



ACCOUNTING • AUDIT • ADVISORY

Cerebra Newsletter

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SOLUTION TO THE TRUST CRISIS WE ARE HAVING: URGENT ETHICS, URGENT COMPLIANCE...

We are witnessing one of the largest corruption cases in the history of Turkey. We see and as a nation pay the price of the unpredictable consequences of an incredible situation caused in many institutions of Turkey by cronyism, nepotism, and favoritism.

Turkey is going through one of its toughest traumas in its history. This trauma is getting deeper as time passes and reasons are being surfaced. The trust crisis that has been going on for a long time at every level of the society including business, politics, sports, and art has moved to a different phase; politicians, the media, and non-governmental organizations are discussing and seem to keep on discussing for long the reasons of the recent events in every aspect. There has been self-criticism regarding the past, although not loudly, but still no one says out loud “we did not behave ethically”, “we were not honest”, “we did not act in accordance with the laws and people’s expectations of us”.

Our situation deems it necessary to analyze our recent experiences in terms of universal elements including corporate governance, business ethics, integrity and compliance in order to better understand the reasons of this recent trust crisis and to rebuild trust.

Risk of Corruption and Ethics & Compliance

When we talk about ethics, integrity or compliance in the world of business, the most critical points that come to mind are fraud and corruption. There is nothing shocking about this, as the highest risks that institutions might face and that have the biggest impact are the risks of fraud and corruption. The ethics and compliance programs that have become popular in private companies nowadays and that are based on the “Federal Sentencing Guideline” of the USA are essentially about the behavior expected of employees by institutions, in short the concept of “compliance”. We should not think of compliance in its strict sense, compliance with the laws only. Compliance here is a larger concept that stipulates the code of conduct expected by the company beyond obeying the laws. I believe that behind this approach lies the desire to create a corporate culture that goes beyond the compliance with laws and that basically gives priority to doing the ethical and the right behavior in a company. With this particular corporate culture that is desired to be created, the aim is to minimize the risks of fraud and corruption.

Corruption Perception High in Turkey!

I am one of those people who think the trust crisis in Turkey stems mainly from corruption and the resulting degeneration. I would like to list three researches detailed below in order to understand the truth of corruption in Turkey.

Contents:

Solution to the trust crisis we are having: Urgent Ethics, Urgent Compliance... 1

Will the Brangelina divorce be easier than splitting up a corporate partnership in a deadlock situation?.....3

Beyond debit and credit: the role of accounting in decision making4

The importance of contingent liabilities in a financial due diligence process.....5

The dark side of anonymous Shell Companies.....6

Cerebra is a supporter of 2016 International Fraud Awareness Week7

Cerebra contributes to Turkey’s first-ever Ethics and Compliance Manager Certification Programme.....8

Transparency International: Corruption Perception Index

The first index to check out regarding the corruption risk analysis before investors invest in a country is the “Corruption Perception Index” prepared by the Transparency International through researches. This index shows that the corruption perception has been quite high in Turkey in the recent years and even, Turkey is among the top countries that this situation has deteriorated.

Every rational citizen of Turkey living in Turkey already knows or feels that the country is well behind the point where it needs to be in terms of fight against corruption. The Index is only important in basing the known on a research.

Even though the corruption in Turkey is not institutionalized and has not spread to every level of life as in Nigeria, Russia, Ukraine and Angola, our ranking in this index as one of the most important economies in the world indicates that we have failed in the fight against corruption. We have a particularly poor performance especially in the recent years.

ACFE 2016 Report – Global Fraud Study

Association of Certified Fraud Examiners (ACFE) has issued the →

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2016 Global Fraud Survey that researches the fraud of employees. The study is based on 2,410 cases investigated by ACFE-member fraud examination experts worldwide. This study lists Turkey in the Middle East / North Africa region. However, since the general characteristics of this region is not adequate to explain Turkey, I think it will be better to base the information I will present to you on the common findings on the West Europe, East Europe and Middle East / North Africa regions.

