



Forensic Accounting

Case Study

Background

Our client uncovered several unauthorized company loans taken out by an accounting employee, raising immediate concerns. Upon further investigation into the necessity of these loans, the owner discovered that the employee had been engaging in various fraudulent activities, diverting company funds through multiple illicit means.

Objectives

- + Conduct a comprehensive review of the trial balance and all related financial activity to identify any signs of fraud or misstatements caused by the suspected employee.

Solutions

- + Conducted a detailed review of payroll, allowances, and benefits to identify any unauthorized or irregular payments
- + Examined the accounts payable vendor list and related payments for any signs of unusual or suspicious activity
- + Analyzed accounts receivable and customer transactions for inconsistencies or unusual patterns of behavior
- + Assessed the company's liabilities and loan records to ensure accuracy and detect any discrepancies
- + Prepared comprehensive bank reconciliations from the inception of the company to ensure financial integrity

Uncovered over \$50k in employee theft and fraudulent activity, along with more than \$200k in accounting errors within the company's financial records.

**Telecomm-
unications**
INDUSTRY

10
EMPLOYEES

\$3M
ANNUAL
REVENUE