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# Welcome to the BDO Tipoffs Newsletter

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an exclusive service for  
all BDO Tipoffs clients

**Circular No.4**



**BDO**

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At BDO, we understand the important role that whistleblowers play in helping to identify misconduct, unethical behavior, and potential risks that could harm organisation's values, reputation, and legal standing. To support this, we are proud to have developed a whistleblowing platform such as the BDO Tipoffs application, which ensures anonymity and makes it easy for whistleblowers to report concerns. This platform allows individuals to report misconduct or wrong doings safely, and it also enables them to attach supporting evidence, making their reports more credible and solid. This encourages transparency and accountability, ensuring that each report is treated with utmost importance.

Reports are submitted with the intention of making an organisation aware of potential wrongdoing, with the urge for organisation to take immediate action and address the issue reported. However, in other instances reports are submitted with the intent to seek revenge or harm another party, rather than to genuinely address a concern.


To ensure the integrity of the whistleblowing process and maintain trust in the process, it is important that each report is thoroughly reviewed and carefully scrutinised. This involves verifying the accuracy of the information, assessing its credibility, and ensuring that there is enough substantial

evidence to initiate an investigation. By doing so, organisation can safeguard the fairness of the process, ensuring that appropriate actions are taken only based on reliable and well-supported information. This approach does not only protect the interests of an organisation but also ensures that any wrongdoing is addressed appropriately and effectively.

While we value and encourage the use of this platform for reporting concerns, it is also important to acknowledge that not all reports are made in good faith, neither do they always contain accurate or sufficient information to justify investigation.

### Reports made in good faith

This circular aims to emphasise the importance of carefully reviewing submitted reports made by a whistleblower, verifying the accuracy of the information provided, and confirming that the reports submitted are made in good faith.



***Our main goal is to equip you with essential knowledge about whistleblowing and keep you informed on the latest news, new developments, and whistleblowing events and conferences where experts discuss issues related to whistleblowers***

## What are these whistleblower reports: A path leading to transparency and responsibility

A whistleblower report is information submitted by a whistleblower to alert the employer about the wrongdoing happening within the organisation. These reports are typically made with the goal of highlighting unethical or illegal behavior, so the employer can take action to address the issue.

Such reports are extremely important because they help organisations identify problems early, preventing them from growing into larger and more serious issues. By bringing these whistleblower's reports into attention, it allows employers to take corrective measures in protecting the organisation from harm, and ensure that it remains compliant with ethical and legal standards. This proactive approach helps to maintain the integrity of the organisation and fosters a safer, more accountable work environment.

However, it is essential to stress that not all whistleblower reports are made with the same intention. Some reports may come from misunderstandings, conflicts, misinformation, or personal grievances. A grievance in this

context is defined as a feeling of dissatisfaction, unfairness, or perceived injustice that an employee experiences in relation to their working conditions, their manager or supervisor, or a colleague. These grievances could be as a result of disagreements over work processes or interpersonal conflicts that may not always involve unethical behavior or violations of organisation policies. It's important to note that such issues are more appropriately addressed through an organisation's formal human resources grievance procedures, which are specifically established to handle workplace conflicts and concerns.

Therefore, it is essential to approach each whistleblower report with a critical, unbiased mindset and conduct a thorough verification/assessment process to determine the accuracy, reliability, and intent behind each report before any actions are taken. This is not only vital to protect the integrity of the investigation but also to ensure that the decision-making process is grounded in factual, well-supported evidence.

**In terms of the 2025 ACFE BenchMarking Report, employee embezzlement is the most investigated case within organisation and most likely to be reported through whistleblowing platforms**

### Other cases that are most likely to be submitted as reports:

- ▶ Fraud and Corruption:
- ▶ Discrimination and Harassment
- ▶ Violation of organizational policies and procedures

### Why assess whistleblower reports: Intentions of verifying reports

When receiving a whistleblower report, it is very important to approach the information carefully and pay attention to every small detail provided in the report. This process of assessing reports is essential especially in identify any misleading information or malicious allegations that may be in a report.