According to the study, companies pay approximately 5% of their turnover by fraud! This percentage is quite reliable, as the rate is generally calculated around 5% in this study that has been performed for years. Considering that the global gross national product in 2014 was USD 78 trillion, the loss by fraud is USD 3,9 trillion. For Turkey, the GNP is USD 800 billion and the loss is USD 40 billion. In other words, every citizen of Turkey pays about USD 550 (TRY 1.600) per year to fund frauds.

According to the study, the type of fraud that is observed most frequently in these regions including Turkey is corruption. The half of the cases investigated is corruption cases. The other types of fraud cases following corruption are non-cash frauds, billing frauds, fraudulent financial statements, cash theft and expense fraud.

TÜSİAD - "Corruption in Turkey from the Perspective of the World of Business" Study

In 2014, TÜSİAD conducted a study named "Corruption in Turkey from the Perspective of the World of Business" in order to investigate the corruption perception of the world of business and to identify the tools of solution for fighting against corruption. As per this study, 46% of the participants think corruptions in Turkey will increase, 28% think they will remain the same and 16% think they will decrease. The study indicates that the economic impacts of corruption are unfair competition and the breach of the investor's confidence and draws attention to that the social impact is the lack of confidence. In terms of what should be done against corruption, the study highlights the need to correct the distribution of income and to eliminate economic injustice, to reinstate independent judiciary, to implement the applicable legislation against corruption and to provide education.

The study results mentioned above reveal the picture of corruption in Turkey. In short, there is widespread corruption in Turkey. This fact feeds the lack of confidence in the society.

Backbone of Corruption: Conflict of Interest

Wherever there is corruption, there is always conflict of interest. According to the definition by OECD, "Conflict of interest occurs when an individual or a corporation (either private or governmental) is in a position to exploit his or their own professional or official capacity in some way for personal or corporate benefit". In other words, when an individual abuses his position that requires reliability for his personal interests, a conflict of interest comes to play. For instance, in terms of bribery which is a form of corruption, the person who conducts

Corruption does not only mean stealing from an institution. Any misconduct that causes a conflict of interest and that stems from cronyism, nepotism, favoritism or pressures from or motivations due to ties with a tribe, a religious community or compatriotism is also corruption.

Importance of Corporate Governance and Business Ethics in Fight against Corruption

The use of corporate governance tools plays a critical role in man-



corruption puts his personal interest before the interests of his institution by accepting a bribe. In this case, two conflicting interests and a resulting corruption occur.

Let us see how this is relevant with our topic. As per ACFE, corruptions that involve a conflict of interest do not only include obtaining money and physical assets. Any misconduct that causes a conflict of interest and that stems from cronyism, nepotism, favoritism or pressures from or motivations due to ties with a tribe, a religious community or compatriotism constitutes different forms of corruption.

The situation that has been known for years, but surfaced on July 15 in its most concrete form has revealed how various positions (that require reliability) have been abused in Turkey especially by individuals and institutions that are involved with a community for their personal interests. It was seen that in appointing officials employed in a number of public and private organizations, different criteria and hiring and promotion techniques than education, skills and qualifications, which cause a conflict of interest, were applied. Moreover, it is understood that this conflict of interest

was in play in many business transactions performed. News that we hear every day reveal how large scale these corruptions were. For example, the claims that in 74 out of 81 cities, the chiefs of police were appointed among individuals that are affiliated by a community as a result of corruptions that are caused by a conflict of interest or that certain individuals that are affiliated by this community have an incredible wealth are only some of the news. At this point, we should note that all this news are only claims now and these claims need to be investigated by independent judiciary.

