POLAC MANAGEMENT REVIEW (PMR)
DEPARTMENT OF ECONOMICS AND MANAGEMENT SCIENCE
NIGERIA POLICE ACADEMY, WUDIL-KANO

RELATIONSHIP BETWEEN FORENSIC ACCOUNTING AND FINANCIAL FRAUD IN NIGERIAN DEPOSIT MONEY BANKS

Rihanat Onize Amin Baze University, Abuja

Ibrahim Yakasai Aminu Baze University, Abuja

Adamu Garba Zango Baze University, Abuja

Abstract

Consequent upon globalisation of trading and business transactions, financial fraud within the global economy has been on the increase. Forensic accounting which is the new technique for detecting fraud has become an emerging topic of great importance for research by industry giants and the academic. The study examined the relationship between forensic accounting and financial fraud in Nigerian deposit money banks. Specifically, the study examined if there is significant effect of forensic accounting in financial fraud control, forensic accounting in improving financial reporting quality and the effectiveness of forensic accounting in improving the quality of internal controls of DMBs in Nigeria.The survey design methodology was employed in the study utilising a sample size of 143 made up of the banks' accountants, internal and external auditors, top management staff, users, as well as the academics as population of the study. The simple random sampling technique was used in selecting the sample size, with the binomial test employed in analysing the data. Findings of the study indicates that there is significant effect of forensic accounting in financial fraud control, forensic accounting in improving financial reporting quality and the effectiveness of forensic accounting in improving the quality of internal controls of DMBs in Nigeria. In line with the above findings, this study recommends that the Institute of Chartered Accountants of Nigeria (ICAN), Association of National Accountants of Nigeria (ANAN) and the National Universities Commission (NUC) should encourage the formalization and specialization of forensic accounting as a standalone field of study. Additionally, government through its regulatory agencies such as the CBN, NDIC and FRC should stimulate interest and application of forensic accounting as a technique for monitoring and investigation of fraud related cases in DMBs in Nigeria.This could possibly help to reduce financial fraud and related fraudulent activities in DMBs of Nigeria.

Key Words: Deposit Money Banks, Financial Fraud, Forensic Accounting, Nigeria

1. Introduction

Accounting is a method of tracking business activities within a particular time period (monthly, quarterly, half yearly or annually). Such trailing is needed both internally and externally to enable stake holders and decision makers have timely information for decision making on the performance of their respective businesses. Forensic accounting is a rapidly growing subject that is today gaining prominence in the field of accounting and legal spheres. Forensic accounting as the name implies uses accounting, auditing and investigative skills to detect corporate failures. Forensic accounting is defined as the application of investigative and analytical skills for the purpose of resolving financial issues in a manner that meets standards required by courts of law (Kaoje, Yabo, Modibbo & Abdulhadi, 2020).

Forensic accountants look beyond just the numbers in the financial statements but analyze the statements and find sufficient and appropriate information to be presented in the court of law (Chukwu, Asaolu, Uwuigbe, Uwuigbe, Umukoro, Nassar & Alabi, 2019). Forensic accountants therefore apply special skills in accounting, auditing, finance and quantitative techniques to certain areas of the law through research to collect and analyse and evaluate evidential matter and to interpret and communicate findings.

Forensic accountants interpret complex financial issues and assist firms to understand the business reality behind the accounting numbers. Forensic accountants as specialists are hired to assist the various sectors in an economy to find out any unfair means of statement of account presentation (Dada & Jimoh, 2020).Forensic accounting is a financial fraud detection technology of the 21st century just as the detection of frauds through fingerprints and DNA in the 19th and 20th centuries (Oyebisi, Wisdom, Olusogo & Ifeoluwa, 2018). According to Ashwin, Parasuram and Shashank (2018) forensic accounting goes by the fact that 'Things are not what you think they are'. Forensic accounting and fraud auditing are not synonymous, forensic accounting requires an individual to have proper legal knowledge in addition to accounting language. Unlike an auditor, a forensic accountant doesn't limit the scope of the audit based on materiality, samples and integrity of management and thus it is highly time consuming (Johnson, Chidi & Perekume, 2021). Forensic accounting has helped in giving important clues to solve cases too. An important element in forensic accounting is behavioral concepts, some frauds cannot be solely detected through data driven approaches. Fraud auditing is like an iceberg with many of the behavioral, covert aspects of the fraud below the water line. The aspects below the surface can be extremely important and this is where forensic accounting plays a major role. From the foregoing, it means that, forensic accounting hasamultilateral and faceted application of accounting, auditing and investigative knowledge to assist in legal jurisprudence. It is a specialized field of accounting that defines activitiesresulting from anticipated or even actual disputes which result inlitigation. Conclusively, forensic accounting canbe seen as new aspect of accounting that is suitable for legal review and offering the highest level of assurance (Modugu & Anyaduba, 2013).