By assessing whistleblowers reports thoroughly, it will help organisations to be able to differentiate between genuine reports and false reports, and

ensure that if an investigation is initiated, it will only be based on accurate and reliable information. Assessing reports in detail also assists to uncover any inconsistencies or loopholes with the information provided and can help to show if a report is incomplete and in need of supporting information.

By assessing every detail of the report also helps the moderator or assessor to understand the context of the report, the motivation behind it, and the potential impact on both the individuals involved and the organisation as a whole. It also allows for a fair and impartial process, preventing the possibility of acting on reports that are unsubstantiated. This process of report assessment is crucial for maintaining fairness, protecting reputations, and ensuring that the correct actions are taken based on verified information.





## The benefits of assessment of reports:

### Building employees' trust in the whistleblowing process:

Employees are more likely to use the whistleblowing platform if they see that their reports are taken seriously and handled with confidentiality and professionalism. When reports are treated properly, with fair investigations, it will show employees that the organisation is committed in addressing problems transparently. This will make employees feel safe knowing that their concerns won't be ignored or mishandled, which will also encourage them to report issues before they become bigger problems.

### Identifying accurate information for investigation:

Assessing every detail of a whistleblower report carefully is key to making sure the information reported is accurate. By thoroughly assessing the reports, The organisation can confirm whether the report is based on truth or if there are misunderstandings. This helps ensure that the organisation only acts on information that can be verified, avoiding decisions that could harm the wrong people or waste resources due to malicious reporting.

### Avoiding reputational damage to the organisation:

Acting on unverified or false reports can harm the organisation's reputation. If employees see that the employer acknowledges reports without assessment, it can lead to lack of trust. This can create a negative workplace atmosphere and may even affect relationships with clients or partners, which could hurt the organisation's overall success.

### Avoiding unfair punishment of employees:

When whistleblower reports are not fully assessed, innocent employees might face unfair punishment, such as wrongful termination or unnecessary disciplinary action. A thorough assessment of a report can help to protect employees from such consequences. It also ensures that if the report turns out to be false or malicious, the organisation can address the issue without harming any individual's career or reputation.

### Ensuring fairness and objectivity:

It's important to approach every report with fairness and impartiality. By carefully assessing also the submitted report evidence, the organisation ensures that all parties involved are treated equally and that decisions will be based on solid facts, not assumptions or personal biases.

[Whistlelink.com/blog/how-whistleblowing-benefits-organisations](https://www.whistlelink.com/blog/how-whistleblowing-benefits-organisations)

## Who is advisable to receive whistleblowers reports

The role of the person receiving whistleblower reports (moderator/administrator) is very important because they help make sure that the organisation acts fairly and responsibly. By having someone who is knowledgeable, fair, quick to respond, and willing to protect the whistleblower's confidentiality, the organisation can ensure that any problems are addressed in a good manner. Therefore, it is advisable for an organisation to select an individual with the following aspects to be an (moderator/administrator) of whistleblowers reports:

### Background knowledge of the organisations policies and procedures and the Law

- An individual that is knowledgeable about the policies and procedures of the organisation as well as the legislation, in order to be able to identify behavioral diversion of the employees from the organisation policies and procedures as well as the Law.
- They should know exactly how reports should be made and what steps need to be followed. This makes sure the issue is handled properly, and the right people are involved when necessary.

### Fairness and unbiased

- It should be an individual (moderator/Administrator) who treats everyone equally and don't have any personal biasness.
- An individual that is professional and will only be guided by the organisations policies when making a decision not led by personal opinions

### Responsive and detail oriented

- When a whistleblower makes a report, the person needs to respond as soon as possible. Waiting too long could allow the problem to get worse. Quick action shows the organisation is serious about solving the problem.
- Detail oriented, the person must be good at noticing small details in the report. Every piece of information could be important, so they need to carefully look at everything and make sure nothing is missed.

