



Faculty of Economics, University of Niš, 16 October 2015

International Scientific Conference

**CHALLENGES IN BUSINESS AND ECONOMICS:
GROWTH, COMPETITIVENESS AND INNOVATIONS**

**FINANCIAL FORENSICS AS A NEW METHOD OF HIGHLY
QUALIFIED MULTIDISCIPLINARY CONTROL OF
ACCOUNTING DOCUMENTS**

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***Abstract:** The development of the modern technologies in the processes of collecting the evidence in judicial investigative actions, has come up with the concept of forensic audit as a new branch of the external audit, as well as the necessary multidisciplinary expertise activity of the economists, lawyers and computer scientists in order to investigate actions of the judicial authorities, especially as the conditions from Chapters 23 and 24 of the accession and membership to the EU (23 Judiciary and fundamental rights and 24 Justice, freedom and security). Specific examples of professional practice of the author, discussed in the text indicate the multidisciplinary nature of forensic audit and the need to create a new profession – forensic accountant, and also to create the independent professional institutions that are trained to perform this kind of work and the upgrade of legislation in this particular area.*

***Keywords:** forensic audit, external audit, inspection of accounting documents, investigative accounting, judicial support, financial expertise.*

1. Introduction

Accounting as a systematic collection, processing and analysis of financial situation of an economic entity accomplishes its main goal if it is in the function of professional and high-quality presentation of the data processed and forwarding of information to the interested subjects and primarily “giving the account” to the owners regarding success and failure of the company, based on which individual business and financial decisions will be made, all that for the purpose of active planning and control of periodical business results for the purpose of making adequate business decisions. Business

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UDC 343.983:657.632

data presented in accounting patterns are a basis for determination and payment of taxes as an obligation of the company towards the state.

The business results expressed in a prescribed form according to generally accepted International accounting standards represent standards in financial report also prescribed by the Law on Accounting whose provisions determine who the payers are, classify legal entities, organize accounting and accounting documents, conditions and manner of keeping business books, acknowledgement and valuation of positions in financial reports, composition, delivery and public announcement of financial reports and annual business report, Financial reports register, National commission for accounting, as well as monitoring of the law's provisions implementation.

The reporting itself, by its character, can be in the form of internal or external audit. Character of the audit according to this criteria has a different role and function.

Internal auditing is an independent, objective and consulting activity, established to increase the value and improve the organization's activities in order to identify the risks which the organization is exposed to, to evaluate the system of internal control, to make sure it functions with the policies and procedures of the organization, to provide the management with recommendations and to monitor implementation and to evaluate the effectiveness of work processes. External audit is an independent investigation of the activity. It was in the beginning performed in an unusual way by the auditor listening to an oral report of the audited entity and he verbally presented his report to the user which is unimaginable today. The main task and objective of the audit is to protect the interests of shareholders, creditors, potential investors, employees, suppliers, customers and others, with their impartial opinion about the reality of the data to truthfully, objectively convince them that completed financial report is a reliable basis for their needs and that they can use it in their own decision-making (an investor, a bank, the seller). [1]

Unfortunately, we know from experience that the basic concept and function of the present external audit, which by law Joint-stock companies, large and medium-sized enterprises are subject to, usually turned into a high financial commitment of the subject of control, which prior to drafting of the report is preceded by a three-day visit of "a team of young professionals", that by the pre-arranged schedule-model import data from business records and with the general formulation by chapters provide its usual assessment of the following wording: "In our opinion the financial statement is in accordance with financial statements that were audited". This formulation speaks a lot about the scope, character and quality of the reports of eminent and expensively charged financial audit report. An even greater problem is entrusting the taking of professional exam to the Chamber of Auditors of Serbia as an association of existing, already registered audit firms in the Republic of Serbia, where the exam with preserving the guild and guild features can be only passed by professionals of the previously reported audit companies. That is why financial forensics is a highly multidisciplinary expertise of an economist, lawyer and computer programmer all for the purpose of investigation that will enable the prevention, detection and punishment of offenders through the judicial criminal proceedings. Financial Forensics is similar to forensic accounting that is in the function of analyzing financial statements of the company in terms of possible fraud, but then again, in the function of the corresponding legal proceedings in the detection of possible financial abuse.