aging an institution (public or private) well. In institutions where the philosophy of corporate governance is embraced and its tools are effectively used, the cases of fraud and corruption can be minimized. Otherwise, the processes of institutions do not function properly. If it is a private company, it goes bankrupt in a while; and if it is a public institution, it cannot serve the public properly. In a world where corporate governance is not even discussed in terms of the sustainability of organizations, why do our institutions not prefer to be more transparent, why do they avoid being accountable, and why are they reluctant to be fair and responsible? Or why do they pretend to do such good practices? Where is the problem? There are two critical actors who can demand transparency and accountability from institutions (public or private): Shareholders and Lawmakers. Considering our current situation in the global corruption index and the current trauma we are under, these two actors should immediately handle this matter of survival for the organizations in Turkey. Why? It is because corporate governance is not just a tool to increase efficiency, facilitate access to capital or ensure sustainability, but also the most effective tool to fight against corruption. Via corporate governance practices, transparency and accountability are embedded in the “decision-making” mechanism, which is the most critical element for organizations. Thus, “how” and “why” a decision is made becomes transparent and the decision makers undertake the responsibility for the outcome of such decision. Lastly, with corporate governance practices, “business ethics,” the moral compass of corporate governance, structures the corporate culture.

Now let us think about it. In an institution where the decision-making mechanism functions as described above and business ethics and the right conduct of business are sine qua non, what is the risk of committing corruption?

Can We Learn from Our Mistakes?

Learning from our mistakes may start with first acknowledging mistakes and our responsibility for such mistakes. Turkey has not yet achieved the desired level in terms of business ethics, honest

conduct of business, compliance, and fight against corruption. Is it possible to put more effort and achieve the desired level? Sure it is. However, this is not an overnight process; we should acknowledge that it is a long process that requires devotion.

Here are my suggestions as to the points that need focus in this tough process:

- Institutions should have a transparent process regarding how and why decisions are made and executives should be accountable for the outcomes of their decisions,
- Generalizing and encouraging ethics & compliance and fight against corruption in the private sector,
- Concretizing through the operations carried out and messages given by the board of directors and the senior management that integrity and the right conduct of business are among the top priority values and no compromises can be made on them within the institution,
- The management of conflict of interest risks and taking corrective actions to remove any conflict wherever is a risk that a conflict of interest can cause corruption,
- Bringing the applicable legal regulations on fight against corruption and implementations of such regulations to universal standards,
- Creating an independent and objective audit function in the private and public sectors,
- Private companies and non-governmental organizations working in collaboration to fight against corruption and demanding clean business and fair competition more loudly.

Last Words

We can start today building the future when integrity is the “fundamental value” in everything we do. How can we do it? We are the answer to all the questions we ask.

Taking inspiration from “Urgent Democracy” that is the song of Bulutsuzluk Özlemi (Turkish rock band)...”Urgent Ethics, Urgent Compliance...”

Fikret Sebilcioğlu, CFE, CPA

WILL THE BRANGELINA DIVORCE BE EASIER THAN SPLITTING UP A CORPORATE PARTNERSHIP IN A DEADLOCK SITUATION?

What happens when super couples like Brad Pitt and Angelina Jolie decide to split up? The media goes crazy. Who goes crazy when partners in a company decide to split up? Hopefully, not the partners.

The media may now be going crazy because Brad Pitt and Angelina Jolie announced that they decided to divorce. However, this of course is an emotional process for the involved as there are children, memories and last but not least assets that are going to be affected.

A split-up between the partners of a company may not be as emotional, it may rather be of a much more commercial nature. Joint venture partners or shareholders in a company after a merger and acquisition transaction usually have deadlock clauses in their shareholders agreement for times of disagreement. These clauses are usually quite detailed in identifying what is a deadlock situation and what the methodology is going to be for the deadlock process. In some instances, the resort might be the start of an ar-

bitration process directly. If arbitration is not chosen as a solution provider, than the process outlined in general includes;

- i. steps such as cooling off period where the parties still make efforts to overcome the deadlock issue,
- ii. if the deadlock cannot be overcome the partners will probably have the right to buy the shares of each other subject to certain conditions, and/or the partners will have the chance to sell to third parties, and
- iii. an independent fair market valuation of the shares for the share transfer to take place.

This entire process is agreed upon at the beginning when the partners are in the pre-transaction negotiation period and everybody hopes that none of these determined steps becomes

necessary during the partnership. But if and when they do, the mood between the partners may be far from the ones that they began this journey with. At such a moment the most critical thing becomes the fair market value determination of the shares.

