

an executive coaching session on:

Financial Statement Fraud

Detect, Respond & Prevent

What Directors, CEOs, CFOs, Managers, Accountants and Auditors Must Know

4th & 5th October 2007

InterContinental, Manila, Philippines

12th & 13th November 2007

Berjaya Times Square Hotel, Kuala Lumpur, Malaysia

**2nd Run
Back by
Popular
Demand!**



*"Know the enemy and know yourself;
in a hundred battles you will never be in peril."
- Sun Tzu, The Art of War*

Fraud is everywhere, and it's growing because of little emphasis on deterrence. PricewaterhouseCoopers' 2003 Global Economic Crime Survey, which polled 3,600 corporate executives in 50 countries, found that economic crime is a significant problem with no industry immune from its effects. The respondents' major concerns were financial loss, damage to reputation and brand, and the effect on employee morale.

Studies have shown that financial statement misstatements have occurred at both large and small companies, at times causing a huge impact on the bottom line and the share price. Financial statement fraud causes a decrease in the market value of a stock of approximately 500 to 1,000 times the amount of the fraud. Numerous examples of financial statement fraud and alleged auditor negligence have been disclosed over the past few years - WorldCom/Arthur Andersen, Xerox/KPMG, Enron/Arthur Andersen, Adelphia Communications/Deloitte & Touche, Baptist Foundation of Arizona/Arthur Andersen, just to name a few. The ACFE estimates that 5% of the U.S. gross domestic product **about \$650 billion a year is lost to fraud**

Recognising the challenges that organisations are facing in combating Financial Statement Fraud, **ProEdge Global** is pleased to present this **2-day Workshop on Financial Statement Fraud: Detect, Respond & Prevent**. This will serve as an excellent opportunity to learn how best to protect your organization and step up on controls to prevent fraud.

This program offers a broad overview of the different types of financial and accounting fraud while focusing on **Financial Statement Fraud**. Lead by a world renowned financial fraud specialist, this workshop will examine the theories and practical techniques and measures to combat **Financial Statement Fraud** and other financial fraud. Thus, preventing organisations from becoming the next fraud victim.

SPECIAL
Don't Miss Out This
Fantastic Offer!
Book & Pay Before
24th August 2007

- Save up to RM400
- Receive a FREE book by Tommy Seah
- A chance to be on the "HOT SEAT" for the first 10 registrations

YOUR COACH:

Tommy Seah

CFE, FAIA, Forensic CPA, CSI

*Chartered Banker,
Accountant,
Auditor, Investigator,
Examiner, Member of
The Board of Regents,
ACFE (Texas, USA)*

Official
Hotel



**BERJAYA
TIMES SQUARE**
KUALA LUMPUR

Training
Partner

CFE-In-Practice

Integrity. Intelligence. Independence.



Why is this program so special ?

- **Strictly limited numbers** means that you will receive maximum personal tuition and coaching throughout the entire program
- Learning will be facilitated through discussion and “**real life**” case studies.
- This course is lead by one of the **leading financial fraud specialist** who has taught professionals from most of the leading organisations around the world
- **New and exciting developments** in the fraud detection and prevention techniques will be shared to increase your effectiveness within all aspects in dealing with fraud in your organisation.
- This **comprehensive course** offers you the unique opportunity to leverage on networking, sharing of views and ideas, and learn how other organisations are dealing with problems of financial fraud.

The institutions that Tommy has trained include:

Monetary Authority of Singapore, **Oversea Chinese Banking Corporation**, Perwira Affin Bank, **United Overseas Bank Ltd**, Hong Leong Finance, **Malaysian International Merchant Bankers Bhd**, P.T. Indonesia Finance & Investment Co, **Southern Bank Bhd**, United Malayan Banking Corp Bhd, **Tenaga Nasional Bhd**, Westpac Banking Corp, **Government Investment Corporation of Singapore**, PriceWaterhouseCoopers, **HSBC**, Philip Morris, **Inland Revenue Board**.