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Forensic accounting uses investigative skills to determine the accuracy of the financial statements of an entity suitable for court process of identification, proving and punishment of perpetrators of financial abuse or a criminal act. The very concept of forensics means "evidence suitable for court".

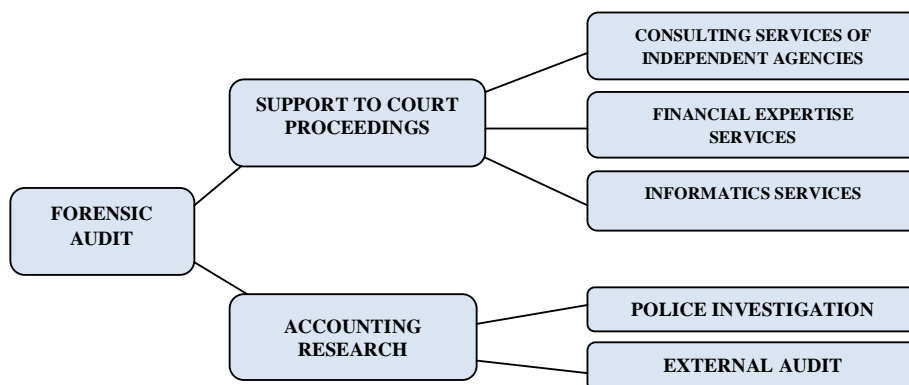
We insist on multidisciplinary financial forensics because economists through the process of discovering a criminal offense in financial reports analyzes reported financial results contained in the balance sheets, the lack of logic in the presentation of inconsistent data and performs analysis of the cost structure, and the final effects of the business and its results; lawyer examines the procedure of the investigative and judicial process and the determination of illegal behavior and classification of the offense and non-acting in accordance with the law and a computer programmer who analyzes the accounting program and its results using sophisticated forensic tools, control calculated and reported paying taxes, path of the money to its raising and misuse of unlawful use.

2. Forensic Audit In Practice

In the audit profession, forensic audit is a novelty because the need for its existence is particularly emphasized in the period of crisis business conditions when conflicts arise at all levels, from the lowest of the business entity, treasurer and accountant, through various levels of the management to capital owners. The need for a forensic audit is growing because the practice itself demanded that the theoretical framework creates a foundation that will adequately grow into legislation. Crisis and inadequately maintained control procedures that are current as such, do not give adequate results. Let's remember that Social Accounting Service (former SDK), which had an extremely professional, knowledgeable practitioners, of high moral values that were in these business conditions acting on the territory of the whole of Yugoslavia (SDK inspector from Nis successfully discovered and established control abuse of Fikret Abdic in Velika Kladusa - BIH) found and discovered offenses in the area of financial-accounting field.

Efforts to achieve better results through preventive control of the tax administration, field control, the control office, skip the police service and economic crime police department has not given the expected results.

The structure of the forensic audit makes several functions and segments:



Audits, including forensic audits, is not theoretical but practical category, that is a discipline that is very pragmatic and dynamic, which is constantly being developed and upgraded.

At this point, in the literature and in practice American and British experience are naturally imposed in forensic auditing, with the occasional participation of other countries. Experience in the field of forensics and other legal systems exists, however, they are not popular enough or are not called by their real name. The inevitability, need and aim for the time to come is the education of personnel in the direction of forensic accounting and forensic audit in the true sense of the profession and the professional performance of such work. In addition to the restrictions imposed upon social moment and environment in Serbia through the practice we meet with the forensic audit, but as a special form of specific demands of the ownership or control of management to further elucidate certain transactions of operating functions carriers whose work is suspected. It is already in the process of regular audits to conduct certain forensic actions outside of court proceedings. Now it is constrained to gathering of evidence on financial transactions for which there are certain interests of the ownership or control management, and in certain situations even other structures, depending on the character of a doubt that is checked and the legal status of the client. Forensic actions can be carried out in the framework of a regular audit because it is suspected that the auditor's reports can be abused. Such controls are carried out with no extra effort, as a rule preventively, with the aim of your safety and the elimination of liability for defined state. The procedure of preventive control should therefore be established as a competent and professional research, as a standard audit procedure, and whose volume will depend on the degree of risk is assessed. [2]

In order to create serious and professional audit control, it has to be of particular redibility that will, in regula control process, apply certain forensic methods, all in order to preserve professionalism and eliminate the responsibility for the quality of reporting and adequate discovery of lapses in case of subjects whete audit is performed.