Critical success factors of a fair valuation

Whatever the valuation methodology is going to be, the parties involved should be careful about the following issues:

Choosing the correct valuation service provider: The valuation service provider should preferably have an expertise in the relevant industry that the valued company operates in. Moreover, the valuation service provider should have a strong stand and reputation as the environment that they work in may be full of pressure especially when one of the partners is a foreign party and the other is local.

Ensuring that the historic data are accurate: In most of the valuation methods (DCF, market multiple, net book value etc.), accurate historic data are crucial. Financial statements in a well-functioning partnership will probably be of high quality standards, as they may be externally and/or internally audited (especially by a foreign partner). Nonetheless, one of the reasons for a deadlock may be the manipulated financial results.

Especially in such a situation, the valuation service provider has to make sure that the historic data on which a forecast for a discounted cash flow will be based on are accurate. In some instances the service provider may have internal know-how to carry out such steps. If not, they may have to ask for other external service providers that may carry out limited due diligence or even forensic investigation steps to reach an accurate historic operational profitability.

Correct valuation methodology and objective assumptions:

The valuation service provider may use more than one methodology according to the deadlock clause in the shareholders agreement or according to general industry practice. In most methodologies there is a need for assumptions. Assumptions are usually based on historic company data and industrial data. However, a company in a deadlock situation for some time may not have the historic data that reflect the fair capacity of the operations involved. The parties involved should be careful to see the big picture while making such assumptions that in turn become crucial in the valuation.

We all hope that no partnership ends up in a deadlock situation and all of the valuation work we do are during a mutually agreed upon and a peaceful merger and acquisition process.

Ömer Tunabaş



BEYOND DEBIT AND CREDIT: THE ROLE OF ACCOUNTING IN DECISION MAKING

Accounting function plays a critical role in the governance and management of companies, particularly in the decision making process. You must have heard many stories of companies which went bankrupt due to accounting scandals or unlawful acts of accountants. Let me give you two striking examples. One of the largest energy companies in the world: Enron and

70-year-old poet, singer and songwriter Leonard Cohen. And, I can assure you that the number of companies which you know went bankrupt or individuals who went broke because of accounting failure is much less than those you do not know.

Every day companies are inevitably required to make decisions in the business environment. Strong decision making helps com-



panies select the best business opportunities which in turn help companies be sustainable. Nobody argues about the fact that transparency and accountability are vital for the sustainability of companies. Management should be transparent in making business decision, namely “how” and “why” questions as to the decision should be answered transparently. And, the management should be accountable for actions taken based on this decision. Transparency forces companies to face up to the reality of prob-

lems and makes company management more responsible considering the fact that the company management will have to justify their decisions and actions subsequently.

It is obvious that the good decision for a company depends on good financial data (management and financial accounting) where the accounting function takes the stage. Accounting systems are responsible for recording, analysing, monitoring and evaluating the financial condition and performance of companies, preparation of documents necessary for tax purposes, providing information support to many other organisational functions.

Each and every day, accounting function brings financial transparency to businesses through reporting complete, accurate, timely and understandable financial data. The accounting function promotes financial integrity and combats financial wrongdoings (such as assets misappropriation, corruption, misstatement of financial statements). To put it simply, they should generate accounting data free of errors and frauds that will pave the way for right decision-making by managements.

If we call accounting as “the language of business”, do you have to speak this language? This is not very possible most of the time. All you need to do is to engage a good accounting communicator. However, be careful while choosing your “communicator” because good accounting definitely comes by professional accountant. I use the term of “professional accountant” here as the accountant who provides his/her services in accordance with ethical and professional standards. Professionalism and business ethics mean a lot here!

Before ending my remarks let me ask a question: What would happen if the company management or those who are charged with governance cannot obtain good quality financial data from the accounting function? The answer lies within.

Seda Bayraktar, CPA

THE IMPORTANCE OF CONTINGENT LIABILITIES IN A FINANCIAL DUE DILIGENCE PROCESS

“It is what you don’t expect, that most needs looking for” writes Neal Stephenson in one of his books. Well, this is also true during a financial due diligence process.

