



CLAMPDOWN ON COMPANY FRAUD

Audits will be double checked

A NEW clampdown on fraud and financial irregularities in both private and State-run organisations starts today.

Company audits will now be watched over and double-checked and probed by assessors, or business watchdogs.

It is just one of a number of new regulations in a new code of practice for corporate governance and assessment for Irish companies and State bodies.

Companies that have a clean sheet will also be rewarded with a certificate under the new rules.



REWARD: Riordan

Code

The National Standards Authority of Ireland (NSAI) and the Institute of Directors in Ireland (IoD) said it is part of a clamp down in the wake of the recession.

The audit end of the assessments will be policed by the

Association of Accredited Certification Bodies.

Finance sources said more regulation was needed to assess audits paid for by companies — so that they can be independently checked for discrepancies.

“The Code was developed as a direct response to the pertinent issues of corporate governance which Ireland has experienced over the last 18 months,” said Ann Riordan, chair of NSAI and president of the IoD.

“One of the most important aspects of the new code is the assessors cannot have an existing relationship with the organisation they will be evaluating for 24 months on either side of the assessment.”