

Title: Fraudulent activity in Accounts Payable	Date of Audit: 12/07	Page 1/1
Content: Fraudulent manipulation of vendor invoice (supplier XY Ltd.)		
<p>Issue:</p> <p>During the Purchasing follow-up audit (38/2007), GIAS found out that €513,000.00 were transferred to a bank account in Gibraltar. This account cannot be related to supplier XY Ltd.</p> <p>The bank account data on the vendor invoice (No. 442887-07) has been fraudulently manipulated to deliberately reroute the payment to a different bank account. GIAS approached supplier XY Ltd. with a written inquiry. According to XY's managing director, his company's bank accounts are with a bank in Hamburg. The company does not have any connections to Gibraltar.</p>		
<p>Recommendation:</p> <ol style="list-style-type: none"> 1. Arrange for immediate action by our house bank to effect repayment (in process). 2. Ad-hoc audit by GIAS to investigate the incident (audit request will be submitted later). 3. Immediate involvement of the police and the district attorney. 		
Date: 18 Dec. 2007	Auditor: Jane Myers	Ref. Impl. Report (if applicable): n.a.