



State and Perspectives of Forensic Accounting Development in Bosnia and Herzegovina

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Abstract

Fraud in accounting, as well as falsification of financial statements, has a long history, and in recent years their scale has been growing and with much more serious consequences. Decisions made by investors and other users of financial statements based on erroneous financial information cause enormous damage to users of financial information, but also to the general public. Many major financial frauds are only detected when companies reach the point of financial collapse, in a situation where it is difficult to do something to repair major damages.

Key words: *Fraud, Forensic Accounting, Certified Forensic Accountant, Bosnia and Herzegovina*

Paper type: Research article

Received: April 30, 2022

Accepted: May 18, 2022

Citation: Veledar, B., Bašić, M., Čolpa, A. (2022), “State and Perspectives of Forensic Accounting Development in Bosnia and Herzegovina”, *Journal of Forensic Accounting Profession*, Vol. 2, No. 1, pp. 1-18.

DOI: <https://doi.org/10.2478/jfap-2022-0001>

Responsibility for preventing, detecting and investigating fraud in financial statements lies not only in the hands of the company's management but also in the hands of other control institutions and mechanisms. Forensic accountants have a special type of knowledge, acquired skills and competencies, where they detect and prevent fraud in a professional manner. The aim of this paper is to determine the current situation in the field of forensic accounting in Bosnia and Herzegovina and to investigate which factors influence the commission of financial fraud in our society. Based on the conducted research, recommendations for the development and improvement of forensic accounting practice in Bosnia and Herzegovina will be given.

1. Introduction

There is no single and generally accepted definition of forensic accounting in the literature. The most complete definition was given by the Association of Chartered Fraud Investigators (ACFE), according to which forensic accounting is the use of professional accounting skills in matters involving potential or actual civil or criminal litigation, including, but not limited to, generally acceptable accounting and audit principles; the determination of lost profits, income, assets, or damages; evaluation of internal controls; fraud; and any other matter involving accounting expertise in the legal system. Belak (2011) under forensic accounting implies the application of investigative and analytical skills in order to detect manipulations in financial statements that deviate from accounting standards, tax laws and other legal provisions. Isaković-Kaplan (2016) defines short and simple forensic accounting as a scientific discipline that deals with the study of ways and techniques to prevent and detect fraud in general, and fraud in financial statements in particular. Hopwood et al. (2007) define forensic accounting as the application of investigative and analytical skills to address financial matters in a way that meets the standards required by courts of law. Authors Kranacher and Riley (2019) argue that financial forensics is the application of financial principles and theories to facts or hypotheses that are controversial in a legal dispute. Based on the above, we can understand that some authors view forensic accounting as a branch that deals exclusively with fraud and manipulation, while others view forensic accounting in a slightly broader sense, and consider it a science that is applicable in any a dispute that has a judicial epilogue (Isaković-Kaplan, 2017).

A report by the Association of Chartered Fraud Investigators (ACFE, 2020), which included a total of 2,504 criminal cases in 125 countries, said respondents estimated that a typical legal entity loses 5% of its revenue each year due to criminal acts committed in the organization, while the total annual losses from fraud are more than 3.6 billion US dollars. Although external audit was conducted in a large number of organizations, it proved to be the least effective control in the fight against fraud. External audit detected fraud in only 3% of cases. Consequently, although independent audit plays a vital role in organizational management, the results indicate that it should not be viewed as the primary anti-fraud mechanism in financial reporting. Nowadays, when the economy is weakening, market pressure on businesses is increasing, and companies often decide on illegal actions to improve their financial statements and thus meet the expectations of shareholders and creditors, or they decide to style their financial statements to show a worse financial result and thus reduce liabilities to the state.

