

**BINDURA UNIVERSITY OF SCIENCE EDUCATION**  
**FACULTY OF COMMERCE**  
**DEPARTMENT OF INTELLIGENCE AND SECURITY STUDIES**  
**BACHELOR OF COMMERCE HONOURS DEGREE IN FINANCIAL INTELLIGENCE**

**COURSE : PRINCIPLES OF FINANCIAL INTELLIGENCE 2**  
**COURSE CODE : FI 202**  
**TIME ALLOWED : 3 HOURS**  
**TOTAL MARKS : 100**

JUN 2025

**INSTRUCTIONS TO CANDIDATES**

1. Answer question 1 and any 3 questions
2. Each question carries 25 marks
3. Cell phones are not allowed into the examination room
4. Begin each fresh answer on a new page

## QUESTION 1 (COMPULSORY)

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

	2018 \$000	2017 \$000	2016 \$000
<b>Non Current Assets</b>			
Property, Plant and Equipment	950	600	600
<b>Current Assets</b>			
Short term investments	250	200	150
Inventory	560	480	460
Receivables	250	80	120
Bank		150	120
Total Assets	<b>2010</b>	<b>1510</b>	<b>1450</b>
<b>Share capital and reserves</b>			
Ordinary Share capital	800	800	800
Asset revaluation reserve	350	-	-
Retained earnings	220	420	380
Non liabilities	100	100	100
<b>Current liabilities</b>			
Trade payables	200	90	80
Bank overdraft	340	-	-
Total share capital, reserves and liabilities	<b>2010</b>	<b>1510</b>	<b>1450</b>

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

- ✓ The Property, Plant and Equipment had been tested for impairment on the 1<sup>st</sup> of October 2018. The recoverable amount was considered to be \$800 000. No entry was made in the books of accounts.
- ✓ There was a boom in business across the industry in the year 2018.
- ✓ The receivables figure for the year 2019 included an amount of \$180 000, which was owed by one major customer. The customer had been declared insolvent by the High Court in September 2018.
- ✓ The loan valued at \$100 000, which was borrowed in 2016, had been secured by part of the property plant and equipment. This was never disclosed in the noted to the financial statements.

### Required;

a) Identify and justify the evidence of fraudulent financial reporting at Mamoyo Private Limited.

(8)

b) Perform a vertical analysis for the following elements for the years 2018 and 2017;

i) PPE (5)

ii) Receivables (5)

c) Identify the analytical procedures that you would perform to expose fraud for the following elements;

i) Inventory (4)

ii) Trade payables (3)

**[TOTAL: 25 Marks]**

## **QUESTION 2**

Define the following terms:

a) Occupational fraud

(5)

b) Corporate fraud

(5)

c) Payroll fraud

(5)

d) Procurement fraud

(5)

e) Forensic audit

(5)

**[TOTAL: 25 Marks]**

## **QUESTION 3**

Examine the importance of digital evidence in fraud investigation.

**[25 Marks]**

## **QUESTION 4**

Analyze the challenges of curbing procurement fraud in Zimbabwe.

**[25 Marks]**

## **QUESTION 5**

Discuss the role of corporate governance and ethics in curbing financial crimes.

**[25 Marks]**

## **QUESTION 6**

Evaluate the importance of artificial intelligence in preventing and solving financial crimes.

**[25 Marks]**

**End of paper**