

What is a Forensic and Investigative Accountant?

Forensic Accounting



Summary

- It's NOT accounting. However, $1 + 1$ always = 2
- 10,000-piece puzzle w/o looking at the box
 - The Accountant, w/Ben Affleck
- Researcher & Problem solver with the instinct to explore issues that challenge predictable knowledge
- Application of financial consisting of facts or hypotheses in a legal setting - two primary functions:
 - Litigation Advisory Services: **Expert Witness**
 - Investigative Services: **Evaluation of evidentiary matters**

FORENSIC ACCOUNTING is a legal practice of probing the financial details & other information of a firm or individual to find out any fraud or crime.

TASKS PERFORMED

- Collecting all information & evidence for unearthing frauds.
- Interviewing employees and all the related parties.
- Verifying and analyzing the data that the team collects.
- Preparing report, summarizing findings.
- Safely keeping evidences & findings for presenting in court.

HOW IT WORKS?

It offers two types of services:

- Litigations support services
- Investigative & fact-finding services

REAL WORLD APPLICATIONS:

- Business & tax fraud
- Securities fraud
- Asset misappropriation
- Insurance Claims
- Money laundering
- Marital & family disputes
- Economic losses & bankruptcy

Basis	Forensic Accounting	Auditing
Objective	Provide reasonable assurance on reporting & classification of transactions	To search and find out chances of fraud in the general or specific transactions
Qualifications	Forensic accountants needs to be both – CPA & CFE	Auditors need to be CPA
Report	Forensic accounting report serves as an expert report in the court	Audit report may not hold any legal relevance in court