BRENTWOOD
OPEN LEARNING COLLEGE

Assignment Cover Sheet

Student Name:	Burnadene C. Falconer
Student Number:	1319
Course:	Diploma in Forensic Accounting
Assignment NO:	Crime & Economy – Assessment 2

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

Q.1: Short Questions:

I. The effects of crime influences the economy in two ways; on the microeconomic level which affects individuals and businesses and on the macroeconomic level which affects the community, the nation and international markets.

II. Crime costs the economy and taxpayers in terms of costs associated to law enforcement, varied elements that surround the criminal activities to assist in the enforcement, prevention; prosecution and defending, incarceration and rehabilitation of perpetrators.

III. Arson is willfully and purposely burning of some else's property, that is their place of dwelling.

IV. Money laundering is the concealment of funds from illegal activities using various methods and schemes. Some activities that may fall under money laundering include:

   a. Transferring money or other financial instruments to and from offshore institutions.
   b. Using large sums of money to purchase different properties or other assets.
   c. Depositing large sums of money into various financial institutions.
   d. Maintaining large bank accounts in offshore institutions.

Q.2: Embezzlement is when an employee steals funds from his place of employment for his personal use. It is considered a financial crime due to the economic loss suffered by the employer because the funds would not be available for their use. The perpetrator/embezzler may not record the funds as taxable income.

Q.3: Forgery is falsely making or altering with deceitful intent, of the signature of an individual. Uttering is different because it involves submitting forged documents to

obtain a financial gain.

Case study

The forensic accountant would have assessed the information given by the couples' accountant and compared it to other publicly received information such as tax returns. An assessment of the spending patterns and lifestyle changes would also be done to assist the forensic accountant.

The forensic accountant would have probably used the net worth method to determine the assets and liabilities, income and expenses of the couple. The findings from their accounting documents may have shown significant cash deposits and withdrawals in comparison to the income levels that may have been indicated in the tax returns, which was how the forensic accountant was able to make his conclusion.

Student Statement:

By submitting this assignment, I confirm that this is my own work.

Student Signature	Burnadene C. Falconer	Date	23 December 2014

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Total Marks	
Marks Obtained	
Percentage / Grade	