

Deloitte Forensic in Ukraine and the CIS

Deloitte has the leading Forensic practice in Ukraine and the CIS. With more than 75 professionals across the CIS region dedicated to Forensic work, we lead our competitors in both scale and focus.

We assist our clients to mitigate and identify fraud, illegal practices or unethical conduct. Our team provides forensic and compliance reviews and investigations to meet each company's specific risk exposure, regardless of sector or jurisdiction.

Our key service offerings



Deloitte named a Vanguard Leader in Forensic Investigation Consulting, based on capabilities, by Kennedy

Source: Kennedy Consulting Research & Advisory; Forensics & Dispute Advisory; Kennedy Consulting Research & Advisory estimates © 2014 Kennedy Information, LLC. Reproduced under license

“Leveraging its global reach and strong brand reputation with regulators and corporate counsel, Deloitte has been engaged in some of the leading – and most publicly visible – corporate investigations and litigation over the past few years, testament to the confidence clients are willing to place in Deloitte when they face potentially devastating regulatory sanctions for violations or misconduct.”

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Fraud and Accounting Investigations

We offer an industry-specific approach tailored to a company's specific needs, and can provide a wide range of services.

We may participate in or facilitate internal investigations into potential fraud and unfair practices by management and employees, including:

- Providing data interpretation assistance to legal experts
 - Clarifying complex operations
 - Conducting transaction statistical analyses
 - Corroborating obtained information/data
 - Performing data recovery
 - Evaluating the scale of losses
 - Gathering evidence
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An integrated, global approach

We may include professionals from our Analytics, e-Discovery and Business Intelligence Services groups in our teams as appropriate. As a Deloitte member firm, we have a global network of experienced investigators ready to provide worldwide support.

“Things gained through unjust fraud are never secure.”

Sophocles

Anti-Bribery and Anti-Corruption Services

“Proper pre-acquisition due diligence can identify business and regional risks and can also lay the foundation for a swift and successful post-acquisition integration into the acquiring company’s corporate control and compliance environment.”

The Resource Guide to the FCPA (Issued by the U.S. Department of Justice and the Securities and Exchange Commission, November 2012)

Operating in a foreign jurisdiction presents opportunities and risks, whether working with local business partners or through mergers and acquisitions. Inadequate due diligence may harm a company’s profitability and reputation, potentially resulting in civil and criminal liability.

We provide our clients with assistance on a broad range of corruption-related matters covering pre-transaction, post-acquisition integration and ongoing monitoring, including:

- Compliance Program Review and Implementation
- Anti-Bribery Due Diligence
- Forensic Accounting Investigations of alleged violations of anti-corruption legislation
- Anti-Bribery Controls Analysis

Pre-transaction analysis



Post-acquisition integration



Ongoing monitoring

“Deloitte has an outstanding reputation with inside and outside counsel and has strong credibility with regulatory authorities. It is one of only three practices that excel in both subsegments of F&DA.”

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Dispute Services

Clients and their lawyers rely on Deloitte to quantify damages in litigation and dispute environments. The subject matter of these proceedings can be complex and often involves substantial losses that need to be quantified.

International Arbitration/Expert Witness

We work as accounting experts on issues ranging from breaches of contract and asset expropriation to purchase price disputes. We can provide services within the ICC, LCIA, ICSID and other forums.

Early assessment of the strengths and weaknesses of the financial aspects of the case

Independent and objective expert report explaining complex matters simply and authoritatively

Industry and sector experience relevant to the case through work with Deloitte member firms

Accounting review of share purchase and shareholder agreements to identify areas of potential dispute

Consulting a client's internal and external legal teams on audit, accounting and tax issues, including "shadow expert" work

Business Insurance Claim Services

We work with insurance and reinsurance companies and directly with their clients to provide independent, objective services to assess damages due to business interruption and stock loss claims.

Independent analysis of insurance claims

Independent and objective calculation of loss on business interruption and stock loss claims

Accounting review of insurance contracts

Review and calculation of the sum insured

Consulting to the insurance market and to the Insured to assist in the claim settlement process

Business Intelligence Services

Business relationships can give rise to risks from counterparties, partner entities or individuals. If these are not identified and addressed they can result in financial loss, reputational damage and regulatory or criminal sanction. Companies considering mergers, acquisitions, strategic relationships or investments need accurate information about entities, their executives and employees and the potential risks that they may present.

To address these risks, Deloitte uses proven methodologies in the strictest confidence and within the laws of the countries in which we work. Our specialist team has significant expertise in gathering information and intelligence across a wide range of sectors.

Integrity Due Diligence

Integrity due diligence (IDD) is an in-depth study of a target's reputation, business activities, ties and connections aimed at establishing that the target has provided accurate information to our client, and that there are no hidden reputational or other risks posed by associating with the target.

Data Mining of Counterparties (Revolver)

We have broad experience of evaluating the risk posed by business partnerships. Using advanced analytical solutions, we detect potential risks related to the state registration process, inconsistencies in business partners' financial statements, reveal affiliations among business partners and potential conflicts of interest, as well as other business and reputational risks.

