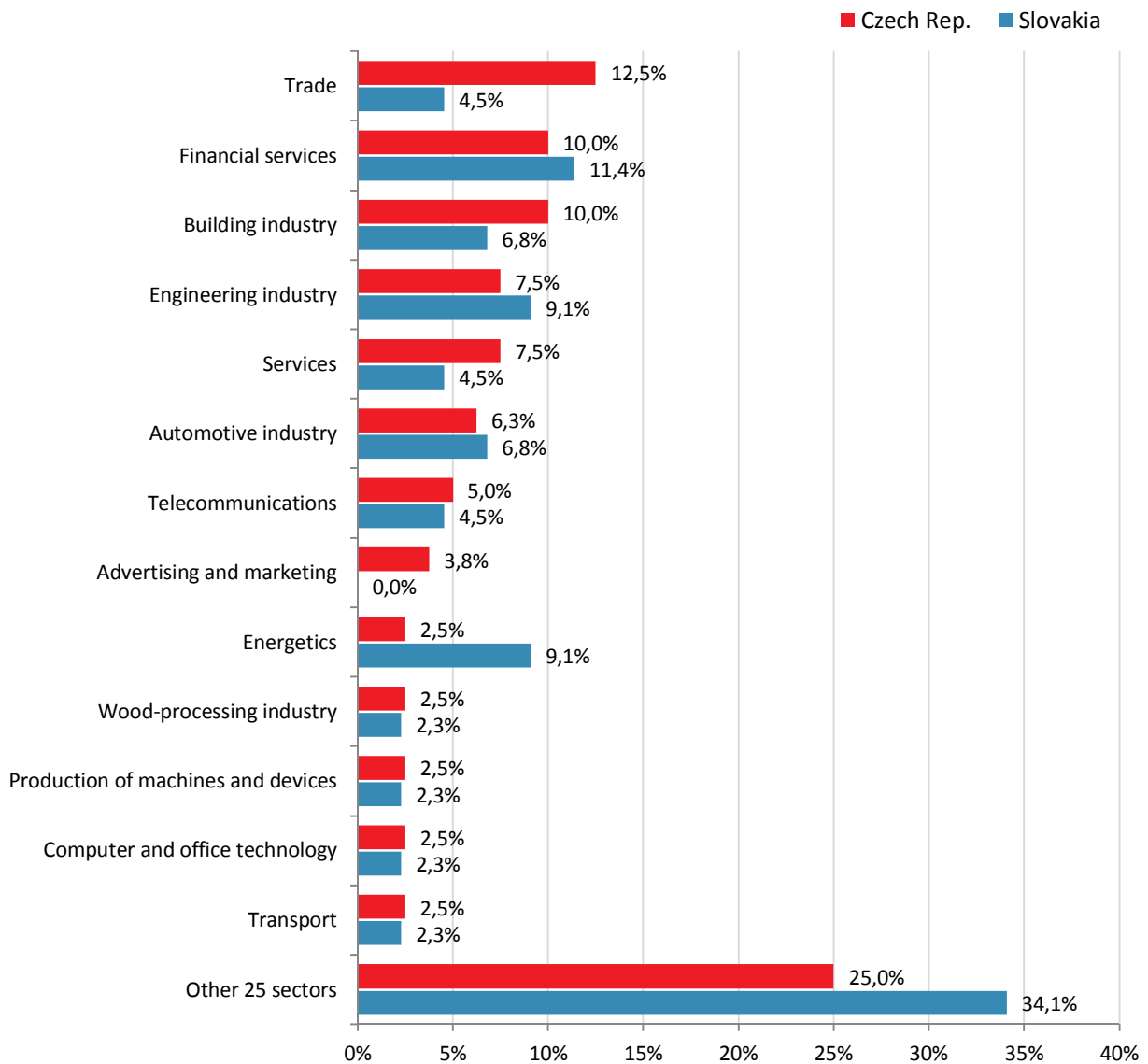
Organizations according to revenues achieved in 2010 in EUR