When we look at the situation in Bosnia and Herzegovina, we can say that the position of an accountant is extremely ungrateful, primarily because of the conditions and environment in which he does his job. Despite the positive trends, the overall picture of accounting as a profession in Bosnia and Herzegovina is still conservative, in terms of access to accounting techniques and methods. When we talk about forensic accounting, it should be emphasized that in Bosnia and Herzegovina it is very difficult to talk about it because in our accounting practice very little or almost no methods are used in the field of forensic accounting. Bosnia and Herzegovina, like other neighboring countries, has adopted several strategies and action plans to implement these strategies, aimed at money laundering and terrorist financing, corruption and organized crime, which was inevitable for its path to joining the European Union. Among other things, there is a problem of lack of appropriate economic experts in state bodies and services, and state external and internal auditors deal with this issue from time to time and it is necessary to train them for these very demanding jobs.

2. The state of forensic accounting in BiH

Bosnia and Herzegovina is a transition country composed of two entities (Federation of Bosnia and Herzegovina and Republic of Srpska) and one district (Brčko District), whose legislation related to accounting and auditing is quite complex. Article 5 of the Law on

Accounting and Auditing of Bosnia and Herzegovina (Sl. glasnik BiH 42/04) does not prescribe the title of certified forensic accountant. Article 121 of the Law on Accounting and Auditing in the Federation of Bosnia and Herzegovina (Sl. novine FBiH 15/21) also does not prescribe the title of certified forensic accountant as a title in the accounting profession. Republic of Srpska has given legal legitimacy to the profession of Certified Forensic Accountant. According to the Law on Accounting and Auditing of the Republic of Srpska (Sl. glasnik RS 94/15, 78/20), in Article 58, other related titles in related professions include certified forensic accountants. Article 5 of the Law on Accounting and Auditing in the Brčko District of Bosnia and Herzegovina (Sl. glasnik Brko Distrikta BiH 22/16, 50/18) also does not mention the title of certified forensic accountant as an accounting and auditing profession. According to the Law on Accounting and Auditing of BiH, certification of persons from the accounting profession in BiH is under the authority of the Commission for Accounting and Auditing of Bosnia and Herzegovina, which is realized through entity associations: Union of Accountants, Auditors and Financial Workers of Federation of Bosnia and Herzegovina and Association of Accountants and Auditors of Republic of Srpska.

Furthermore, in 2012, the Association of Accountants and Auditors of Republic of Srpska passed a Decision on the introduction of the professional title of Certified Forensic Accountant (Aleksić et al., 2019) due to the increased need for forensic accounting at the global level and the need for its application in Republic of Srpska, taking an important step in introducing this profession into the classification of occupations, in order to give this profession the place it has in most countries in the world.

Although the professional title of certified forensic accountant was introduced in 2012, the analysis of the system of hiring experts in corruption and organized economic crime, conducted by the BiH Judiciary in 2017, indicates the basic problems faced by the prosecution in hiring experts such as: lack of qualified and experienced experts for more complex cases of economic crime; rejection of cases by experts; lack of integrity of some experts; delays in preparing findings and opinions; and problems with supervision of experts and their work. According to Vilendečić and Vilendečić (2014), the above mentioned points to the need to hire experts, who fit into the profile of a forensic accountant.

In the Federation of Bosnia and Herzegovina, Union of Accountants, Auditors and Financial Workers of Federation of Bosnia and Herzegovina issues certificates for the titles of Certified Accounting Technician (CAT); Certified Public Accountant (CPA) and Certified

Auditor (CA); and in accordance with special regulations and rules, organizes and performs training, certification and licensing for other professions in accounting, auditing, finance, tax and other activities, namely: Certified Internal Auditors, Certified Appraisers, Financial Analysts, Tax Advisors, Bankruptcy Trustees, etc.

From the above mentioned it can be concluded that the title of forensic accountant is still not included in the range of professional titles, although within the project "Building forensic accounting capacity in BiH", funded by the US Embassy in BiH, implemented by the School of Economics and Business, University of Sarajevo and Union of Accountants, Auditors and Financial Workers of Federation of Bosnia and Herzegovina, it is working on it.

3. Results of the conducted research

In order to consider the issue of exposure of BH society to the risk of fraud in the financial statements, a survey was conducted to determine what affects the increased number of financial frauds and what are the measures to reduce the number of such frauds. The research was conducted at the end of 2021 through a survey questionnaire, which provided complete anonymity for research participants. The random method was used to select 500 natural persons who perform tasks in the field of accounting, auditing and finance, ie experts in these fields, which include: auditors, accountants, financial inspectors and academic staff in BiH. Total number of 107 respondents responded to the survey, which makes a response rate of 21.40%.

