

**BINDURA UNIVERSITY OF SCIENCE EDUCATION**  
**FACULTY OF COMMERCE**  
**DEPARTMENT OF INTELLIGENCE AND SECURITY STUDIES**  
**BACHELOR OF COMMERCE HONOURS DEGREE IN FINANCIAL**  
**INTELLIGENCE PART 4**  
**FI405: CRIMINAL INTELLIGENCE ANALYSIS**  
**DURATION: 3 HOURS (100 marks)**

**INSTRUCTIONS TO CANDIDATES**

1. Answer **question one and any three other** questions.
  2. Each question carries 25 marks.
  3. Cell phones are not allowed in the examination room.
  4. Non programmable calculators may be used.
  5. Begin each fresh answer on a new page.
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 MAR 2023

**QUESTION 1 (COMPULSORY)**

The following is an extract of the Statement of Financial Position for Nero Private Limited;

	2019 \$000	2018 \$000	2017 \$000
<b>Non Current Assets</b>			
Property, Plant and Equipment	1 500	900	900
<b>Current Assets</b>			
Short term investments	450	400	350
Inventory	720	540	360
Receivables	500	200	100
Bank	-	350	320
<b>Total Assets</b>	<b>3170</b>	<b>2390</b>	<b>2030</b>
<b>Share capital and reserves</b>			
Ordinary Share capital	1100	1100	1100
Asset revaluation reserve	400	-	-
Retained earnings	1040	620	580
Non-current liabilities	200	200	200
<b>Current liabilities</b>			
Trade payables	100	150	180
Bank overdraft	330	-	-
<b>Total share capital, reserves and liabilities</b>	<b>3170</b>	<b>2390</b>	<b>2030</b>

After a thorough investigation and gathering of relevant intelligence, you picked up the following information;

- ✓ No Property, Plant and Equipment was acquired during the 2019 financial year
- ✓ Due to the harsh economic environment that characterised the 2019 financial year, business across the industry was on a downward trend.
- ✓ The supplier base remained constant for the three years. However, in order to hedge against risk, majority of the suppliers demanded payment before delivery.
- ✓ The loan valued at \$200 000, which was borrowed in 2017, had been secured by part of the property plant and equipment. This was never disclosed in the notes to the financial statements.
- ✓ On the 29<sup>th</sup> of December 2019, fire destroyed the store room, resulting in the destruction of inventory valued at \$400 000. This figure is included in the inventory value for the 2019 financial year.

**Required:**

- a) Analyse the financial statement and provide evidence of financial statement fraud by Nero Private Limited's management. (15)
- b) Outline the analytical procedures that you would perform to expose fraud on the following elements;
  - i) PPE (5)
  - ii) Inventory (5)

**[Total marks: 25]**

## QUESTION 2

Briefly explain the following terms as they relate to the field of criminal intelligence;

- i) Forensic accounting (5)
- ii) Digital forensics (5)
- iii) Individualisation (5)
- iv) Electronic surveillance (5)
- v) Cross examination (5)

[Total marks: 25]

## QUESTION 3

Discuss any **four** strategic analysis tools that you can use to deal with organised crime syndicates in your community. [25 marks]

## QUESTION 4

Your company has recently introduced a criminal intelligence department and you are asked to spearhead the development of the new department. The human resources manager intends to place an advertisement in the local newspaper for the post of criminal intelligence analyst and he asks you to provide him with the necessary information. Identify and justify the information that should be included in the advertisement. [25 marks]

## QUESTION 5

'Surveillance is the best way of gathering criminal intelligence'. Analyse the veracity of this assertion. [25 marks]

## QUESTION 6

You are the Chief Security Officer for Wamba Private Limited. A case of fraud has been reported to you and you are provided with the names of one key witness and one potential suspect. Clearly demonstrate the steps that you will take to interview or interrogate the key witness and the suspect. [25 marks]

**END OF PAPER**