Direct experience in audit expresses that ownership management often chooses better quality in discovering the essence of particular transactions and it is noted that such requirements more frequently come from top management of the companies. Such cases we have when it is doubted in certain activities of their associates and their relations and contacts with business partners, i.e. they doubt in own validity of particular transactions. [2]

Sometimes, such audits are the most intelligent solution, since they are performed as a part of a statutory, mandatory audit, and nobody pays attention to objectivity of forensic audit of particular business operations. It is the best form of evaluation and application of forensic audit in situation that it remains anonymous. Therefore, it is not about special scientific disciplines, nor however about some organized accounting outside or within some other business books. It is about the application of special forensic methods in regular audit, where all relevant information are used from already existing business books and other records. It is about applied audit techniques and instruments, not about specially organized business books. [3]

Forensic technology is not applied only in court proceedings and its application is much wider then it. Both preventive and court role of forensic audit is that to use the same method and techniques of work in both forms, and the difference is that the results of the discovered are used with different goals. As a rule, forensic audit, by its nature and

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comprehensiveness is more complete, because the authority of court is in the function of obtaining the information required that will later provide act qualification, which is difficult to reach in different procedures and with high degree of responsibility.

The most current issue from the aspect of legal system of one state is how to organize forensic audit. They exist in comparative law as several forms of introduction and organization of forensic audit, more precisely:

- Engagement of forensic auditor in auditors team duering regular annual audit of financial reports,
- Engagement of mandatory forensic audit for all the subjects of public interest,
- Ad hoc engagement, sudden forensic audits by the principle of random selection for all the subjects of public interest,
- Engagement of reactive or active forensic audit at the request of shareholders,
- Engagement of forensic audit based on report and doubt into the existence of fraud.

Each of the methods mentioned has its own advantages and disadvantages. The most frequent control system including forensic audit methods and processes is through the process of each regular financial control and audit of financial reports with required knowledge of the auditor from the field of forensics, i.e. forensic methods. Such a doubt regarding each report in our legal system with main legal principle, nobody is guilty until he is proved to be, creates insecurity and additionally burdens reasonable and responsible carriers and providers of services of developing regular financial and bookkeeping reports. In addition, it is required to train professional with knowledge and title of an auditor to have special professional knowledge and provide tests of such knowledge (professional test for forensic auditor). The advantage of this method is in required professionalism of an auditor who must possess knowledge from the field of forensic audit and comprehensiveness of control and legislation in development processes and content of financial reports. Current European system of the financial reports control that are a usual standard accepted in our country makes a system of services of independent professional, experts in audit of financial reports and engagement of forensic auditor is only a possibility in case of a doubt in the correctness of financial reports. [4]

The provisions of our Law on accounting prescribe that audit is performed in accordance with International audit standards, which therefore does not include possibility of forensic audit, but bigger problem is non-existence of trained staff, experts for this kind of financial reports control and such a circumstance is reduced to the possibility of external audit that usually does not contain this type and form of control.

Having in mind the need for increased control of public income, i.e. their expenses, the issue of objective need for control of all the users of budgetary funds, public companies and institutions, banks, funds, leasing houses and insurance organizations, broker houses, obligatory forensic audit as a preventive measure in prevention and discovery of frauds is imposed. Possible offenders would significantly take different attitude towards the revision, as a required and necessary need. Individual interests would be subject to examination of business, especially financial reporting process, with the aim of fraud discovery. The offenders should think twice prior to commitment of the fraud precisely because of the chance to be discovered. New questions are related to basic

professional qualification of these forensics and particularly which body will control their work, both the quality and public supervision over forensic audit, in which period it will be performed and who the reports will be submitted to. [2]

The most frequently accepted audit model that includes forensic audit is by the model of random selection and sudden audit that will include frequency from three to five years.