Table 1 shows the demographic characteristics of the sample. We can notice that in the sample there are more women (70.09%), that most respondents are over 40 years (33.64%) with a university degree (58.88%) and with work experience longer than 15 years (29.91%). Most respondents have a certificate of accountant and/ or auditor (74.76%), which contributes to the representativeness of the sample and the relevance of the information collected. Respondents come from both the private and public sectors, and their positions in the organization are mainly related to finance, accounting and auditing (69.16%).

Table 1 Demographic characteristics of the sample

Characteristic of the surveyed respondents	Number of respondents (n = 107)	Structure in%	Cumulative %
Gender			
Little	32	29.91	29.91
Female	75	70.09	100.00
Age			
20-25 years of age	6	5.61	5.61
25-30 years of age	13	12.15	17.76
30-35 years of age	21	19.63	37.39
35-40 years of age	31	28.97	66.36
40 and over	36	33.64	100.00
Working experience			
Up to 5 years of experience	21	19.63	19.63
5-10 years of experience	25	23.36	42.99
10-15 years of experience	29	27.10	70.09
15 and more years of experience	32	29.91	100.00
Level of education			
Undergraduate	63	58.88	58.88
Masters	33	30.84	89.72
PhD	11	10.28	100.00
Group affiliation			
Accountant	60	56.07	56.07
Auditor	20	18.69	74.76
Financial inspector	6	5.61	80.37
A representative of the academic community	17	15.89	96.62
Other	4	3.74	100.00
Legal form of organizing society			
Limited liability company	48	44.86	44.86
Other (public sector, microcredit organizations, craft activity)	48	44.86	89.72

Joint stock company	11	10.28	100.00
Function in society			
Accounting and finance	57	53.27	53.27
Management	18	16.82	70.09
Audit and control	17	15.89	85.98
Professors	8	7.48	93.46
Other	7	6.54	100.00

Source: Author's analysis

The central part of the research required respondents' answers on the topic of the presence of certain factors that affect the increased number of frauds in the financial statements, the potential measures to reduce the number of such frauds, and the limitations of auditing financial statements. To gradate their answers, the respondents rated these statements on a Likert scale from 1 to 5 (1 - not important, 5 - very important). The number 0 indicated that the respondents did not have an opinion on the given statement.

Through the survey questionnaire, we asked the respondents which of the 5 factors listed in Table 2, in their opinion, have the strongest influence on fraud in the financial statements in the BH company. Non-sanctioning of perpetrators of fraud was assessed as the factor that contributes the most to committing fraud in the financial statements in BiH (average score 4.32). Financial fraud mainly occurs as a result of placing the personal interests of individuals above the general interests of the company as a whole (Aleksić et al., 2015). Financial fraud cannot be completely eradicated, but the frequency of its occurrence can be reduced through good preventive measures and a fair system of punishing perpetrators. The small number of resolved cases of economic crime in BiH provides increasing opportunities for fraudsters. The accounting profession as a whole, aware that it cannot completely prevent falsified financial statements from being prepared and published, considers it necessary to detect, investigate and sanction all fraud in financial reporting. When auditing the financial statements of a company, the auditor cannot and does not aim to detect fraud, and only to some extent represents protection against the misuse of creative accounting. Auditors of financial statements examine financial statements for compliance with International Standards on Auditing, while forensic accountants deal with misappropriation of funds and fraud accounting and creative reporting (Mikerević et al., 2013). Therefore, forensic accounting has long been present in the world in the field of science and higher education. Forensic accountants deal with the detection and

prevention of organized crime, such as money laundering, tax evasion, fraud in financial statements and the like. Once detected, fraud should be legally investigated and held accountable by those who contributed to the fraud, in order to send a message to potential perpetrators and thus influence the reduction of such practices in the future.