### Maintain confidentiality

- One of the most important aspects of receiving whistleblower reports is maintaining confidentiality. Whistleblowers must feel safe to report misconduct without fear of retaliation, and their identities must be protected throughout the process. The person responsible for receiving reports must handle all sensitive information discreetly and ensure that any private details are not leaked or shared inappropriately.
- Never forget the importance of anonymous reporting by sharing reports, it can lead to a breach in confidentiality and making the identity of a whistleblower known.
- The organisation policy needs to address the access to the reports as well as the retention of reports.





## Steps on how to assess a whistleblowers report

When a whistleblower report is submitted, it's important to carefully assess the information to ensure it is taken seriously and handled properly. This process involves several clear steps that help determine whether the report is valid and how it should be addressed. Proper assessment of reports ensures that the organisation responds to all reports fairly and protects the rights of everyone involved, and takes the right actions based on the facts.

### Below are the steps to follow when assessing a whistleblower report.

#### Acknowledgment of receipt

- ▶ When a whistleblower's report is received, the receipts of report should be acknowledged, confirming that the organisation has received it and will address the matter. This acknowledgment is also an opportunity to reassure the whistleblower that the report is securely logged in the organisation's system. This step is crucial for establishing trust with the whistleblower, ensuring they feel their concerns are taken seriously and that their identity, if anonymous, will be protected. This early communication sets the tone for a transparent and respectful process.

*In terms of the Protected Disclosure Act 26 of 2000 states that the reporter assessor should as soon as reasonably possible but within 21 days, acknowledge receipt of the disclosure in writing, advise that an investigation is to be undertaken, and provide an estimated time-frame for its undertaking.*

#### Recording of important information

- ▶ It is extremely important to carefully record all the information provided in the report. No detail is too small, as each piece of information can help paint a clearer picture of the situation. For example, details such as the location, time, date, and nature of the incident, as well as the names of individuals involved, are all critical in building a complete understanding of the issue. Proper documentation also ensures that there is a clear record for future reference, which may be necessary if the matter moves to a formal investigation.

#### Review the report

- ▶ The next step is to review the report thoroughly to determine whether the issue violates organisation policies or breaks the law. While some organisation policies may not cover all situations in detail, the behavior described in the report might still be a violation of legal or ethical standards. In this step, it is important to check if the report is related to something that can be addressed through internal policies or if it requires legal action. This review helps the organisation quickly assess the seriousness of the report and decide if further investigation is needed or if the issue can be resolved without further action.

#### Assess if the whistleblower report is complete

- ▶ Check if the report contains all necessary details to support the allegations. If the report lacks clarity or any supporting evidence, it's important to contact the whistleblower for further information. Applications such as BDO Tipoffs give access to continuous communication between the whistleblower and the (moderator/administrator), allowing requests for additional information or documentation and the provision of feedback when necessary.
- ▶ Ensuring that the report is complete is key to carrying out a fair and thorough investigation. Incomplete reports can lead to misunderstandings, so gathering the missing details helps to clarify the situation.

### Cross-Examine the report

- Once the whistleblower's report is complete, it should be cross-examined with any available supporting documents or evidence. Compare the details in the report with organisational records, policies, and legal requirements to identify any discrepancies or violations. This helps to confirm whether the report is consistent with the facts and supports further investigation. Cross-referencing the information helps ensure that the organisation is not taking action based on incorrect or incomplete data and that the report is aligned with both organisation policies and legal guidelines.