Irregularity and unlawfulness in work, particularly criminal actions in financial reports, have given an incentive to found many institutions that aim their activity towards discovery and elimination of criminal actions in financial reports. Such associations do not belong to audit houses, nor organized part of state institutions but they are established by private capital, and in English jargon it is called Fraud Examination and it has become a special activity that has its special place as a new activity aimed towards formation of the teams for examination of criminal behaviour.

Experiences and structure of employees in such agencies as independent houses will consist of previously employed in audit houses, economic criminal inspectors, bookkeepers and information programmer. The most famous professional organization in the world is The Association of Certified Fraud Examiners.

3. Development Directions of Forensic Revision as a Profession in the Republic of Serbia

In the Republic of Serbia, the adoption of the Strategy on financial criminal examination for the period 2015 to 2016, as one of the priority of the Republic of Serbia in the struggle against corruption, money laundering and financial criminal, all with the aim to implement National strategy for struggle against corruption for the period from 2013 to 2018.

According to the Law on criminal proceedings („Official Gazette of RS” no. 72/11, 101/11, 121/12, 32/13, 45/13 and 55/14), financial examination is understood as an investigation that includes money monitoring that is carried out parallel with criminal investigations and whose aim is to discover the income acquired through criminal act, determine the assets that can be taken and to temporarily insure the assets in order to prevent later expropriation. In addition, Law on criminal proceedings also prescribes special proven actions that serve for facilitated entering into trace of the income acquired through criminal. [6]

The mentioned Strategy is in accordance with Recommendation no.30 Financial Action Task Force – hereinafter: FATF, according to which: „Financial investigation implies the investigation of financial business related to criminal activity in order to discover the proportions of criminal network i.e. proportions of criminal; discovery of material benefit from criminal deeds, terrorist funds or any other property that is or should be the subject of expropriation, as well as for the purpose of discovering those assets and collection of evidences that can be used in criminal acts.”

Weaknesses of previous system of carrying out financial investigations were characterized by the following:

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- financial investigations are mainly carried out after criminal application is already submitted;
 - by postponing financial investigation, the risk that the property will be carried out of the country is increasing;
- obsolete models of communication between public prosecutors and police;
- lack of appropriate communication between institutions that collect data relevant for financial investigations of both the police and public prosecutors;
- lack of specialized training of police officers and carriers of judicial functions;
- lack of financial forensics as a special profile of professionals;
- non-existence of active access in the work of the police and public prosecutors.

Strategy of the investigation of financial criminal represents a document that, for the first time, in the Republic of Serbia solves the problem by a comprehensive access, which is not completed exclusively with the activity of the police and public prosecutors, but its implementation means connecting a wide circle of state bodies, who cooperate and exchange information, receive and process specialized departments of police and public prosecutors and efficiently and proactively discover and prosecute the offenders of criminal acts of financial criminal. [4]

The aim of the Strategy is to provide efficient and high quality implementation of financial criminal investigations in order to track money flows, as well as property and active discovery of criminal deeds; efficient cooperation between institutions competent for data collection and implementation of financial investigations; raising the level of judicial functions carriers training and state officers who deal with investigations of financial criminal to the highest level and prevention of inclusion of illegally acquired funds into legal economic flows.

Strategy must result in contemporary financial criminal investigation system, as a part of developed and efficient judicial system, which successfully reacts to criminality and undertakes active investigation of financial criminal.