Table 2 Analysis of respondents' answers according to the expressed attitudes about the factors that contribute to fraud in the financial statements in BiH

Question	N	Average	St.dev
Lack qualified and professional experts	107	3.87	1.34
Lack of forensic approach to expertise in these areas	107	3.72	1.41
Lack of certification of forensic accountants in FBiH	107	3.62	1.51
Insufficient study of the discipline Forensic Accounting	107	3.81	1.44
Non-sanctioning of perpetrators of fraud	107	4.32	1.25

Source: Author's analysis

To combat fraud in the financial statements, it is crucial to identify why it occurs, what is the cause of such fraud. Therefore, we asked the respondents through a questionnaire which factors, in their opinion, significantly affect the increase in the volume of financial fraud. According to the answers obtained in Table 3, the factor that most influences the increase in fraud in the financial statements are ineffective protection measures (average score 3.94). The current legal framework in Bosnia and Herzegovina has proven to be insufficient for a serious and effective fight against fraud and corruption, given that the number of processed cases of fraud and corruption is far lower than in countries in the region. Institutions that have the fight against fraud and corruption in the description of competencies are not fully functional and equipped, and the procedures by which they operate are either not developed or are such that they are not sufficiently focused on detecting and prosecuting fraud and corruption. The conclusion would be that the fight against fraud and corruption in Bosnia and Herzegovina is moving slowly and not achieving the observed and necessary results. In BH business practice, the current laws, both in Federation of Bosnia and Herzegovina and in Republic of Srpska, insufficiently regulate the area of creative accounting and forensic accounting and auditing. Domestic economic entities in the manipulation of financial statements are most motivated by obtaining loans from banks, attracting business partners, but also investors. The opportunity for fraud arises due to the weak system of internal controls in the company, the activity in

which the company is engaged, inadequate control of employees by management, etc. A better position in the company brings with it greater responsibility as well as trust on the part of the business owner, and thus the possibility of fraud. In order for management to effectively counteract errors and manipulations that may occur in financial statements, it is necessary: effective internal control system, quality code of ethics, adequate human resources, continuous training of employees in the company regarding error detection and manipulation, clearly written rules of conduct, suppression bad behavior and the like (Halilčević, 2017).

Table 3 Analysis of the respondents' answers according to the expressed attitudes about the factors influencing the increase in the volume of financial fraud

Question	N	Average	St.dev
Endangered economic stability and economic development	107	3.74	1.32
Increasing social tensions	107	3.35	1.38
Ineffective protection measures	107	3.94	1.15
Participation of accountants and auditors in financial fraud	107	3.63	1.39
General instability and politically conflicts	107	3.84	1.31

Source: Author's analysis

Through a survey questionnaire, we asked respondents which institutions, in their opinion, have the strongest influence on reducing fraud in financial statements in BH companies. According to the results shown in Table 4, the State Investigation and Protection Agency (SIPA) was rated with an average score of 3.76 as the institution that has the most impact on reducing fraud in the financial statements. SIPA is an administrative organization of the Ministry of Security of Bosnia and Herzegovina, whose competencies are numerous, among other things, prevention, detection and investigation of criminal offenses within the jurisdiction of the Court of Bosnia and Herzegovina, especially organized crime, and serious financial crime, etc. Given that crime, especially organized crime, has taken on an international character, the State Investigation and Protection Agency is conducting coordinated cooperation with domestic and international law enforcement agencies in order to make the fight against all types of crime as effective as possible, thus raising the level of global security to an even higher level.

Table 4 Analysis of the respondents' answers according to the expressed attitudes on the influence of institutions on the reduction of fraud in the financial statements

Question	N	Average	St.dev
Tax Administration	107	3.67	1.44
Indirect Taxation Authority	107	3.73	1.40
Central Bank of Bosnia and Herzegovina	107	2.73	1.57
State Investigation and Protection Agency (SIPA)	107	3.76	1.4
Transparency International	107	3.15	1.60

Source: Author's analysis

Through a survey questionnaire, we asked respondents which factors, in their opinion, have the strongest influence on limiting the audit of financial statements in BH companies. When it comes to limiting the audit of financial statements, as we can see in Table 5, respondents believe that the focus on the accuracy of the data rather than the origin of that data is a key factor that they rated with an average score of 3.74. According to the respondents, the audit of financial statements aims to determine whether the presented financial statements realistically and objectively show the financial position and performance of the company, with the auditor focusing on the accuracy of these data, ignoring their origin.