Forensic Review of Construction

Deloitte Forensic is the largest team on the CIS market conducting forensic reviews of construction. With extensive industry experience, our team has a deep understanding of capital expenditures and fraud issues characteristic of the industry. Deloitte Forensic specialists have unmatched experience in conducting investment reviews for large corporations in Ukraine, CIS and Europe, including construction industry majors.

We offer independent monitoring aimed at identifying potentially fraudulent design, engineering, and construction contractors. We analyze:

- Spending efficiency
- Use of construction materials, rental vehicles and machinery
- Procurement of construction materials, structures, and other supplies



Losses from fraud during capital projects typically amount to 45% of the budget.

Source: Association of Certified Fraud Examiners, Russian branch

Construction Project Management

Construction projects carry the risks of poor quality work, inflated budgets, schedule overruns, worker accidents, reputational risks, and potential administrative and criminal liability for actions by workers.

Deloitte helps our clients to navigate through the various challenges involved in large-scale construction projects. We have a team of engineers with extensive industry experience that provide project scoping, budgeting, planning, investment program optimization, and engineering solutions.



Services

- Construction Project Management
- Development Monitoring
- Due Diligence of Project Status
- Technical and Financial Supervision
- Quantity Survey

Deloitte's seasoned professionals help clients whose core activity is not construction to manage the building of new factories, warehouses, and other industrial and commercial real estate.

Anti-Money Laundering

The costs of ineffectively managing money laundering risk can be significant, and a company's management needs to demonstrate effective, risk-based anti-money laundering (AML) strategies.

With backgrounds in the financial sector, our team members have deep knowledge of Ukrainian regulatory requirements and industry practices, as well as extensive experience in providing AML services in Ukraine and abroad. We provide a comprehensive, discrete and timely solution to money laundering issues, aimed at minimizing risk and containing fallout.

Reviews

- Policies and procedures
- Controls
- Operating effectiveness
- Industry benchmarking

Methodology support

- Support the communication and monitoring of compliance, policies and procedures globally
- Support the development and implementation of policies and procedures that comply with local regulatory requirements

Investigations

- Regulatory reviews
- Regulatory reporting
- Remedial action

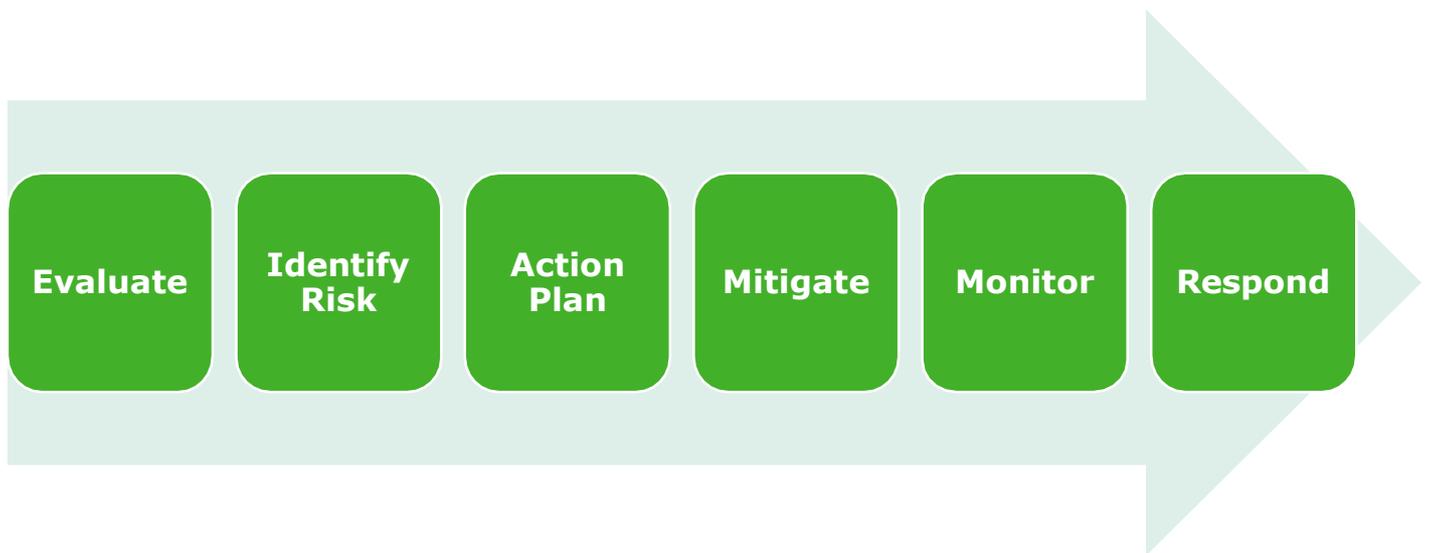
IT support

- Provide technology-based anti-money laundering solutions, including updating transaction monitoring systems and integration with banking systems
- Provide technology-based sanctions screening solutions to comply with group requirements and assistance integrating the solutions into banking systems

Fraud Risk Management / Compliance

Organizations cannot afford to be indifferent to the risk of corporate fraud. Directors and management have a fiduciary obligation and a corporate responsibility to take steps to deter, detect and prevent it.