IAS 37 defines Contingent Liabilities as follows:

“A possible obligation depending on whether some uncertain future event occurs, or a present obligation but payment is not probable or the amount cannot be measured reliably.”

The most apparent examples of contingent liabilities are given as law suits against a company and warranty liabilities arising from after sale agreements. Would the above definition and examples of contingent liabilities be the same from a merger and acquisition point of view? We believe that we can make a broader definition of a contingent liability for a potential buyer that is requesting a financial due diligence to be carried out on the target company. This definition can be stated as the following:

“Any unrecorded commitment and/or potential bulk payment that an acquirer may have to face after the closing.”

Such items in a medium sized-target company operating in emerging markets such as Turkey may be a lot higher than you think due to the local accounting principles and regulations. Employee

termination benefits provision (ETB) can be a very good example for this. ETB according to IFRS is booked based on a certain probability calculation for each company. However, according to Turkish accounting principles, a company does not have to book ETB unless they are quoted on the Istanbul Stock Exchange. Thus, ETB becomes an unrecorded future potential liability for anyone examining the statutory accounts of a Turkish company. Below, we tried to group certain examples of contingent liabilities that may become very crucial financial due diligence findings and be an important topic to discuss for both parties on a negotiation table.

Personnel related items: ETB as mentioned above and also law-suits opened by existing or former personnel of the company can be examples of such items. Such legal cases usually end up in the company paying certain amount of salaries to its former personnel for unlawful discharge.

Contractual obligation related items: Warranties in after sale contracts, penalty and commitment clauses in sales, purchase, rent and outsourcing contracts can be examples for such items.

Guarantees and sureties: The Company may have given letter of guarantees through banks to its customers and/or vendors. Another example of such an item would be sureties that the company or even the shareholders of the company may have provided for third parties or for other group companies.

Tax related items: Even though the historic tax risk exposure of a target company is calculated during a tax due diligence, the findings of a financial due diligence usually trigger the focus areas of the tax experts.

Fraud related items: Macro level fraud due diligence steps are usually included in the financial due diligence for target companies that carry inherent fraud risk as defined under the Foreign Corrupt Practices Act (FCPA) and/or UK Bribery Act. A risk that may be detected in such steps may lead to become a contingent liability issue.

Once quantified, the above mentioned items in some cases may become very important issues to discuss during an acquisition process. It is common for such issues to affect the purchase price of an acquisition and trigger the inclusion of additional representations and warranties in the share purchase agreements.

Ömer Tunabaş



THE DARK SIDE OF ANONYMOUS SHELL COMPANIES

Everybody knows about Pink Floyd's album called Dark Side of the Moon. The album tells about actions that damage the society, people's dissatisfaction with life and the resulting insanity. The song "Money" in the album dwells on the illusion that wealth that comes with ambition and greed will make you have a better life. We will come back to the Dark Side of the Moon at the end of this article, now we shall move on to the dark side of the Panama Papers.

The Panama Papers hit the world with the truth behind the old and known problem of anonymous shell companies. It was hardly a secret that the majority of these companies with an anonymous owner were used out of their legal purposes. However, in practice due to the confidentiality cover that enables these companies to exist, nobody knew exactly or even could guess, for that matter, the size of this problem. The Panama Papers gave us the opportunity to do so.

How is Confidentiality Constructed via Anonymous Shell Companies?

When talking about a problem in relation to anonymous shell companies, the keyword is "Confidentiality". Financial confidentiality as set forth in the Panama Papers can be gained by establishing an anonymous shell company in a so-called tax haven (e.g. British Virgin Islands) or in a state or country that requires minimum information for building a company (e.g. Delaware or Nevada). These companies can be founded in a couple of hours and easily without mentioning the name of the beneficial owner (using the name of a trusted employee, friend, spouse, relative of the beneficial owner or an assigned representing manager) and so, the name of the company's beneficial owner is not mentioned anywhere. On top of that, when another anonymous shell company is founded in a different location as the owner of the already-established anonymous shell company and even, the partner of this second anonymous shell company is designated to be another anonymous shell company established in a different location than the previous ones, the confidentiality aimed by the beneficial owner is obtained

through this layered structure. At this point, it becomes quite difficult for lawmakers or auditors to figure out this structure.