Some Comments from Past Delegates:

- “The subject matter was well presented and at a suitable pace.” - Manager, **BNP Paribas**
- “*The way the program was conducted - Lively - Able to keep one’s attention.*” - Head of Internal Audit, **Credit Lyonnais**
- “*Interesting, informative and lively presentation*” - Investigation Officer, **Inland Revenue Board (IRB)**

Who Should Attend

This is a course developed to meet the needs of corporate leaders, financial professionals, accountants and auditors who want to fully master the complexity of detecting, responding and preventing **Financial Statement Fraud**.

This course will provide an invaluable insight for :

- Chief Executive Officers
- Corporate/Managing Directors
- Chief Operating Officers
- Chief Financial Officers
- Chief Information Officers
- Chief Internal Auditors
- Chief Security Officers
- Chief Operating Officers
- Heads of Internal Audit/Corporate Audit
- Audit Managers/Officers
- Finance Directors
- Heads of Legal & Compliance Department
- Heads of Regulatory Affairs
- Risk Management Heads
- Heads of Credit Control
- In-house General Counsels
- Forensic Accountants
- Independent Auditors

Program Outline : Day 1

UNDERSTANDING FINANCIAL STATEMENT FRAUD

- Financial Statement Fraud Defined
- Key Elements of Financial Statements
- Financial Statement Manipulation
- The True Cost of Fraud and It’s Impact
- Errors vs. Irregularities
- **Lessons Learned, a Case Study:** Analysis of Famous Cases (WorldCom, Crazy Eddie & Enron)

THE FRAUD TRIANGLE - THE THREE FACTORS PRESENT IN ORGANISATION THAT ALLOW FRAUD TO OCCUR

- Incentive/Pressure
- Opportunities
- Attitudes/Rationalization
- Profiles of a Financial Statement Fraudster

EVALUATING THE EXISTENCE OF FRAUD

- Identifying Your Exposure to Financial Statement Fraud
- Evaluate the Existence of Fraud Risk Factors Using SEATA™ Risk Assessment Methodology
- Looking for Financial Fraud Schemes Within Your Organisation

THE ANATOMY OF FINANCIAL STATEMENT FRAUD

- Utilize Aggressive Reserves
- Delay/alter Expense Recognition
- Accelerate Revenue Recognition
- Exploit Acquisition Reserves
- Make Unsupportable Entries
- Fabricate Additional Revenues

ANALYSIS OF COMMON FRAUD EXAMPLES AND HOW TO DETECT POTENTIAL WARNING SIGNS

- “Refreshed” Receivables
- Misstatement Of Expenses
- Sales of Development Stage Products
- Management Disclosure & Analysis Fraud
- Channel Stuffing
- Misdated Transactions
- Misstatement Of Asset Value & Liabilities
- Money Laundering
- Moving Inventory Between Locations
- Fraudulent Audit Confirmations
- Off Balance Sheet Liabilities
- Improper Revenue Recognition

Note: This session will enable participant especially Directors and Non- Financial Senior Executives to better understand the basic accounting principles in financial statements. You will learn to recognize the information financial statements convey and how to interpret and act upon the information when reviewing financial statements.

Fraud News in Malaysia

In February, the **Securities Commission of Malaysia** had reprimanded NasionCom Holdings Berhad. Its investigation had revealed that NasionCom had submitted false information with respect to revenue on sales that were not transacted in its 2005 financial statements.

