



Whistleblowing and payroll assurance: minimising the risk to, and impact on, your business

Client:

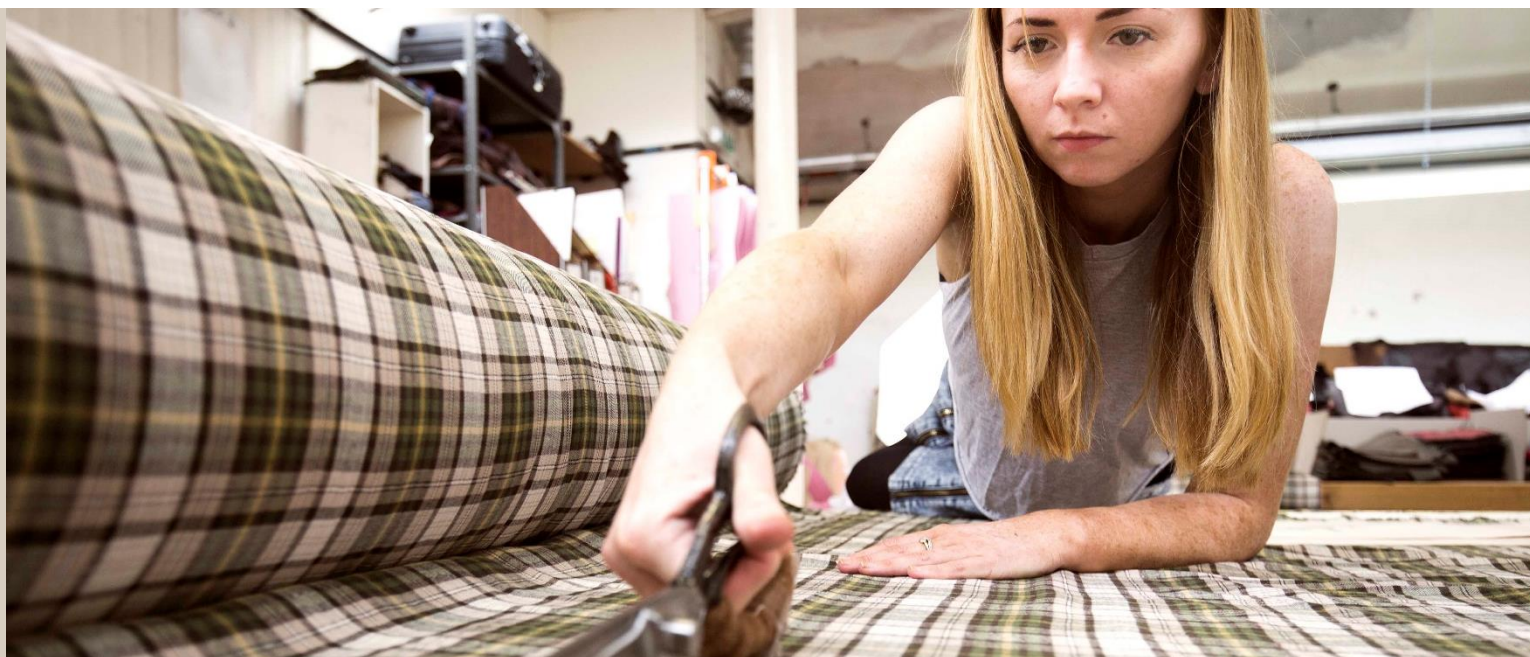
A European investor

Client challenge:

Reviewing and rectifying payroll assurance issues following a whistleblowing event

Grant Thornton services:

Pay eView: Forensic Consulting, Data Analytics, Tax, Superannuation



Payroll issues can arise as a result of a number of events in a business's life: following a transaction, a review of your time-recording processes, a dispute, even a whistleblowing alert from your own people.

After a global acquisition of a controlling interest in a group of Australian fashion retail operations, a number of disputes resulted in some employees blowing the whistle on potential underpayments of its people. A team at Grant Thornton were engaged to quickly and effectively review and manage the issues with the organisation and with the relevant statutory authorities.



Client challenge

After European investors acquired a controlling interest in an Australian fashion retailer, contractual disputes resulted in employees blowing the whistle on potential underpayments of salary and wages and superannuation to authorities.

The organisation needed to respond immediately and effectively to rectify the issue internally, but also to ensure they were meeting their obligations as set out by the Fair Work Ombudsman, given its crack-down on employers who have not taken due care in how they pay their employees.

The solution: Grant Thornton's Pay eView

Grant Thornton – led by the firm's forensics and tax experts, backed by dedicated-technology for data analytics and automation – was engaged to undertake an immediate confidential review of claims, including quantification of under-reporting and liaising on behalf of the company with relevant statutory authorities to mitigate financial and corporate risk.

The complexities of the review were due to the scale – involving some 100 plus employees – and the breadth employee arrangements, awards and EBAs, as well as multiple time recording processes.

The outcome

The team was able to apply a full and comprehensive review covering all bases: focusing on statutory requirements at play for this organisation and its people, spotting exposure points, and developing compliance and mitigation controls. This was combined with the support of data analytics and automation tools for accuracy and efficiency.

Importantly, the team is skilled in disputes advice, and was able to work with the relevant statutory authorities, mitigating the penalties based on the examples of underpayment discovered, as well as minimising resulting reputational damage given the speed of rectification.

“For many reasons, a business might discover they have examples of underpayment of their people. We are increasingly seeing whistleblowing as the trigger point. Businesses that respond quickly and comprehensively with an independent advisor can minimise the impact to their business and their people significantly.”

Darryn Hockley
Partner, Forensics
Grant Thornton