Power of Whistleblowing and Investigative Journalism

As known, the Panama Papers were leaked by a whistleblower that used the pseudonym "John Doe" to the newspaper Süddeutsche Zeitung; then, the news was told to the International Consortium of Investigative Journalists (ICIJ) and the papers were investigated by over 100 media organizations worldwide. Considering 11,5 million papers were leaked, we see that this investigation is massive. It is a huge journalism success to investigate papers one by one, to filter them, to track anonymous shell companies with several layers, to identify all the involved parties, to find out the confidential beneficial owners of the companies, to process the findings in specific databases, to prepare them in a way to enable assessment, and to present them to us.

The leaking of the Panama Papers shows us once more the importance of whistleblowing as the most effective way of identifying frauds. In 2,410 cases that were investigated as per the ACFE 2016 Global Fraud Study, 40% of the frauds were detected by whistleblowing. The second most effective method after whistleblowing was internal audit by 16.5%, which highlights the critical significance of whistleblowing.

Compliance Processes: Form vs Substance and Beginning of the Fall

Intermediary consulting firms like Mossack Fonseca (or law offices, banks, public accountant companies, etc.) that give service to

their customers in operations such as establishing an anonymous shell company and opening a bank account for it are obliged by domestic laws and international agreements to perform due diligence on the beneficial owners of such companies to identify if they have been involved in money laundering, tax evasion, corruption or any other unlawful conduct. A detailed investigation has to be performed to find out any possible corruptions, especially if the apparent or confidential beneficial owner of the anonymous shell company is a politically exposed person including a public officer or his family and close circle. This shows us that keeping the name of the beneficial owner confidential is not left entirely uncontrolled.

However, the Panama Papers indicate that Mossack Fonseca does not know about the identities of most of the beneficial owners behind the companies it founded. For instance, an internal audit performed in 2015 revealed that Mossack Fonseca knew the beneficial owners of only 204 out of 14,086 anonymous shell companies it founded in the Seychelles, which is known to be a tax haven in the Indian Ocean. In short, the compliance of Mossack Fonseca to the law has been compromised.

Not Only Money but also Assets are Hidden

According to the Panama Papers, money circulated through anonymous shell companies may suddenly turn into an estate in the most luxurious district of a metropolis somewhere in the world. Laundering money by buying an estate is already a known method. It is also known that real estate prices have skyrocketed in certain regions due to this method of laundering. To give an example, the Prime Minister of Pakistan Nawaz Sharif's sons Hussain and Hasan Nawaz Sharif and his daughter Mariam Safdar founded at least four anonymous shell companies in British Virgin Islands and bought at least 6 luxurious estates overlooking Hyde Park in London.

Last Words

The Panama Papers show us that the structure created with anonymous shell companies has turned into a dark structure that protects criminals and facilitates easy circulation of laundered money, that has developed in "parallel" to the apparent and legal financial system, and that is not exposed to any audit and transparency practice and is not brought to account. Those who make money on corruption cover their identities and proceed with their unlawful business and in countries that are ruled by a dictatorship and kleptocracy politicians abuse the assets of their countries for their personal interests.

I think the answer to "Where does the money of anonymous shell companies come from?" will be revealed in time thanks to the Panama Papers. The real critical point is how the money of anonymous shell companies is created just as how the bribe money is created. At this point, it will be necessary to go to the location where the money is created and I am certain that whistleblowers and investigational journalists in such locations will need to come into play. Surely if there are any whistleblowers and investigational journalists there!

The last song of the album the Dark Side of the Moon, Eclipse ends with "There is no dark side of the moon really. Matter of fact it's all dark."

Do you think only the unseen side of anonymous shell companies is dark or it is all dark entirely?

Fikret Sebilcioğlu, CFE, CPA



CEREBRA IS A SUPPORTER OF 2016 INTERNATIONAL FRAUD AWARENESS WEEK!