Previous studies noted an alarming increase in the number of fraud cases in Nigerian banks and across the globe prompting forensic accounting expertise (Ashwin et al., 2018; Johnson, Chidi & Perekume, 2021; Modugu& Anyaduba, 2013).According to the Central Bank of Nigeria, the fraudulent financial crisis that rocked banking sector few years back led to depletion of the capital base of some DMBs in Nigeria and reduction in the banks' assets which in turn ignited the liquidity crisis (CBN, 2009). The CBN in these publications specifically mentioned fraud, misappropriation of assets and insiders' abuse among other notable causes that led to banking crisis in Nigeria. Retail banking business as undertaken by DMBs has become more sophisticated with the increased advancement in the application and use of information and communication technology (Funmi, Omotayo, Isaac & Olukayode, 2018). These have drastically changed the nature and mode of operational procedures of banks in Nigeria. This accordingly changes the nature of financial fraud and fraudulent malfeasances (Uchenna & Agbo, 2013). Little wonder that the Centre for Forensic study's findings indicates increasing need for forensicand investigative accounting in the banking and other sectors due the complexities of modern businesses that uses large volumes of complex data (Centre for Forensic Studies, 2010). This voluminous data makes it difficult to monitor transactions through manual audit processes resulting in the ineffective control utility of auditing. This is the more reason why for example it was discovered that, virtually all the weaknesses and challenges identified in the major financial statement fraud involving corporations such as Health South, Enron, TYCO International, Freddie Mac and WorldCom and in Nigeria, the Intercontinental bank, Oceanic Bank International and many others involving criminal investigations and prosecutions arising from them, are issues related to forensic accounting (Curtis, 2008; Kaoje, Yabo, Modibbo & Abdulhadi, 2020).

The anticipation in this study is that forensic accounting may empirically offer some relief on the seeming weakness of conservative accounting and audit structures in fraud detection. This further implied that, modern forensic auditing techniques coming into Nigeria can be seen as timely in order to prepare the accounting profession to deal effectively with the problem of unearthing creative fraud systems arising from lack of effective audit structure to detect frauds. Hence the Centre for Forensic Studies in Nigeria reports that if well applied, forensic accounting technique could be employed as a means of reversing leakages in entities that result in corporate failures (Centre for Forensic Studies, 2010). This is possible because according to Izedonmi and Mgbame, (2011) proactive forensic accounting practice pursue errors, operational impulses and unusual transactions before they manifest into fraud. The main aim of this study is therefore to examine the role and prospects of forensic accounting in curbing financial crimes in Nigeria with particular emphasis on deposit money banks.

1.2 Statement of the Problem

Several empirical studies confirm an alarming increase in the number of fraud cases and fraudulent activities inNigeria's deposit money banks (DMBs) emphasizing the need for forensic accounting investigation (Okoye & Akamobi, 2009; Owojori & Asaolu, 2009; Izedonmi& Mgbame, 2011; Kasum, 2009). These studies also documents that financial fraud is gradually becoming a normal way of life in Nigeria prompting the need for decisive action. For instance, Kasum (2009) noted that the spread of financialirregularities are becoming the domain of all sectors in Nigeria and individual perpetratesfraudulent activities in accordance with the capacity of their office. Consequently, there is a general expectationthat forensic accounting may be able to stem the tide of financial malfeasance witnessed in most sectors of theNigerian economy. However, empirical evidence on how forensicaccounting can help curb financial crimes beyond the several anecdotal views that abound is very scanty suggesting the need for more research. Consequently, this study is an attempt to plug this gap in knowledge by addressing the following research questions;

i. Is forensic accounting significantly effective in financial fraud control of DMBs in Nigeria?
ii. Is forensic accounting significantly effective in improving financial reportingquality Of DMBs in Nigeria?
iii. Is forensic accounting significantly effective in improving internal controls of DMBs in Nigeria?