Program Outline : Day 2

DETECTING CREATIVE ACCOUNTING PRACTICE

- Detecting Fictitious Revenues
- Detecting Misreported Asset & Liabilities
- Identifying the 'Red Flags' and Anomalies in Financial Statement
- Using Operating Cash Flow to Detect Creative Accounting Practices

PREVENT AND DETECT FINANCIAL STATEMENT FRAUD

- Tools and Techniques to Combat Financial Statement Fraud
- What to Do When You've Discovered a Serious Financial Fraud
- Proactive Forensic Data Analysis
- How to Protect Your Organisation from Financial Statement Fraud

FRAUD INVESTIGATION IN ACTION : WHAT EXPERTS DO

- Fraud Audit vs Fraud Investigation
- Fundamentals of Financial Statement Audit
- Internal Investigation Protocols
- Mistakes Investigators Make in Conducting Fraud Investigations
- Principles and Techniques in Financial Statement Fraud Investigations : Best Practices
- Inquiries of Personnel : Detecting the Fraudster and What Questions Should Be Asked?
- Forensic Technology and Data Management
- Validate Findings and Report Findings
- Disclosing and Communicating Results of Investigation Findings

FRAUD IN DIGITAL AGE

Note: This session will focus on the kinds of Fraud in the Digital Age and its implications on Financial Fraud. Participants will be equipped with essential knowledge when Confronting Fraud In The Digital Age. This will be an interactive session where participants will be able to share their experience in dealing with Digital Fraud.

■ Case Studies with Exercises

A Case Study on Financial Statement Fraud. Guided by the workshop leader, this session enables participants to test out the method to detect and prevent fraud practices in the case study given.

AI 240: THE AUDITOR'S RESPONSIBILITY TO CONSIDER FRAUD IN AN AUDIT OF FINANCIAL STATEMENTS

AI 240 (revised) was effective for audits of financial statement for periods beginning on or after 1 January 2006 in Malaysia. This standard guides auditors to plan and perform the audit in order to reduce audit risk to an acceptably low level.

Note: This session discusses the Implication of AI 240 (revised) on the auditor's work and how AI 240 (revised) improve the chances to detect fraud.

CONCLUSION OF WORKSHOP

- Workshop Summary
- Wrap Up Session

Program Outline : Day 2

FRAUD NEWS IN MALAYSIA : COOKING THE BOOKS

Air-freight firm Transmile Group's share price took a beating when it was revealed that a probe into its books was being carried out after auditors refused to sign off on the accounts because some of the company's 2006 revenues and receivables could not be substantiated. Transmile's share price plummeted on the news, wiping out gains made over the past two years and erasing about RM1.2 billion (US\$354 million) in its market capitalization.

Bursa Malaysia said it *"takes a very serious view on the non-availability of reliable financial information on Transmile"* for the financial year. It urged investors to exercise due care and diligence in their investment decisions on Transmile.

(Source: ASIA Times - <http://tinyurl.com/2ya5e2>)

"It is now a matter of whether the case is a civil one or criminal: criminal if it involves fraud, and civil if it involves negligence on the part of the company,"

Kindly take note that this is an exceeding interactive program and as such the course contents may not be delivered in the exact same sequence shown on this brochure.

■ Special : Financial Fraud 'Hot Seat' Session

You may be thinking "Sure, it looks good on Powerpoint but does all these concepts work in real life situation. The speaker always tell me what they liked to tell."

Take Action! Now it is your turn: make our expert tell you what you really want to hear... In this interactive 'Hot Seat' session, we put the theories to the test. With the help of **Tommy Seah** and your tough questions, let's find out if a Powerpoint presentation matches reality. Share your biggest problem that relates to the topic of Financial Fraud and **Tommy** will offer you his expert advice on how to deal with the situation. Learn from the leading **Financial Fraud Specialist**.

Course level: Intermediate

On booking, you will receive a pre-course questionnaire, which will help the course leader pinpoint your precise concerns and learning needs, so that he can tailor the content to your particular area of interest. If you require any further information about the course program, please call our us on (+603) 2116 5671 or email to kenneth@proedglobal.com

Course Timetable	0830	Registration and Morning Coffee
	0900	Morning Session Commences
	1030	Refreshments & Networking Break
	1045	Session Commences
	1230	Networking Lunch
	1330	Afternoon Session Commences
	1515	Refreshments & Networking Break
	1530	Session Commences
	1700	Course ends

Your Financial Coach



CFE-In-Practice

Integrity. Intelligence. Independence.