Table 5 Analysis of respondents' answers according to the expressed attitudes on the factors that affect the limitation of the audit of financial statements

Question	N	Average	St.dev
Time and money limits available to the company and the auditor	107	3.18	1.46
Auditor bias	107	3.26	1.42
Established audit procedure	107	3.46	1.33
Complexities of fraud in financial statements	107	3.40	1.32
Focus on the accuracy of the data, not on the origin of that data	107	3.74	1.31

Source: Author's analysis

Through the questionnaire, we asked the respondents which factors, in their opinion, significantly affect the usefulness of forensic audit in relation to traditional audit. Judging by the results shown in Table 6, the fact that forensic audit is not focused on checking numbers, but on what preceded the appearance of these numbers in the financial statements, respondents consider the main factor (average score 3.83) that distinguishes forensic audit from traditional audit. Forensic audit is an in-depth investigation of events that lead to the suspicion that something is wrong or that fraud is possible. Forensic accounting involves the application of various disciplines, some of which are accounting, economics, auditing, statistics, research skills and the like, and it is known that forensic accountants are able to observe "behind the numbers" and thus face the real situation in business, which means that they analyze the cause of the situation shown in the financial report.

Table 6 Analysis of respondents' answers according to the expressed attitudes on the usefulness of forensic audit versus traditional audit

Question	N	Average	St.dev
It acts on the basis of suspicions or reports of possible fraud	107	3.39	1.52
It provides evidence valid in court	107	3.71	1.45
It is not focused on checking the numbers, but on what preceded the appearance of those numbers in the financial statements	107	3.83	1.46
It is not limited by the significance of the fraud	107	3.61	1.40
There is no unified sequence of steps	107	3.75	1.43

Source: Author's analysis

Through the survey questionnaire, we asked the respondents which measures, in their opinion, have the strongest impact on reducing fraud in the financial statements in BH companies. According to the results shown in Table 7, conducting a surprise internal audit to detect fraud is considered by respondents to be the most important measure (average score 4.12) to prevent and detect fraud. The element of surprise is crucial because most perpetrators of fraud are constantly on the alert. The announcement of an upcoming audit gives offenders time to cover their tracks by shredding (or falsifying) documents, altering records or financial statements, or hiding evidence. Fraudsters were likely to pay close attention to how previous financial audits were performed, including the order in which the auditor acted. Thus, in a

surprise audit, the auditor may follow a different procedure or schedule. For example, instead of initiating audit procedures in cash, the auditor may first check the receivables or accounts of the supplier. Surprise audits specifically focus on high-risk areas such as inventories, receivables, and sales, and auditors typically use technology to conduct sampling and data analysis.

Table 7 Analysis of respondents' answers according to the expressed attitudes on measures that affect the reduction of fraud in the financial statements

Question	N	Average	St.dev
Establishing a mechanism for anonymous notification of the occurrence or suspicion of fraud	107	3.61	1.32
Education of management and employees in the company on methods of fraud prevention and detection	107	4.10	1.14
Conducting forensic audit	107	4.03	1.31
Conducting a surprise internal audit to detect fraud	107	4.12	1.29
Evaluations of the effectiveness of internal control in the company	107	3.97	1.28