2. Conceptual Framework &Literature Review

2.1 Concept of Forensic Accounting

Forensic accounting is a discipline with modern modelling framework and methodologies defined as the application of investigative and analytical skills for the purpose of resolving financial issues in a manner that meets standards required by courts of law (Dhār & Sarkar, 2010). It demands reporting by an expert in case accountability of the fraud is established. The technique is used to detect and investigate a crime by exposing all the attending features in the crime and identifying the culprits involved (Okunbor & Obaretin (2010). As a practical field, forensics accounting is concerned with evidence using accounting data of fraud and forensic auditing (Uchenna & Agbo, 2013). Previous studies by Both Curtis (2008) and Bhasin (2007) posits that, forensic accountants are trained to look beyond accounting numbers by dealing with business realities as situations warrants. Hence, the prominent features of forensic accounting include presentation, analysis, interpretation and summarization of complex financial business related issues. These researchers further informed that the activities of forensic accountants involve investigation and analysis of financial evidence; developing computerized applications to assists in the analysis and presentation of financial evidence including testifying in courts as an expert witness and preparing visual aids to support trial evidence.

2.2 Financial Fraud in DMBs

There is no single description of financial fraud in global literature. According to Williams (2005) financial fraud can be incorporated to fit into the definition of corruption. However, the Nigeria's Economic and Financial Crime Commission (EFCC) Act of 2004 tries to capture the multiplicity of economic and financial crimes found either within or outside an entity (EFCC) Act, 2004). The salient issues in theEFCC definition include "violent, criminal and illicitactivities committed with the objective of earning wealth illegally in a manner that violates existinglegislation. These violations include any form of fraud, narcotic drug, bribery,embezzlement,laundering, looting, money, trafficking and any form of corrupt malpractices and child labour, illegal oil bunkering and illegal mining,tax evasion, foreign exchange malpractice including counterfeiting, currency, theft of intellectual property andpiracy, dumping of toxic waste, open market abuse and prohibited goods, etc. (EFCC Act, 2004). As can be seen, this definition is all-encompassing and includes financial crimes in corporate firms and those earlier described by other scholars (William, 2005; Khan, 2005). Studies by Ashwin et al., (2018) attributes the collapse of Enron, WorldCom, Tyco, Adelphia and many others to corporate fraud where at least $460 billion wassaid to have been lost. In the case of Nigeria however, Cadbury Nig. Plc whose accounting numbers were criminally manipulated by management and aided by professional auditors was attributed to have lost a whopping

15 billion Naira in financial fraud. In the case of the nine collapsed commercial banks in Nigeria however, Sanusi (2010) reported that, aboutone trillion naira have been lost through different financial malfeasances. These cases are still under investigation by EFCC under the EFCC Act of 2004.

Prior studies are of the view that financial fraud in corporate firms vary widely in nature, character and method of operation (Karwai, 2004; Ajie & Ezi, 2000). However, these scholars argue that fraud may be classified into the nature of fraudstersand method employed in carrying out the fraud. On the nature of the fraudsters, fraud may be categorized into internal, external and mixed frauds. According to Karwai (2004), internal fraud relates to thosecommitted by members of staff and directors of corporate firms while external fraud is committed by personsnot connected with the entity and mixed fraud involves outsiders colluding with the staff and directors of the firm. Karwai (2002) argued that identifying the remote or even the immediate causes of fraud is very difficult. A study by Modugu and Anyaduba (2013) argue that on average six out of every ten staff would look for ways to steal if given the opportunity and thus only four could be honest.

