BRENTWOOD
OPEN LEARNING COLLEGE

Assignment Cover Sheet

Student Name:	Katherine Limbrick
Student Number:	4966
Course:	Diploma in Forensic Accounting
Assignment NO:	1

Marking Criteria:

We expect the learners to write minimum one well expressed point in three lines against each allocated mark. This means one needs to write 15 lines with 5 well expressed points to get high grades for a 5 marks question.

For high grades use examples and illustrations where appropriate.

Please insert your completed assignment (in word format) here:

1)i) Fraud, in the context of Forensic Accounting, is the use of one's occupation for personal gain through deliberate deception, misuse, or misapplication of the employing organisation's resources or assets. There are three main categories of fraud.

a) Corruption – 1/3 of all instances of fraud involve corruption. This can be further categorized into three types of corruption
   i) Bribery – Offering money or valuable gifts to influence to influence a situation in one's favour, such as giving tickets to a football match to a procurement buyer to become a preferred supplier
   ii) Conflict of interest – When a person exerts their influence to achieve undisclosed personal benefit. This may not be of a monetary nature but affect the organization, such as using a supplier which is owned by a family member.
   iii) Extortion – Demanding money to achieve a desired outcome.

b) Asset misappropriation – One of the most common frauds. Examples
   i) Cash theft – From the Cash register or Petty cash
   ii) Fraudulent disbursements - Using company funds to make fraudulent payments including payments to fictitious suppliers or employees.
   iii) Inventory fraud – Theft of the company's inventory
   iv) Misuse of assets – Use of company's assets by it's employees for their personal benefit