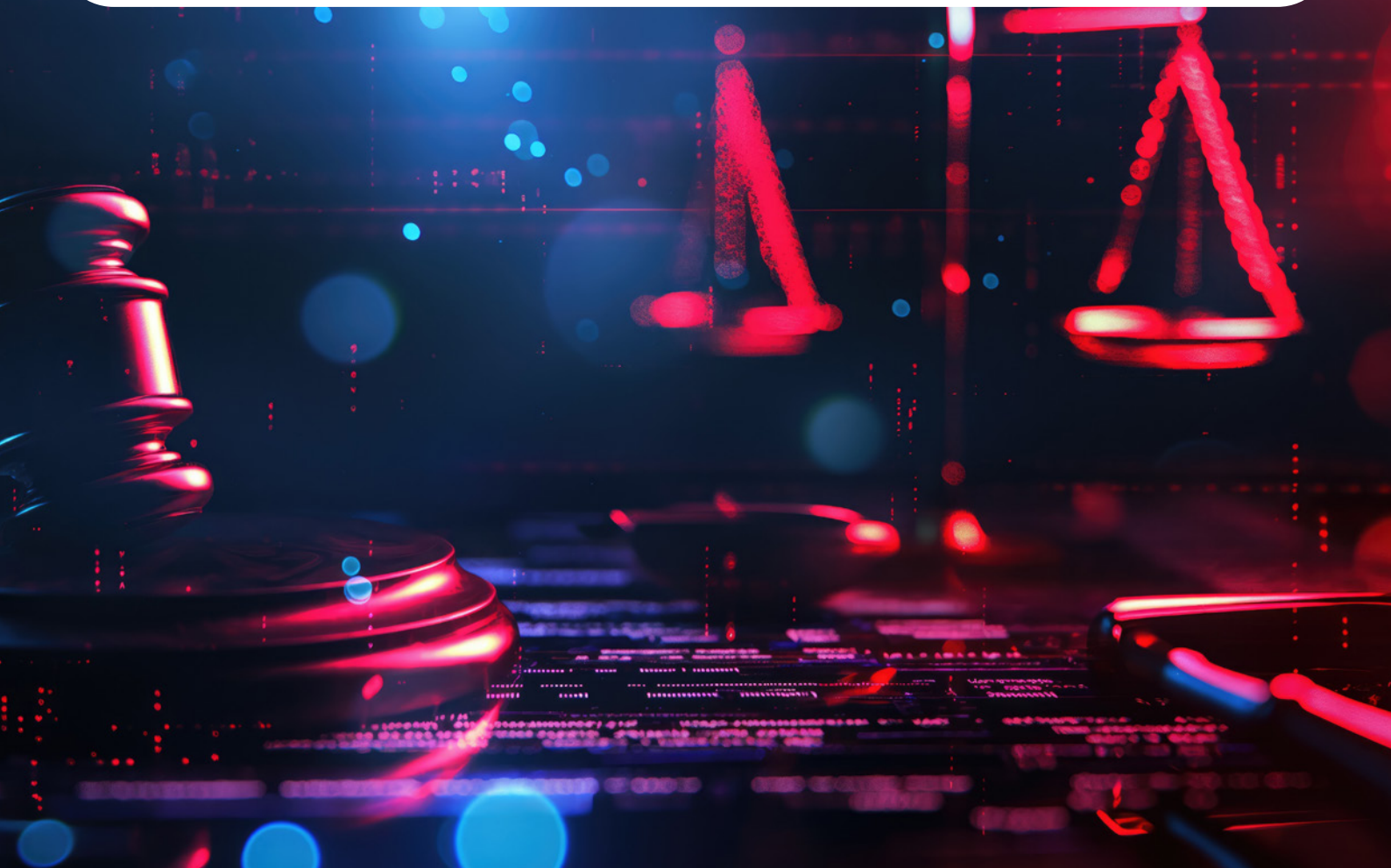
### Determine the severity of the allegations

- Evaluate the seriousness of the allegations in the report. Consider the potential impact on the organisation, employees, or stakeholders. For example, is this a minor violation that can be addressed through internal training or a more severe issue that requires immediate investigation? Determining the severity of the

issue helps to prioritize which reports should be dealt with urgently and which can be addressed through other channels, such as human resources for remediation. This step ensures that resources are allocated to the most critical matters first.

### Decide on the way forward and notify the whistleblower

- After assessing the report, decide on the appropriate course of action. If the allegations are serious and require further investigation, begin the process of gathering additional evidence, interviewing witnesses, and following up on the issue. For less severe issues, the organisation may choose to handle it internally or through HR for remedial actions. It's essential to communicate with the whistleblower to let them know the steps being taken. Keeping the whistleblower informed shows transparency and reinforces the trust in the process, while also ensuring they understand what happens next and that retaliation is not tolerated.







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