2.3 Challenges in the application of Forensic Accounting on DMBs in Nigeria

With the unprecedented upsurge in financial accounting fraud experienced consequent upon globalisation of business and financial activities, financial accounting fraud detection is now becoming an emerging topic for academic and industry discourse. An early study by Olukowade and Balogun (2015) found the failure of internal auditing system of corporate entities in identifying the accounting frauds as the lead reason for financial fraud. These researchers further observed that, the inadequate application and use ofspecialized techniques and procedures to detect financial accounting fraud by forensic accountants was the bane of global financial fraud. Although financial fraud in Nigeria has witnessed highly publicized cases especially in DMBs, Enyi (2009) undertook a study using real case problem on how to employ forensic accounting to investigate variances and suspected fraudulent activities in manufacturing processes. This study’s finding suggests that theapplication of forensic accounting technology should be applied to all sceneries that involve financial fraud. Okoye and Akenbor (2009) observing the application of forensic accounting in DMBs of developing economies such as Nigeria, notes that forensic accounting is faced with so many administrative huddles. On their part Grippo and Ibex (2003) reveal that the task of gathering information that is admissible in a court of law, the admissibility, of evidence in compliance with the laws of evidence for successful prosecutions ofcriminal and civil claims and globalization of the economy in which the fact that a fraudster can be based anywherein the world has led to the problem of inter-jurisdiction as some of the challenges confronting the application of forensic accounting.

To Degboro and Olofinsola (2007) however, an important challenge to the application of forensic accounting onfinancial fraud control in DMBs Nigeria is that the law is not up to date and there is lack of latest technological equipment such as artificial intelligence. Moreover, most corporate managers view forensic accounting technology as an expensive service that only big firms can afford. Hence, most companies choose outside settlement of dispute instead of the court to avoid litigation cost and risk of bad publicity to corporate image. Additionally, forensic accounting is seen by some firm managers as a new improvement particularly in developing economies such as Nigeria which require sometime to fully mature. Forensic accounting is further seen as a new knowledge that requires accountants with adequate legal and technical know-how on forensic issues which are hardly available for now.

2.4 Hypotheses development

This study is built on three major hypotheses are as follows:

i. **.** There is no significant effect of forensic accounting in financial fraud control of DMBs in Nigeria
ii. There is no significant effect of forensic accounting in improving financial reporting quality of DMBs in Nigeria
iii. Forensic accounting is not effective in improving internal controlsof DMBs in Nigeria

2.5 Theoretical Framework and Underpinning theory

According to Sahin (2006), theoretical framework introduces and describes the theory that explains why the research problem under study exists in the first instance. Theories are developed by researchers to guide in explaining phenomena, draw connections or make some predictions (Zango, 2019). A number of theories have been proposed by scholars to explain people's acceptance of new technologies and their intention to using same. Rogers' Diffusion of Innovation Theory (DIT) is one of the most popular theories for studying information technologies (IT) adoption and for an understanding how IT innovations spread across the globe within a very short period of time between entities and nation states (Venkatesh, Morris, Davis & Davis, 2003; Rogers & Singhal, 2003). Thistheory posits that, innovation is an idea, process, or a technology that isperceived as new or unfamiliar to individuals within a particular geography or social system. In this particular study, the broad theory that readily comes to mind is Rogers' Diffusion of Innovation Theory (DIT). This is because forensic accounting is the newly acquired knowledge that is globally being put to use to help human kind in solving financial fraud and other irregularities in finance related outfits. Diffusion is the process bywhich the information about the innovation flows from oneperson to another through training over time within the social system (Rogers & Singhal, 2003). The Diffusion of Innovation Theory (DIT) is therefore used in this study as the underpinning theory to examine and explain howfinancial fraud can be curtailed in Nigerian DMBs using forensic accounting techniques.

2.6 Literature Review

Prior studies have documented a lot on the importance of forensic accounting in fraud control and prevention. The following Nigerian cases are hereby reviewed**.**

Adesina, Erin, Ajetunmobi, Ilogho and Asiriuwa, (2020) examines the importance of the application of forensic audit in controlling financial frauds that threaten the business continuity of Deposit Money Banks (DMBs) in Nigeria. The study used survey design methods with primary data used through the administration of structured questionnaire covering 17 listed banks out of the 22 (i.e. 77.3%) DMBs operating in the country. These authors employs the Ordinary Least Squares (OLS) method to analyze and test hypotheses. The findings of their study showed that the involvement of qualified and experienced forensic auditors would not only contribute to the amelioration of financial frauds in DMBs, but will also lead to the much-needed sanity in the banking sector of Nigeria. The study recommends that regulatory agencies, within the limits prescribed by law, mandate all the banks to create a special forensic department, managed by a professional forensic auditor, which will develop and constantly implement effective and efficient internal control, timely prosecution of fraudsters to serve as a deterrent to others. Bank management should also work out adequate training and development programs for their staff, especially in fraud control, in order to reduce the number of fraud cases in Nigerian banks.

