

The description of a case fraud



**ASSIGN
BUSTER**

The two were convicted of wire fraud and conspiracy on 19 November 2012. They had actively participated underground in misusing the financial assets of Stanford International Bank. Moreover, they defrauded the bank by inflating that they had purchased a real estate property on behalf of the bank at a value of three-point two billion instead of sixty-three point five million dollars (International Financial Reporting. (2013).

Stanford Company failed to carry out the background check to investigate the history of the two officials prior to hiring them. Secondly, the company did not set up an anti-fraud policy that indicates how to detect report and curb fraud. Thirdly, the company did not have anti-fraud training to educate employees on the risk of fraud. Additionally, Stanford Company was unable to conduct job rotation which could have helped to prevent the occurrence of fraud (Iyer & Samociuk, 2006).

I would recommend the company to establish internal and external control. For example, the company should carry out regular internal and external audits. Further, a background check may help to identify the personal character to hold sensitive financial positions. Moreover, anti-fraud policies and training should be put forth to address the issues of fraud (Iyer & Samociuk, 2006).