Source: Author's analysis

Respondents, through a questionnaire, answered the question of which factors, in their opinion, have the strongest influence on the development of the discipline of forensic accounting in Bosnia and Herzegovina. According to the results from Table 8, educating students about the discipline of Forensic Accounting at higher education institutions is considered by the respondents to be the most important measure for the development of the discipline of Forensic Accounting (average grade 4.00). The ultimate educational outcome is to educate the forensic accountant so that he possesses specialist knowledge in the field of accounting, law and auditing, as well as skills in efficient provision of forensic accounting services. Forensic accounting expertise requires continuous improvement of knowledge and acquisition of skills according to guidelines from international standards and recommendations, as well as good practices from the environment. At the level of Bosnia and Herzegovina from the academic year 2021/2022 there is a possibility of obtaining a university degree II cycle of education in the field of forensic accounting, which consequently still results

in a lack of trained forensic accountants jeopardizing government and private sector activities to detect and combat fraud to support the rule of law. The Center for Forensic Accounting at the School of Economics and Business, University of Sarajevo was established within the three-year project "Building Forensic Accounting Capacity in Bosnia and Herzegovina" with the aim of developing sustainable educational programs in forensic accounting, which include a professional certification program for forensic accountants in Bosnia and Herzegovina, one-year and two-year master's study program in "Forensic Accounting".

Table 8 Analysis of the respondents' answers according to the expressed attitudes about the factors that contribute to the development of the discipline of forensic accounting

Question	N	Average	St.dev
Introduction of possible models of forensic audit as an obligation for public companies in order to prevent and detect fraud and manipulation in financial statements	107	3.92	1.30
Educating students on the discipline of forensic accounting in higher education institutions	107	4.00	1.28
The introduction of certification of forensic accountants would significantly reduce fraud in financial statements	107	3.89	1.44
The level of corruption (especially in the business environment) in improving the general business climate and the development of the real sector in Bosnia and Herzegovina	107	3.98	1.25
Pressure on accounting staff to prepare financial statements in a short period of time while improving the evaluation of the performance of the internal control and internal audit system	107	3.59	1.45

Source: Author's analysis

4. Recommendations for the development and improvement of forensic accounting practice in Bosnia and Herzegovina

Based on the results of the research and through the study of the literature in the field of forensic accounting, the following recommendations were made for the development and improvement of the current state of forensic accounting in Bosnia and Herzegovina:

1. Amendments to the legislation, more precisely the Law on Accounting and Auditing at the level of Bosnia and Herzegovina, but also at the level of the Federation of Bosnia and Herzegovina. In order to improve the position of forensic accounting, it is necessary to adopt a single law that would be applied throughout Bosnia and Herzegovina. This law would be necessary to create a theoretical framework for forensic accounting, which refers to the conceptual definition of forensic accounting, the definition of a forensic accountant, as well as the definition of the scope of work of forensic accountants and the definition of their competencies. Many matters related to forensic accounting would have to be subsequently addressed by bylaws as this discipline is almost non-existent in Bosnia and Herzegovina. Since the detailed conditions for acquiring the aforementioned titles are determined by the Decision, it is necessary to amend the Decision as well.
2. Introduction of forensic accounting in higher education of economic orientation, and then in the final grades of secondary schools. Higher education institutions have a significant role in continuous training in setting the directions and subjects studied, but also the influence of accounting professors on future accounting forensics, as well as the promotion of this type of profession, which is currently underdeveloped in Bosnia and Herzegovina. In Bosnia and Herzegovina, there is no possibility of obtaining a university degree of the first cycle of education, while only from the academic 2021/22 there is a possibility of obtaining a university degree of the second cycle of education, direction in the field of forensic accounting, which consequently results in lack of trained forensic accountants. The main thing in the development of forensic accounting in Bosnia and Herzegovina would be the establishment of study programs in forensic accounting. Through case studies, students would study and analyze documentation, various schemes of financial fraud, ways of detecting fraud, and make findings and opinions for the needs of court proceedings, but also other areas in the field of forensic accounting. In order for economists to develop awareness of forensic accounting in time, it is necessary to introduce the study of forensic accounting in the final grades of secondary economic schools, where students would have the opportunity to learn the basic concepts and theoretical framework of this area.
3. Introduction of certification of forensic accountants, and thus mandatory education and training through various programs and criteria that have already been developed, with previous amendments to existing laws primarily at the federal and state level.

