

Country	Description of the fraud cases	Estimated amount (DKK)
Mali	<p style="text-align: center;">2011</p> <p>BØRNEfonden purchased a number of school desks, with the intention to distribute them among the schools. However many of the desks disappeared before they could be delivered to the schools.</p> <p>A further investigation has shown that this was a case of fraud. The responsible was fired and consented that his remaining payment should cover BØRNEfonden's loss.</p> <p>The case has been through BØRNEfonden's intern controlling.</p> <p>What has been done: It is justified, that BØRNEfonden recently has introduced stricter rules for acceptance and receipt of goods. Today the rule is that the center manager and one other employee must ensure that the quantity/quality of goods is corresponding to the invoice and leave a signature to confirm this.</p> <p>Updated: 16.01.12</p>	<p>CFA 1,445,000 / DKK 16,400,</p> <p>The amount will be repaid.</p>
	Cap Verde	<p>A sponsor had mistakenly received information on a child who has never been enrolled in BØRNEfonden's programme. The sponsor's contributions has since 2001, been used to support the children, their families and communities on the island of Santo Antao, but without direct support to a specific child. Sponsor is notified of the mistake and has by own decision chosen to continue as a sponsor. Sponsor has now recieved information on a child affiliated to the program in Cap Verde.</p> <p>What has been done: This mistake has never happened before, but we have now tightened the inspection procedures, so a mistake like this will be detected immediately.</p> <p>Updated: 03.11.11</p>
Benin		<p>An employee at a Development Unit has committed fraud with credit funds by producing fake credit contracts. The employee was arrested and we initiated a lawsuit to get the remaining money refunded. This fraud also includes irregularities in payments to the credit fund from some animal breeders.</p> <p>What has been done: The ongoing monitoring of credit contracts have been inadequate. In Benin, they are working</p>

intensely to improve the procedures. Likewise this issue is closely followed from the head office in Denmark.

Updated: 19.12.11

that the judge will reject any further requirements.

Benin

An employee at a Development Unit has wrongly withdrawn money from a credit fund's savings account to repay outstanding debt. The employee is in custody while the case is investigated. He has partially admitted the fraud. The family has pledged to try to gain a share of the money back to the credit fund.

What has been done: A credit system should generally be organized in a more formal framework in which there is greater distance between the creditor and the receiver, avoiding pressure from relatives to provide favorable and illegal preferential treatment. This process is now started in Benin. BØRNEfonden contributes with education, including the use and control of credit documents.

Updated: 19.12.11

DKK 29,500

DKK 20,400 has been repaid, but BØRNEfonden maintains the requirement for the full amount.

Benin

An employee at a Development Unit has stolen an amount of money in cash, which was repayed with microcredit. The thief has escaped and is reported to the police. BØRNEfonden is in contact with the father who has promised to contribute to repay the stolen amount.

What has been done: The procedures for handling cash is sufficient and it will always be discovered when someone steals. BØRNEfonden can not ensure 100 percent against simple theft, but the local centre managers are trained continuously to improve their control measures.

Updated: 19.12.11

DKK 28,400

DKK 17,000 has been repaid and the father has agreed that the remaining amount will be paid in March 2012

Cap Verde

The internal accountancy has revealed that the sponsor families in 19 cases have been demanded repayment of outstanding micro loans in that the families have received a monetary gift from their sponsors in Denmark. It is conflicting to the rules. Cash donations from sponsors must be applied to daily necessities to the family's maintenance. The 13 affected families in Cap Verde have regained monetary gifts and purchases of daily necessities for money.

What has been done: The internal accountancy has collected samples in several other cases on donations from sponsors, but have not come across anything irregular elsewhere. There has been issued a bulletin that strongly emphasises rules for handling donations.

No one has suffered a financial loss

The sponsors concerned have been informed.

Updated: 13.7.11

2010

Unknown thieves have stolen solar panels from a Development Unit near Bougouni. The watchman might have been an accomplice to the crime, but this has not been possible to prove.

Mali

What has been done: BØRNEfonden is doing its best to prevent theft of physical assets. Therefore, among other things, we have hired night guards on all development units. But the risk of simple theft in the programme countries is large and can not in practice be eliminated entirely.

DKK 30.000

A Development Unit employee has stolen a sum of money. He was subsequently dismissed, and has repaid the entire amount.

Mali

What has been done: BØRNEfonden is working to limit the use of physical cash, including cash balance of the Development Units. This is difficult in rural areas, where cash is the common method of payment. There are procedures for control and functional separation in the use and safekeeping of cash. There will be controllers to check for the compliance of this.

DKK10,600

The amount has been repaid

The head of an income generating project supported by BØRNEfonden used some of the money for private purposes.

Mali

What has been done: The case is a consequence of the risk that exists when people from the community itself is responsible for activities outside BØRNEfonden interference. BØRNEfonden helps with education, in order to build self-discipline and sustainability.

DKK 4,200

Most of this amount has been repaid

The person responsible for a shared insurance fund has stolen money from the fund.

Benin

What has been done: A committee of members from the community has the overall control of the shared insurance fund. It is an important task for BØRNEfonden to provide

DKK 7,400

DKK 4,500 has been paid back

training for this committee and make them aware of their controlling responsibility.

Togo

Discrepancies in the cash balance of an agricultural fund. The reason is neglect of a superior to monitor the treasurer's job.

What has been done: The overall control of the cash balance, including the heads of the monitoring obligation is strongly emphasised in Togo. BØRNEfunden has formal procedures for ongoing fund inspections, etc. However the practice implementation should naturally be followed.