Tommy Seah, CFE, FAIA, Forensic CPA, CSI
*Chartered Banker, Accountant,
 Auditor, Investigator, Fraud Examiner*
**Member of the Board of Regents, ACFE
 (Texas, USA) World Headquarters**
Chairperson, CSI World Headquarters

Tommy is the Independent Third Party Central Bank Compliance Reviewer for a \$25 billion asset management company. He is a Risk Management Specialist and a member of the Global Association of Risk Professionals (GARP). He is a **Certified Fraud Examiner** and a member of **The Association of Certified Fraud Examiners Board of Regents** based in Texas, USA. CFE is a post graduate professional qualification recognised by the USA Central Intelligence Agency in it's recruitment of auditors for combating fraud.

His services in providing technical training and consultancy in AML and Basel II systems implementation is much sought after by numerous banks in the region, including Germany, Singapore, **Malaysia**, China, Indonesia, Brunei, Thailand, Philippines and Taiwan. Tommy's previous experience includes systems-based auditing in an American International Bank, where he was the Senior Regional Auditor responsible for the Bank's audit in the Asia Pacific region. He has also held the top executive position of **Chief of Internal Audit** in a prime offshore bank where his audit duties cover the Singapore and Hong Kong operations of the bank. His brief covers all areas of the bank's audit of operations and IT systems. Prior to this, he was Head of Operations of a foreign bank.

In addition to being a Fellow Member of two internationally recognised and leading UK Accountancy body, Tommy holds professional graduate diplomas from two Banking Institutes including the prestigious Chartered Institute of Bankers (UK).

Besides being a qualified fellow member of two U.K. professional accounting bodies, he is also a member of the **Information Systems Audit and Control Association (ISACA)** and **Institute of Internal Auditors (USA)**. In this region, Tommy Seah is the only Singaporean who holds the membership grade of Senior Associate of Malaysian Institute of Bankers.

Your Financial Coach

Tommy Seah is the author of seven banking books including the **F.I.G. Program**. The F.I.G. is the authoritative and definitive text on Financial Instruments designed to be used in the world wide banking industry. This publication has received excellent review and first class commendation from some of the most authoritative professional certification bodies and top-rated banks in the world. The other six authoritative texts are ***The Audit Foreign Exchange in Banks, The Control of Money Market Activities in Banks, Understanding and Auditing Operational Risk Management, Financial Management for Banks, MCA for Banks and SWAPS in Investment Banking***. His latest publication is **BASEL II Trading Book Issues in Risk Management**.

For the past twenty eight years, **Tommy** has trained numerous bank auditors and consulted by numerous lawyers in the region. Financial Instruments, Foreign Exchange, Money Market Options, Derivatives and Swaps are his special interests. He devotes a substantial portion of his time in research work and is presently available on retainer to selected established banks for loss prevention consultancy. Today, he is still very much a hands-on accountant, auditor, investigator and SOX 404 Compliance examiner.

*Every aspect of the seminar is particularly valuable. Knowledge and experiences shared by trainer are enriching and relevant to my job. The seminar is very well-structured and delivered. **Special thanks to Tommy Seah** for his kind generosity in sharing his wealth of experiences.*

- Customer Service Manager,
 OCBC Bank

Course Description

Course materials

You will receive comprehensive course notes and materials for future reference.

Course Methodology

This course is designed to be highly participative. The course will be a mixture of lectures, practical group work and case studies.

*It takes a little willingness to learn from the right authority on the subject and proficiency can come almost immediately. It is for this very reason that **ProEdge Global** together with **CFE In-Practice** takes upon itself to launch this learning event for the benefit of the business community at large.*