



KordaMentha assists businesses facing challenging financial and performance issues.

KordaMentha News Article

AM - Forensic accounting grows to stop fraud

Source: ABC Radio
Reporter: Peter Ryan

TONY EASTLEY: Money laundering, identity fraud and large-scale theft can these days be conducted from commonplace work tools, like laptop computers or remote internet connections.

Many traditional corporate recovery firms have now created special forensic divisions.

KordaMentha, which acted as administrator for the failed airline Ansett, has just hired forensic specialist and former New South Wales detective, Richard Bennison.

He spoke to our Business Editor, Peter Ryan, about today's hi-tech fraudsters.

RICHARD BENNISON: Basically they're someone who still remains anonymous, but potentially whereas previously they were looking at maybe doing bank robberies or the like, now they're able to get online, they're anonymous, they move very quickly, and they can attack basically anyone.

PETER RYAN: There is now so much technology available at the fingertips of the average employee these days, how easy is it to infiltrate a system?

RICHARD BENNISON: Very easy, as most employees now have a computer, or they have a laptop at their disposal, they have something similar at home. They're tools that they're used to, and the kids grew up with these tools.

So unfortunately, it's not too hard for them to turn and potentially use these tools to commit criminal acts.

PETER RYAN: So, the traditional profile of the corporate criminal is changing or has changed?

RICHARD BENNISON: Yeah definitely, what you're seeing is the amount of monies that are involved now, the large sums of monies that can be transacted very quickly.

So, for the law enforcement agencies, it's a big challenge.

PETER RYAN: How quickly can a transaction take place?

RICHARD BENNISON: Pretty much instantaneously. It really depends on what checks the intermediaries have in place as to whether they'll basically have a delay on the payment, or whether there's some checks that are done post the payment.

But again, once those payments are put through, whether it be online, you've got to assume the transaction has occurred and you're fully accountable for what's happened.

PETER RYAN: Is it the case that some people are being put into companies as plants to perpetrate corporate crime?

RICHARD BENNISON: I could perceive that happening, whether that is in corporates, or whether it's in maybe the financial services industry.

Really, what we find is that the people have thought through what they're doing and they're looking at the glitches in the system, they're trying to basically go into those areas of weakness and commit their fraud.

If the hole is plugged, they'll potentially move onto another organisation.

PETER RYAN: How organised though is this type of corporate crime?

RICHARD BENNISON: Well, it needs to be organised unfortunately, because really you've got to have an understanding of the business, and understanding of their processes, and you really need to look at a way that, you know, you're going to bypass those processes.

That may unfortunately involve an insider in the organisation. So, you're getting to a level of sophistication where, when you're including technology, this is becoming a high-level, hi-tech crime.

TONY EASTLEY: Forensic Accountant, Richard Bennison, speaking with Peter Ryan.

