

Overview

Cases involving fraudulent financial reporting, misappropriation of assets, tax fraud, money laundering and other types of malfeasance are frequent and result in great public scrutiny. Forensic accountants are often relied upon to investigate suspicious transactions or reported financial results and to identify relevant indicia of fraud. These investigations may support criminal proceedings or civil litigation, or they may be derived from inquiries made by company management, the board of directors, corporate shareholders or outside accountants.

Specific Services

We have the necessary skills and experience to investigate and report on many types of fraudulent activities. Example services we provide include:

- Review corporate policies and standard operating procedures
- Assess internal controls
- Conduct employee interviews
- Evaluate accounting records and supporting documentation
- Analyze third-party records
- Test for unusual financial statement relationships
- Evaluate the purpose and classification of expenditures
- Perform statistical sampling exercises
- Identify unrecorded transactions or missing records
- Perform complex funds tracing analyses

Relevant Experience

Our fraud experience is illustrated by the following examples:

- Documented and valued fraudulent excessive billings by an insurance broker to the manager of approximately 100 apartment complexes that included HUD-assisted low income housing.
- Demonstrated that the CFO of a failed company reasonably relied upon outside auditors to evaluate internal controls and test for accounting misstatements to prove that he was not liable for early revenue recognition, falsification of inventory and other accounting irregularities.
- Consulted with defense attorneys for two former bank vault employees accused of embezzling over \$11 million. Analyzed the design and application of the vault's internal control systems.
- Examined accounting records and support documents of a propane distributor to identify inappropriate expenditures by one of the business partners.
- Traced movement of funds through numerous trading and personal accounts of an account executive at a major securities dealer who was charged with securities fraud.