4. After the introduction of the master's program in forensic accounting and training of professional staff in this field, within the prosecutor's office to form a department of financial forensics, where the work would be performed by financial forensics, ie forensic accountants. Financial transactions are often complex and require specialist knowledge, which prosecutors do not have. In such cases, forensic accountants are the ones who can help obtain evidence for the crimes committed and thus contribute to a more efficient financial investigation. With the growth of the number of frauds in the company, the lost values caused by frauds are growing, as well as the chances for a successful career in the field of forensic accounting. Association of International Certified Professional Accountants (AICPA) considers fraud investigation to be one of the six fastest growing and most profitable businesses for accountants. (Zimbelman and Albrecht, 2012).
5. Transparent and accessible list of business entities that have been convicted of financial fraud in the previous period, in order to gain new knowledge and study this area, through case studies in the master's program in forensic accounting, but also through the publication of scientific papers in this area.
6. Establishment of mutual cooperation between economic higher education institutions of Bosnia and Herzegovina in order to monitor trends in forensic accounting, as well as cooperation with universities outside Bosnia and Herzegovina in order to gain as much knowledge necessary for the development of this discipline. The lack of authorial papers in this area is the reason why forensic accounting is often equated with auditing, and forensic accountants with auditors, although both disciplines have different motives.

5. Conclusion

A decade ago, forensic accounting was a relatively unknown topic that was very little discussed, as it relied on an internal auditor to identify potential fraud. Frauds are nothing new, they have existed since the existence of the human race, only the methods of their execution, opportunities and procedures change with the turbulent environment, the development of information technology and technological achievements. But with the same changes, new methods and measures for preventing and detecting financial fraud are emerging and developing. Forensic accounting contributes not only to the elucidation of financial fraud, but also contributes directly to the accounting process, the internal control system, management information and the prevention of corporate fraud through forensic accounting practices. Of

course, detecting or preventing any fraud in the financial statements is quite difficult. At least the control mechanism can reduce the number of cases of fraud. This is where the importance of developing forensic accounting is reflected. The most important detection models have been developed by forensic accountants. Financial statements must meet the needs of stakeholders. The accuracy, transparency and reliability of financial information will provide an opportunity for investors to make an outstanding decision about their investments. Otherwise the resource allocation will be shifted to the wrong side (Isa, 2011). Undoubtedly, a qualified, trained and mature forensic accounting expert can prove to be a valuable asset of the corporate sector and gradually help to improve their system. Financial accountants who are professional members of the audit committee can play a far greater role in coordinating a company's efforts to achieve a cohesive policy of ethical conduct in an organization. By helping companies detect and prevent fraud, create a positive work environment, establish effective lines of communication, and stay vigilant as corporate "guardians", the role of forensic accountants can gradually evolve into a key component of a company's financial system.

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Sažetak

Prevare u računovodstvu, kao i lažiranje finansijskih izvještaja, imaju dugu historiju, a posljednjih godina je njihova razmjera sve veća i sa mnogo težim posljedicama. Odluke koje investitori i drugi korisnici finansijskih izvještaja donose na osnovu pogrešnih finansijskih informacija nanose ogromne štete korisnicima finansijskih informacija, ali i široj javnosti. Mnoge velike finansijske prevare se otkrivaju tek kada preduzeća dođu do tačke finansijskog sloma, u situaciju kada je teško učiniti nešto da bi se sanirale velike štete. Odgovornost za sprječavanje, otkrivanje i istraživanje prevara u finansijskim izveštajima ne leži samo u rukama menadžmenta preduzeća, već i u rukama drugih kontrolnih institucija i mehanizama.

Forenzične računovođe posjeduju posebnu vrstu znanja, stečenih vještina i kompetencija, gdje na stručan i profesionalan način djelovanja otkrivaju i sprječavaju prijevarne radnje. Cilj rada je utvrditi kakvo je trenutno stanje u oblasti forenzičnog računovodstva u Bosni i Hercegovini, te koji faktori utiču na činjenje finansijskih prevara u našem društvu. Na osnovu sprovedenog istraživanja date su preporuke za razvoj i poboljšanje prakse forenzičnog računovodstva u Bosni i Hercegovini.

Ključne riječi: prevare, forenzično računovodstvo, certificirani forenzični računovođa, Bosna i Hercegovina