Deloitte has an integrated approach to fraud control and compliance services.



Our **Measure, Improve** and **Move** program is a continuous improvement process that takes annual measurements of where a business is in effectively deterring, detecting and preventing fraud. This enables comparisons of where it was, where it is now and where it should be.

“The F&DA practices of Deloitte, and two other firms, are on the forefront of using novel and sophisticated analytical and technology-driven approaches – particularly sampling and predictive techniques – to address client F&DA challenges, influencing courts and juries and pushing the envelope of traditional evidentiary.”

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e-Discovery

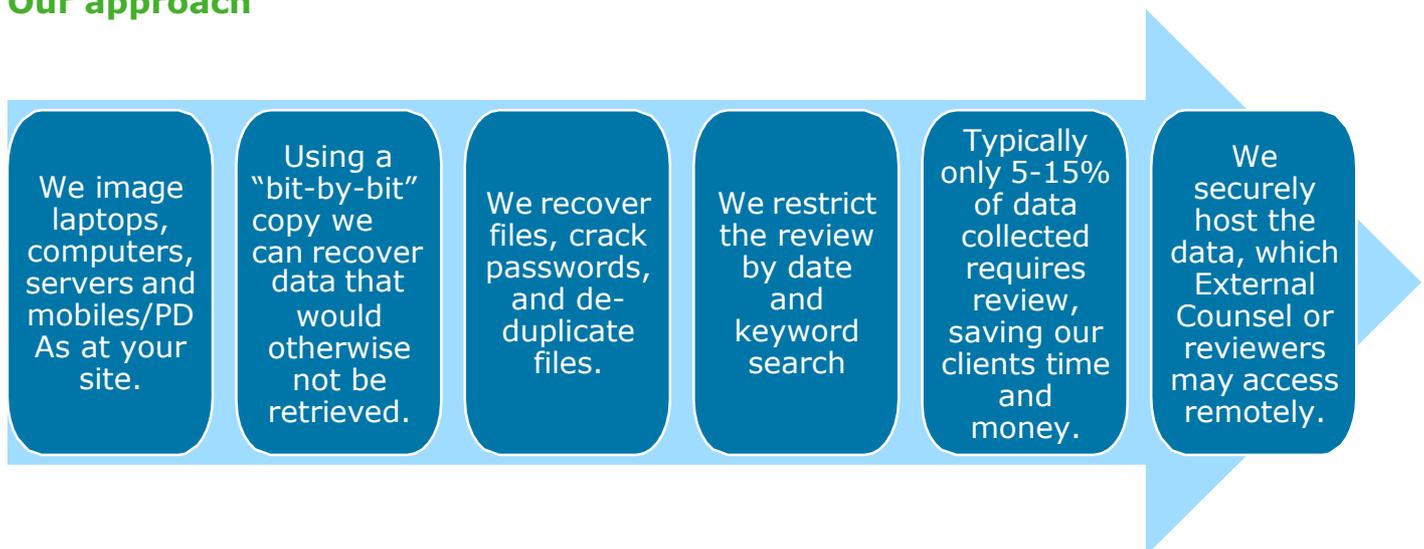
An entire business dispute, commercial investigation or litigation may hinge on identifying when a single piece of data was communicated, generated, altered or deleted, by and to whom, and under what circumstances.

Deloitte Forensic assists clients in addressing the technological challenges of today's complex investigation and litigation environments.

Technology supporting investigations

- Chain of custody maintained
- Tailored to your needs
- Rapid coordination of collections worldwide
- Global collaboration with Deloitte member firms
- Secure data processing and movement
- Secure hosting of responsive documents for review by international clients in other jurisdictions
- Local forensic investigator resources with relevant language skills to support international cases

Our approach



“Deloitte’s analytics portfolio, including IT consulting, is robust, mature, deep and broad, with a special focus on ensuring it can address analytics needs across all client business functions for each industry.”

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Analytics

Every organization depends on reliable data. Managed well, it will drive revenue, reduce costs and mitigate risk. Managed poorly, it can lose customers, inflate costs and expose a business to unbounded levels of risk.

Outsourced analytics is faster to launch and more cost-effective than building your own capability. Deloitte can consolidate and integrate key internal and external data and feed it back to you. We will work with you to determine which questions will help provide the answers to your biggest challenges, and identify and analyze the data that will get you there.

1C

Benefiting from our experience investigating fraud in Ukraine, we developed a library of core tests for 1C that we use to identify key risk and compliance red flags.

SAP

We are able to test large volumes of data and high value workflows across multiple modules. Our routines simplify the complexity inherent in modern business transactions to identify insights that can materially impact your bottom line.

GPS

We can conduct a secure forensic extraction of data from computers and from a wide range of mobile devices, including smartphones and GPS navigation units. We then analyze the data to identify anomalies and potential fraud.

Our analytics can be provided as a “one-off” controlled transaction test routine (once), cyclically (i.e., at quarter-end) or built into a broader improvement project. The process is relatively simple from our clients’ perspective, as all we require to perform this service is a backup.

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