

Date of Class 03/06/2021
PERIOD II 11:05 AM TO 12:05 PM
MBA SEMI - SUB - MB 104 AFA

U5 OBJECTIVES OF FORENSIC ACCOUNTING

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The main objective of FA is to find out proof of a crime and to present it in a way that can stand up in a court of law. Looking into the financial records of an individual or even an entire corporation, is a big undertaking that requires the specialist skills of forensic accountants. The prevention of crime is also crucial for auditors, who are hired to ensure your company's financial records are compliant with laws and regulations. Therefore, the purpose of forensic accounting is to:

- (i) Prove financial crimes
- (ii) Prevent financial crimes
- (iii) Anticipate future crimes

The 3 broad picture in mind is a forensic accountant

(2)

Explanation is needed for above objective in detail given below:

- ~ Identify the nature & scope of the fraud.
- ~ Prevent and reduce future case of fraud through the implementation of recommended best practices and internal control actions within the organization.
- ~ Participate in the design and creation of fraud prevention programmes.
- ~ Evaluate internal control system.
- ~ Investigate and collect evidence that will be placed in the hands of the judicial authority.
- ~ Financial matters can be handled with proper transparency skills & should be fraudless.
- ~ A clear cut policy maintain about financial record in way of hard & soft system.

(3)

In foreign countries, used technical device for saving financial data and also advice to copying the such record in a good device. The expertise also suggested that hard drives found on laptops or desktop computers, portable mass storage devices and to like to be image instead of simply copied, ~~so~~ to ensure the admissibility of the evidence and to capture all the electronically stored ~~##~~ files, including those that have been deleted and those not saved on the servers.

For the fulfillment of above objective the forensic accountant might be different from general accountant, suggest the company executives for using modern equipment when ~~is~~ needed. Forensic Accountants examine data to determine where missing money has gone and how to recover it. They may also present reports of their financial findings as evidence during hearings, where they often testify as expert witnesses.