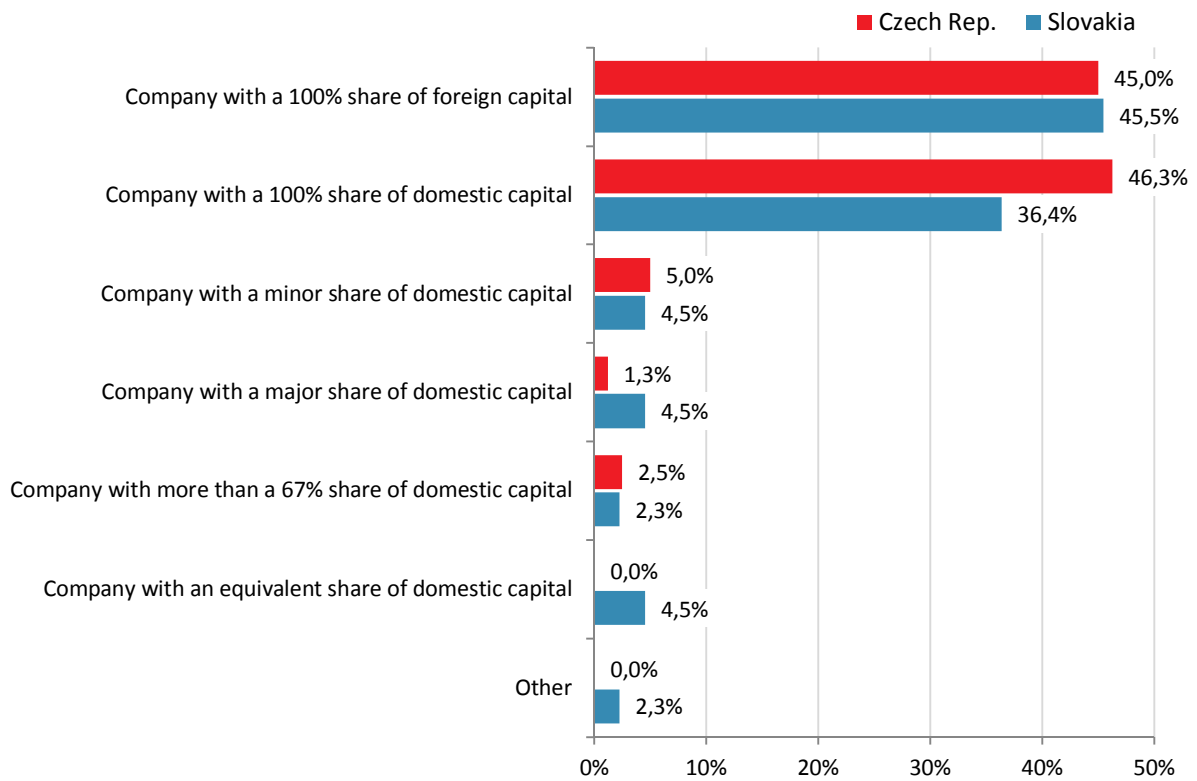
Organizations according to legal form of the company



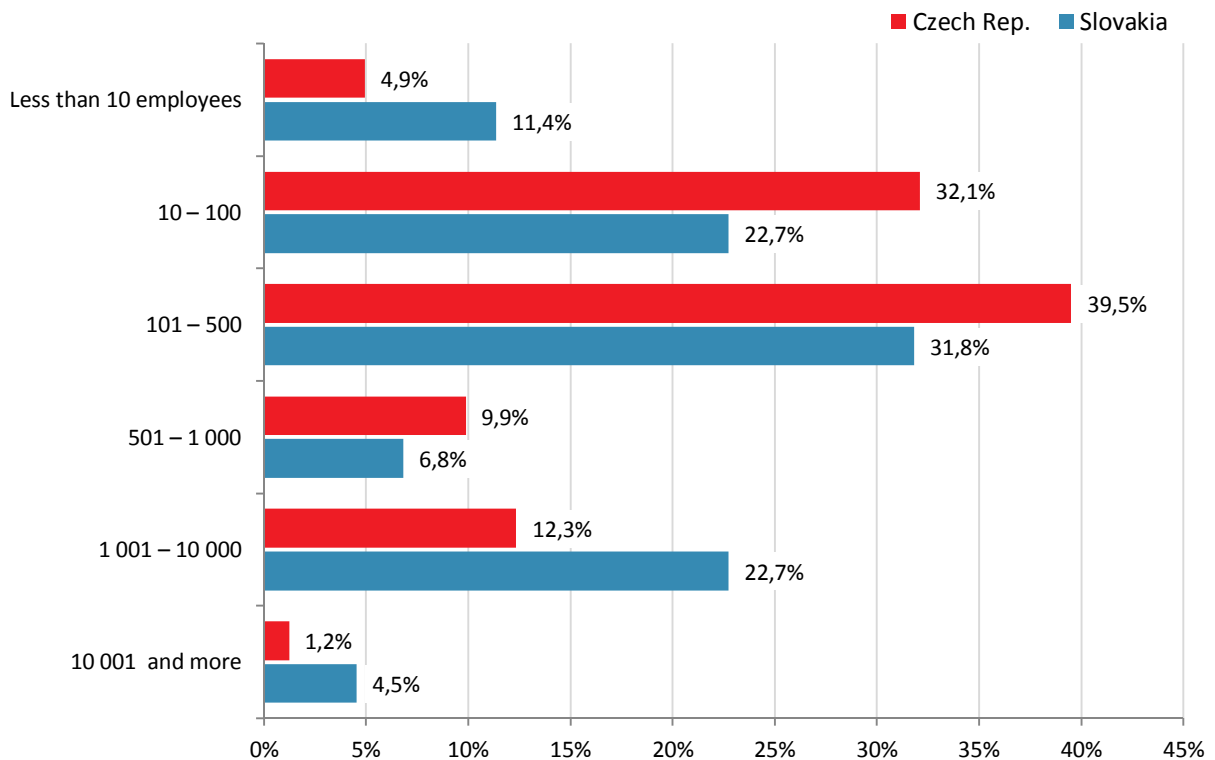
Organizations according to prevailing industry sector