International regulations such as UN Convention against illegal trafficking in narcotics and psychomotor substances („Official Gazette of SFRY – International contracts”, no.14/90), Council of Europe Convention on laundering, tracking, temporary expropriation and expropriation of incomes acquired through criminal act („Official Gazette of SFRY – International contracts”, no 7/02), Criminal-legal convention on corruption („Official Gazette of SRY – International contracts”, no 2/02 and „Official Gazette of SMNE – International contracts”, no. 18/05); UN Conventions against transnationally organized criminal („Official Gazette of SMNE – International contracts”, no. 6/01); UN Conventions against corruption („Official Gazette of SMNE– International contracts”, no. 12/05); Convention of Europe Council on laundering, tracking, seizure and expropriation of incomes acquired through criminal and financing the terrorism („Official Gazette of RS – International contracts”, no. 19/09), prescribe the application of legal mechanism, i.e. financial investigation actions, in order to facilitate the collection of evidence.

Council of Europe has, through Recommendation on simultaneous investigations since 25.04.2002, recognized the issue of necessity to upgrade research methods in the struggle against organized criminal, simultaneous investigation of drug trafficking of

criminal organizations and their finances and determining the finances and property that an organization has.

More than 40 newly revised recommendations of FATF extend the authorizations of agencies for law implementation and investigation bodies – list of special research actions is extended to: controlled delivery, use of concealed investigator, interception of communications and search of computer systems. The use of multidisciplinary research groups and investigation in cooperation with other countries is recommended.

Legal novelties of EU in the field of criminal law are based on the principle of mutual recognition, and having in mind that the field of criminal law of EU is mostly developed towards the protection of financial interests, a significant number of framework decisions and directives was carried out, more precisely: Framework decision 2005/212/JNA on confiscation of subjects, instruments and property from criminal acts, Framework decision 2003/577/JNA on application of European warrant on freezing the property or evidence, Framework decision 2006/783/JNA on application of warrants on confiscation, Framework decision 2001/500/JNA on money laundering, determination, tracking, freezing, expropriation and confiscation of instruments and subjects from criminal acts, Framework decision 2005/214/JNA on application of the principle of mutual recognition of monetary punishments, 2014/42/EU on freezing and permanent expropriation of the subjects from criminal deeds and funds that come from criminal acts in European Union. In process of complying the law of the Republic of Serbia with legal novelties of EU, all the instruments will become a part of the national legislative system.

3.1. International cooperation

3.1.1. Interpol

Interpol as an international organization of criminal police, whose member since 2001 is the Republic of Serbia, has a role to provide police cooperation at international level, as well as to support all the organizations, bodies and agencies that have the aim to prevent and fight criminal at international level.

Through its resolution, Interpol has (AGN/52/RES/8 from 1983.; AGN/57/ RES/8 from 1988. and AGN/66/RES/17 from 1997.) called member countries to focus their investigations on identification, tracking and expropriation of illegally acquired incomes from criminal organizations. These resolutions also call member countries to improve the exchange of information in this field and direct Governments of member states to bring laws that will provide the access to financial records and confiscation of incomes acquired through criminal. A special effort of international police community is for confrontation to organized criminal, there is also a specialized branch within police department of the General Secretariat of Interpol– FOPAC, which is formed by General Assembly of Interpol in 1983.

3.1.2. Europol

Europol is a criminalistic intelligence agency of European Union, which started to work in 1999. Republic of Serbia, since April 2012, is the member of a unique information system used by Europol, because it signed the Agreement on strategic partnership.

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Europol's main goal is to establish close cooperation between member countries in order to jointly fight against organized criminal, and especially drug selling, human trafficking, children's pornography, forgery, resale of radioactive and nuclear substances.

3.1.3. Financial Action Task Force (FATF)

FATF is established on the Summit G-7 in Paris 1989., as an international contract on confrontation to money laundering that is acquired through narcotics trade in international framework. FATF is an intergovernmental body that determines standards and develops and promotes politics of the struggle against money laundering and terrorism funding.

3.1.4. Committee of Experts on the Evaluation of Anti-Money Laundering and the Financing of Terrorism (MONEYVAL)

MONEYVAL is established in 1987, with the aim of establishing efficient systems of confronting money laundering and funding of terrorism in member countries. MONEYVAL evaluates whether their members stick to appropriate standards related to the struggle against money laundering and financing the terrorism. Republic of Serbia is the member of this committee of the Council of Europe.