2016 International Fraud Awareness Week is approaching. With the leadership of Association of Certified Fraud Examiners (ACFE) the week of 13-19 November 2016 will be dedicated to fraud awareness, detection and prevention all over the world. Every year many businesses, government entities and agencies become supporters of International Fraud Awareness Week and they carry out many different activities to show their commitments to combat fraud.

This year Cerebra has been one of the official supporters of the week by committing to donate its time and resources to fight fraud by minimising the impact of fraud via promoting anti-fraud

awareness and education. During the Fraud Awareness Week organisations will be encouraged to take first steps to combat fraud through: (i) establishing and communicating a fraud policy (before it happens), (ii) taking the Fraud Prevention Check-Up to help identify and manage fraud risks, and (iii) using anti-fraud resources by taking advantage of the free resources provided on the website of ACFE to help train the employees and enhance fraud awareness within their organisations.

Cerebra will arrange various activities in this week such as holding seminars, giving lectures and publishing articles to demonstrate its zero tolerance to fraud policy.

CEREBRA CONTRIBUTES TO TURKEY'S FIRST-EVER ETHICS AND COMPLIANCE MANAGER CERTIFICATION PROGRAMME

The Ethics and Reputation Society (TEID) is launching Turkey's first-ever Ethics and Compliance Manager Certification Programme in association with Istanbul Bilgi University.

TEID, which is known by its innovative works on business ethics, is now launching Turkey's first-ever "ethics and compliance manager" certification programme for professionals.

A 42-hour certification programme has been designed for professionals who want to be specialised in ethics and compliance risks management.

The trainers have been selected both from the academic and professional sphere and will give you effective tools to manage the integrity risks of a company. Fikret Sebilcioğlu, the managing partner of Cerebra, will give a course of lectures on various topics such as conflict of interests and internal investigations.

The programme starts on 5 November 2016 and will take place in the premises of Istanbul Bilgi University's santral campus for 7 weeks on Saturdays. You can find more details about the programme at the website of TEID.



About Cerebra

Cerebra is an independent accounting, audit and advisory firm based in Istanbul, Turkey. Combining years of international expertise with practical Turkish experience and knowledge, Cerebra serves to companies from all over the world. Our clients and working partners in general are multinational firms, funds and other entities based especially in Western Europe, Scandinavia and USA as well as firms, funds, law firms and investment banks established in Turkey.

Cerebra defines itself as a platform providing value added services with a customized approach. The firm is led by a group of professionals with over two decades of experience in the local and international markets. Since its inception in 2009, Cerebra's vision has always been

to be your continuous trusted business partner in Turkey. Our professionals provide the following services to its international and local clients:

- Forensic Accounting & Fraud Investigation
- Accounting Compliance and Reporting (Outsourcing)
- Internal Controls & Internal Audit
- Post Merger & Acquisition Integration
- Buy Side and Sell Side Due Diligence including Vendor Assistance
- Company Valuation
- Audit and Assurance



Fikret Sebilcioğlu
Partner
CPA, CFE

More than 20 years of experience managing accounting, financial statement audit, financial reporting, internal controls, forensic audits and compliance initiatives. Certified Public Accountant and Certified Fraud Examiner. Worked with PwC Turkey and the Netherlands for 15 years. Board member of Association of Certified Fraud Examiners Turkey and Ethics and Reputation Society, a member of Corporate Governance Association of Turkey.



Ömer Tunabaş
Partner

Worked with PwC Turkey and Alfa Securities for 6 years as an auditor and corporate finance consultant. Continued his career as an internal financial and business development consultant in Koç Holding for 10 years. Became a partner of Cerebra in 2010. Has a wide range of experience in independent audit, buy and sell side financial due diligence, M&A advisory, company valuation, budgeting and strategic planning.



Seda Bayraktar
Partner
CPA

Worked total of 8 years in BDO and PwC. Continued her career as a CFO in Clear Channel Turkey before joining Cerebra in 2009 as the Head of Accounting Compliance and Reporting. Has a wide range of experience in independent audit, accounting and finance management, internal controls, IFRS and US GAAP.