Organizations according to origin of company capital



Organizations according to number of employees in 2010





Organizers

14. Organizers

The survey was conducted by the following organizations (in alphabetical order):

The 2011 Fraud Survey in Organizations in the Czech Republic and Slovakia was prepared by a team of Surveillance and TPA Horwath A&A. The key members of the team were Ján Lalka, Managing Director of Surveillance, and Ivan Paule, Audit Partner of TPA Horwath A&A.



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ACCA (The Association of Chartered Certified Accountants) is one of the largest and fastest growing global professional accountancy associations, with more than 424,000 students and 147,000 members in 170 countries worldwide. In Slovakia ACCA has more than 1,300 members and students, with their number growing every year. ACCA was the first professional association to test on IAS/IFRS (International Accounting Standards/International Financial Reporting Standards). The ACCA qualification syllabus has been recognized by the United Nations as a benchmark for global accountancy qualifications. The main focus in the new, so-called main ACCA qualification, is on professional values, ethics, and governance.

ACCA has provided accounting and finance qualifications for more than 100 years. The professional ACCA qualification is offered to all those who seek a rewarding career in finance and accountancy.



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Surveillance [sr-va-l-jn (t) s] is the first forensic agency in the Czech Republic and Slovakia specializing exclusively in fraud investigation and prevention. Thanks to our close cooperation with other investigative, audit and advisory companies, we can also flexibly respond to our clients' needs in other Central, Eastern and Western European countries.

Our work does not end with the investigation of a fraud and detection of the perpetrator. We can successfully search for evidence of the perpetrators' intention to commit fraud, evidence that increases our clients' chances in legal proceedings or damage claims.

We create strong and efficient investigative teams to meet the challenging requirements of our clients. The core of the team is comprised of forensic investigators, lawyers, financial auditors, IT experts and valuation and corporate finance specialists. We are a member of Integrity Europe, an international network of investigative and advisory companies focused on the fight against fraud.



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The audit and consulting company TPA Horwath is a member of Crowe Horwath International, a global network of auditors and consultants that rank among the world's TOP 10 professional audit and consulting firms. Crowe Horwath International offices are located in all big cities and regions, and the company has 640 branches and nearly 28,000 employees in more than 100 countries around the world. It provides its clients with high-quality and professional services in the area of audit, accounting, tax consultancy, corporate finance and corporate governance consultancy.

The Czech practice of the Central European TPA Horwath Group has been in operation since 1999, when it created a joint-venture with NOTIA Audit, spol. s.r.o. which existed in the Czech Republic since 1993.

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Likewise, TPA Horwath entered Slovakia in 2001 by taking over a Slovak audit firm that existed there since 1993. With more than 960 employees in Central Europe, TPA Horwath Group ranks among the leaders in audit and consulting firms. TPA Horwath has over 60 employees in Slovakia and more than 130 consultants in the Czech Republic who are ready to provide their clients a wide array of services and advice in all relevant areas of business.



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As the survey respondents could provide answers according to their belief and knowledge Surveillgence, s.r.o., TPA Horwath A&A, s.r.o. and TPA Horwath Tax s.r.o. cannot be responsible for any errors, misstatements or misrepresentations that may have appeared in this survey.

The responses by each respondent, i.e. assessment of the situation in the survey participant's company, may have been the subjective view of the specific person who completed the questionnaire. Another person at the company may have held a different view and may have given different answers to the questions included in the survey questionnaire.

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