Activities of this committee of the Council of Europe are aimed towards the evaluation whether its member countries stick to appropriate standards related to the struggle against money laundering, expropriation of incomes acquired through criminal and terrorism financing.

3.1.5. Egmont group

Egmont group is established with the aim to establish the unit for financial investigation, with the aim to promote the cooperation in the struggle against money laundering and financing of terrorism and communication between different countries. Cooperation refers to: expansion of the system of exchanging financial – intelligence information, improvement of the professional level of personnel in organizations and provision of better cooperation between the units for financial investigation of new technological achievements.

3.1.6. Group of countries for struggle against corruption of the Council of Europe (GREKO)

Committee of the Council of Europe (GREKO) and has the aim to promote the capacity of its members for the struggle against corruption through monitoring whether the states stick to their obligations from this field. Promotion of the capacities for confronting the corruption is designed through a flexible and efficient system of evaluation of the implementation of measures for confronting the corruption.

GREKO is especially responsible for monitoring whether the member countries stick to the principles adopted for struggle against corruption and implementation of measures predicted by legal instruments of the Council of Europe. [6]

3.2.Reform of the competent institutions for implementation of investigations of financial criminal

Reform of the institutions competent for implementation of investigations of financial criminal is divided into three main units. Each of the goals contains a certain number of measures that must be taken in order for the Republic of Serbia to establish an efficient system of investigations of financial criminal.

Training is a special segment that horizontally goes through entire strategy and goals and measures and it is present in all three main segments. [6]



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3.3. Effective regressive organs

Prosecutor's office for organized criminal is formed as a Special department of District prosecutor's office in Belgrade in 2003, and since 2010 it operates as public prosecutor's office of special competence. The law on organization and competence of state bodies in elimination of organized criminal regulates the competence and work of Prosecutor's office for organized criminal in the struggle against corruption and especially serious crimes.

Discovery of the most serious criminal acts against economy, against official duty and criminal acts with elements of corruption is performed by the Service for struggle against organized crime, Directorate of crime police and Department of crime police in cooperation with regional police stations and under coordination of regional police administration. [6]

Service for struggle against organized crime in its composition has the Unit for financial investigations. Unit for financial investigations consists of the Department for financial investigations of organized crime and Department for planning and coordination of financial investigations. In order to efficiently implement financial investigations, along with strengthening of the capacity of public prosecutor's office, it is required to upgrade resources of the Unit for financial investigations. Current organizational structure of the police and public prosecutor's office realizes partial results in practice. In order to realize full efficiency, it is required to upgrade legal and institutional framework of the bodies competent for discovery and prosecution of criminal acts, as well as capacity and skill, public prosecutors and deputies of public prosecutors.

The existing perception of financial investigations should be changed in case of the police and carriers of legislative functions according to the term investigation of financial crime defined by the strategy mentioned.

Comprehension of the term financial crime investigation and active access in the work of the police and public prosecutor's office, can be changed with the use of advanced tools prescribed by this Strategy and implementation of trainings for carriers of judicial functions and political officers in Judicial academy, i.e. Criminal-police academy, as well as independent professional institutions and individuals who possess this knowledge.

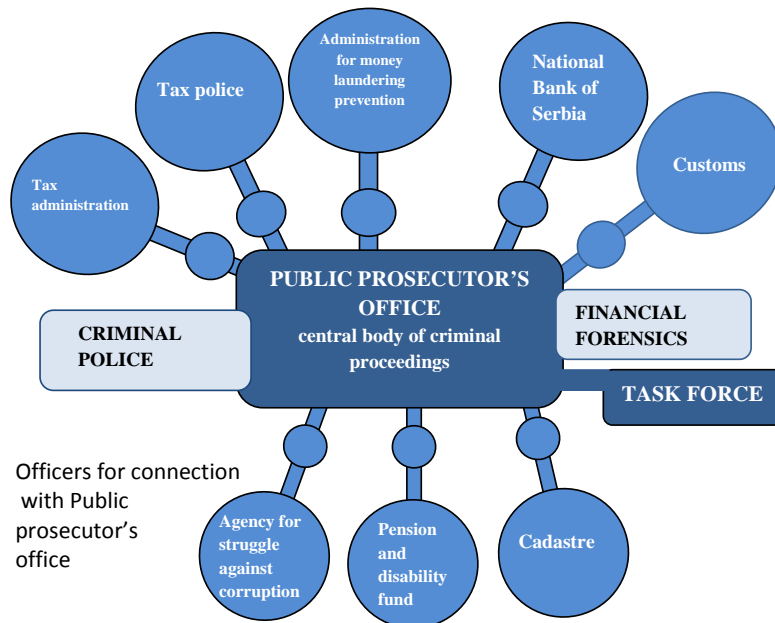
Collection of the data in the field from individuals or professional institutions very frequently is much efficient system for reaching material truth and proofs than hardcore and institutionalized state bodies and clerical system.

