



**FINAL EXAMINATION**

**BACHELOR OF ACCOUNTANCY (HONOURS)**

<b>COURSE</b>	<b>: FORENSIC ACCOUNTING</b>
<b>COURSE CODE</b>	<b>: FSC4023</b>
<b>DURATION</b>	<b>: 3 HOURS</b>

**INSTRUCTIONS TO CANDIDATES:**

1. This question paper consists of **FIVE (5)** questions.
2. Answer **ALL** questions.
3. Please check to make sure that this examination pack consists of:
  - i. The Question Paper
  - ii. An Answer Booklet
4. Do not bring any material into the examination hall.
5. Please write your answer using permanent ink.

**MYKAD/ PASSPORT NO.** : \_\_\_\_\_

**ID. NO.** : \_\_\_\_\_

**LECTURER** : \_\_\_\_\_

**SECTION** : \_\_\_\_\_

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**DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO**

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*This question paper consists of 6 printed pages including the front page.*

QUESTION 1

Semerah Padi Sdn. Bhd. (Semerah Padi) has instituted good internal controls and has never, until last month, had a problem with fraud. But, several weeks ago, someone with access to the keys entered the controller's office and took two company cheque books. Since then, several cheques have been forged totaling an amount of RM32,680. The investigator has been recruited to investigate the case.

**Required:**

- a. Describe **THREE (3)** examples of evidence that can be collected by the investigator from the above case.  
(6 marks)
- b. Analyse **FOUR (4)** general sources of documentary evidence that the investigator may obtain to investigate the case.  
(8 marks)
- c. Determine **THREE (3)** sources of fraud detection practices that can be implemented by Semerah Padi.  
(6 marks)

(Total: 20 marks)

**QUESTION 2**

Frieza, the purchasing manager for KMZ Sdn. Bhd., is under suspicion in committing fraud. Her superiors believe she is accepting bribes from various creditors. As the company's forensic expert, you are investigating this possible fraud and are preparing to interview Frieza.

**Required:**

- a. Assess **THREE (3)** procedures that you can perform in interview preparation. (6 marks)
- b. Analyse **FOUR (4)** Frieza's potential reactions to the fraud allegations. (8 marks)
- c. Discuss how you can use the following methods to assess Frieza's honesty:
  - i. Eye movement.
  - ii. Surprising the suspect.
  - iii. Persuasive techniques.

(6 marks)

(Total: 20 marks)

## QUESTION 3

Azrul Azlen worked as an IT professional for a large software company from 2018 to 2023. Because of his job, he had access to thousands of people's personal information, including employees and customers, who he unfortunately exploited.

Azrul Azlen designed a special computer program that would read people's information from the company's database and automatically open fake Paypal accounts in their names. He would then use the stolen identities to apply for credit accounts linked to the established accounts. Over time, Azrul Azlen managed to open over 8,000 accounts. To avoid being caught, he only transferred small amounts of money, took cash advances from the credit line, and accessed the cash with a debit card.

And the scheme might have been running for longer if Azrul Azlen didn't get careless. Usually, he would retrieve the cash from an ATM machine, but one time he asked PayPal to send him a check. The name on one of the checks that PayPal sent him matched a victim's name, which tipped the police off.

**Required:**

- a. Analyse **FOUR (4)** potential methods in which Azrul Azlen could steal identity information.  
(8 marks)
- b. Describe **THREE (3)** job positions within the identity theft ring committed by Azrul Azlen.  
(6 marks)
- c. Assess **THREE (3)** measures to detect the identity theft committed by Azrul Azlen.  
(6 marks)

(Total: 20 marks)



## QUESTION 4

Betta Tech is a corporation that owns a chain of photocopy stores located in the northeast area of Selangor. Betta Tech is solely owned by Khairy Shahril, an entrepreneur in his early 60s. Betta Tech appears to be less profitable than similarly sized companies in that industry.

You have been hired to investigate possible fraud losses in the company. Betta Tech's lawyer contacted you in confidence and told you that she has had many tips indicating that Harry Afwa, the Chief Financial Officer, is somehow stealing large sums of money from the company. Harry Afwa earns a good salary of RM200,000 per year, but company employees report that he has recently purchased a RM4 million house, a sail yacht worth at least RM2 million, and one employee said that he spends his weekends in Las Vegas, where he loses very large sums of money on a regular basis. Some employees have seen him driving a new Maserati sports car near a local shopping mall, but he always arrives at work with a plain, aged family car.

**Required:**

- a. Analyse **THREE (3)** financial statement misrepresentation elements that might exist in Betta Tech fraudulent activities.  
(6 marks)
- b. Discuss **THREE (3)** motivations of Harry Afwa to misrepresentation the company's financial statement.  
(6 marks)
- c. Evaluate **FOUR (4)** investigation techniques that could be employed in financial statement misrepresentation of Betta Tech.  
(8 marks)

(Total: 20 marks)

QUESTION 5

Sareef Abdul is a high-ranking government official who is also Chairman for Aman Charity. Aman Charity maintains a current account at a bank, which Sareef Abdul as the sole signatory.

His wife, Nur Ezura is housewife and hold a few credit cards under her husband's accounts. The cards were actively used for travelling, purchasing luxury goods and staying at expensive hotels overseas.

Adam Iskandar is a newly appointed compliance officer who is well experienced in anti-money laundering and countering financing of terrorism (AML/CFT). While reviewing transaction reports from his officers, he noticed irregularities as follows: credit cards were paid by Aman Charity; frequent cash deposits from various locations below the value of cash threshold reporting requirements from Aman Charity's bank account; and large cheques deposited into the account from various entities without reasonable justification. Before Adam Iskandar completed his assessment, he received orders from law enforcement agencies to produce Aman Charity's statement of account. Sareef Abdul was subsequently charged with multiple counts of criminal breach of trust, money laundering and abuse of power.

**Required:**

- a. Explain the money laundering process perpetrated by Sareef Abdul. (6 marks)
- b. Analyse **FOUR (4)** red flags of money laundering in the above case. (8 marks)
- c. Evaluate **THREE (3)** preventive mechanisms that can be implemented by Aman Charity to reduce money laundering. (6 marks)

(Total: 20 marks)

**(TOTAL: 100 MARKS)**

**END OF QUESTION PAPER**