The issue in persecution for criminal acts of financial criminal, crimes against economy and crimes against official duty is dispersed competence of basic and higher public prosecutor's office.

Basic or high prosecutor's office, by its competence, i.e. basic or higher court in relation to the listed crimes is mainly based on prescribed length of years in prison, thus, you get into the situation that the highest number of these criminal acts is in competence of basic courts, i.e. basic public prosecutor's offices, which does not provide concentration of knowledge and the best human and material resources in one place, and thus it is not possible to actively undertake the measures appropriate.

Public prosecutors from special departments will achieve direct cooperation with particularly selected and trained police officers. Investigations of financial crimes have to be lead simultaneously and the most important proofs have to be collected in the same moment whole other evidences for a particular crime are collected. Investigations of financial crime should help in discovery of the property that comes from a crime. A large number of state bodies in daily work encounters the facts significant for investigations of financial criminal. Lack of cooperation and exchange of information between police and public prosecutor's office, on one hand, and state bodies, that can have those facts significant for implementation of investigation, on the other hand, it is reflected to success of discovery and prosecution of offenders.

Cooperation that currently exists between police, public prosecutor's office and other state bodies is slow and inefficient and primarily due to insufficient expertise of police officers and unfamiliarity of financial forensics methods. Police and public prosecutor's office wait for feedback from other state bodies a long time, and when they get those information, they are often poorly processed and delayed and they cannot be used for adequate financial investigation. The warrants that come from police and public prosecutor's office must be clear and concrete in order to get a rapid and concrete answer. There isn't two-way communication between the police, public prosecutor and other state bodies. Networking of all bodies, customs, tax bodies, local tax administration, public utility companies, traffic police data, banks and other state and parastate institutions, more precisely Department for prevention of money laundering, Tax administration, Customs administration, National Bank of Serbia, Business registers agency, Central Registry of Securities, Privatization agency, State audit institutions, Real estate cadastre services, Agencies for struggle against corruption, Republic fund for pension and disability insurance, Republic directorate for the property of the Republic of Serbia, as well as many databases of the ministries and local self-governments.



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Having in mind the complexity of subjects, we must have a multidisciplinary approach where public prosecutor will form an ad hoc task force for work on such complex subject.

3.4. Financial forensics implementation

As a rule, financial criminal is expressed through inaccurate financial reporting of companies, manipulation based on securities and goods, bribing of persons in charge of disposing with public means for attainment of better contracts, inaccurate tax reporting, frauds, inadequate goods delivery, tax evasions, abuse in relation to bankruptcy, in public procurements, privatization, as well as money laundering, creation of secret funds and financing of terrorism.[6]

Extremely complicated financial transactions and their control require knowledge and skills of public prosecutors who, at this point, as a rule, are not sufficient for efficient prosecution. For that reason, it is required to employ financial forensics in public prosecutor's office. Financial forensics is a multidisciplinary field and it unites knowledge on finances, accounting, audit, bank and stock market business, informatics, as well as familiarity with crime legislation, functioning of state institutions, research techniques, as well as other financial skills, all in the purpose of clearing up the relation between facts and financial transactions in criminal proceedings.

Financial forensic should be able to identify criminal actions from financial aspect, as well as knowledge on techniques of investigation and collection of evidence. In addition, financial forensic must present the findings and possess an investigative mentality.

Financial forensic must be able to help public prosecutor to answer the following question, which due to the complexity of case the public prosecutor cannot give by himself: description and definition of criminal act, discovery and naming of the offender, discovery of place and time of the act and volume of damage and height of acquired property that comes from criminal act. It is clear that it is precisely about those questions that criminal proceedings can answer to, but the police and public prosecutor due to lack of knowledge from economy cannot provide answers to these questions. Therefore, financial forensic finds evidences of financial nature and helps public prosecutor and police to direct financial investigation and collect as many evidence as possible required to press charges.

In order to establish financial forensics in public prosecutor's office, it is required to identify less persons that have knowledge and ability and are willing to deal with financial forensics, primarily forensic accounting in state bodies, i.e. public prosecutor's office. It is required to define the criteria for engagement of financial forensics, who must have an earlier experience with accounting and audit, law and informatics, and to pass special training within preparation for work in public prosecutor's office.

After implemented training, they would be obliged to spend a certain number of years in state bodies, in order to prevent outflow of newly trained staff.

4. Conclusion

The aim of this paper was to point to legal aspects of significance and role of financial forensics in legislative system of the Republic of Serbia. As roofing legal acts that prescribe financial forensics, we particularly stress the Strategy on financial crime investigation for the period 2015 to 2016, a draft, adopted in the Government of the Republic of Serbia. In addition to this document, there are also other regulations that in some provisions regulate this issue such as National strategy for struggle against corruption in the Republic of Serbia for the period from 2013 to 2018, Law on criminal procedure, Law on accounting, as well as many international legislative acts and bilateral agreements.

Fraud is possible future of each company in the world independently from the size, location or industry.

Forensic accounting and professional forensic accountant fill in the gap between accountants, auditors, inspectors and other representatives of state and judicial authority, who lack special knowledge and skills for prevention, discovery and proofing of punishing and other illegal actions in the field of establishment, acting and cancellation of the company.

In the world, forensic accounting is one of the best paid and the most wanted services in business and in science it is the field full of challenges.

There are a few experts that deal with forensic accounting and having in mind that we want to keep pace with the world and financial frauds and malversations are not unfamiliar to us, we would have to work on development of forensic accounting, both in education and in practice.

In Serbia, forensic accounting, even in academic circles is replaced and considered as audit and forensic accountants as auditors, although these two disciplines have different motives.

Having in mind the consequences that financial frauds and malversations carry along, and from the experience of many financial scandals in the world and Serbia, we can conclude that it is extremely important to work on development of forensic accounting, both in education and in practice. Although this process is not simple, nor cheap, the benefits it brings about are priceless, both for business subjects, and the society as a whole.

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FINANSIJSKA FORENZIKA KAO NOVI NAČIN VISOKOSTRUČNE MULTIDISCIPLINARNE KONTROLE KNJIGOVODSTVENIH ISPRAVA

Rezime: Razvoj savremenih tehnologija u postupcima prikupljanja dokaza u sudskim istražnim radnjama iznedrili su i pojam forenzičke revizije kao nove grane eksterne revizije, ali i kao neophodne multidisciplinarnu stručnu aktivnost ekonomiste, pravnika i informatičara u funkciji istražne radnje pravosudnih organa, a posebno i kao uslova iz Poglavlja 23 i 24 o pridruživanju i članstvu u Evropskoj uniji (23-Pravosuđe i osnovna prava i 24-Pravda, sloboda i bezbednost). Konkretni primeri iz stručne prakse autora obrađeni u tekstu ukazuju na multidisciplinarnost problematike forenzičke revizije i potrebu za stvaranjem nove profesije forenzičar računovođa i nezavisnih stručnih institucija osposbljenih za obavljanje ovakvog posla i dogradnju zakonske regulative u ovoj oblasti.

Ključne reči: forenzička revizija, eksterna revizija, kontrola knjigovodstvenih isprava, istražno računovodstvo, sudska podrška, finansijsko veštačenje