However, Elisha, Ubi, Olugbemi, Modupe and Emefiele (2020) empirically examined the impact of forensic accounting and fraud detection control in Nigerian Universities The specific objectives were to; examine the effectiveness of forensic accounting in financial fraud control, examine the effectiveness of forensic accounting in improving financial reporting quality and to ascertain the relationship between forensic accounting and internal controls. Findings from their study revealed that there was a significant relationship between forensic accounting and financial fraud detection, there was a significant relationship between forensic accounting and financial reporting quality and there was a significant relationship between forensic accounting and internal control. The study recommended that eradication of economic and financial crime through the adoption of forensic accounting in the system will improve the image of the institutions under review.

Furthermore, Sule, Ibrahim and Sani (2019) discusses whether the use and application of forensic accounting investigation have an effect in detecting financial fraud in Nigeria. The study relied on previous literature on forensic accounting and its application techniques. Findings based on the review shows that forensic accounting service has a significant effect in detecting financial fraud. The review further indicated that forensic accounting investigation is a step forward on the discovery of financial fraud and other fraudulent practices in Nigeria. In wise these authors suggests that the professional accounting bodies such as the Institutes of Chartered Accountants of Nigeria (ICAN) and Association of National Accountants of Nigeria (ANAN) should encourage specialization on forensic accounting service among the professional accountants in practice.

The study by Ejike (2018) examine the "Relevance of Forensic Accounting: Issues in Accountancy and Audit Practice in Nigeria". The basic methodology used to achieve the objectives was a combination of interview and questionnaire. Simple percentage and t – test statistics were employed as the statistical tool for analyzing and testing the hypothesis. The study revealed that forensic services are required for curbing fraudulent practices in Nigeria .That there are differences between the basic roles, skills and competencies of forensic accountant and that of non-forensic accountant. Based on the findings, the researcher recommends that Professional accounting bodies in Nigeria and National University Commission should include forensic accounting in their academic programme, Government should have interest in forensic accounting for monitoring and investigating suspected culprits in criminal and fraud cases, ameliorate high service cost of forensic accounting and makes laws for protection of forensic accountants and whistle blowers and establish a regulatory body for forensic accounting in Nigeria.

Moreover, Funmi, Omotayo, Isaac, and Olukayode, O. (2018) assesses the effect of bank fraud on Nigerian economy field survey research methods were employed in the study. Data were collected from the financial statements of the selected banks in Nigeria. The study utilises both descriptive and inferential statistics to achieve the stated objective. The descriptive statistics and OLS Model were used to determine the impact of banking fraud on the Nigerian economy. The study established that the relationships are significant and that the models can be used for meaningful analysis and decision making. Again it was ascertained that there is a great level of interaction between bank fraud and economic development of Nigeria. The study recommended that banks need to strengthen their internal control systems to be able to detect and prevent fraud and fraudulent activities and to protect its assets. The regulatory and supervisory bodies of banks in Nigeria need to improve their supervision using all tools at their disposal to appropriately check and curtain the incidence of fraud and fraudulent practices in the banking industry in Nigeria.

Still further, Enofe, Utomwen and Danjuma (2015) examine the role of forensic accounting in curbing financial crimes. The study adopts a survey research design using Primary data for the purpose of the research The population of the study comprises of staffs of selected listed banks by employing structured questionnaire in eliciting the required data needed to test the formulated hypotheses. Regression analysis was utilized as the method of data analysis and the results used in testing the hypotheses specified in the study. The study's finding reveals that there is a need for forensic accountants as an effective tool for addressing financial crimes in the Nigerian banking system. The researchers found that Conventional accounting techniques are not effective in curbing financial crimes. They finally recommends the need for corporate entities in Nigeria to engage the services of forensic accountants because forensic accounting now appears as one of the strategic and dynamic tool for the management of all types of financial crimes. The authors finally call for the need by firms to focus on training and up-dating the skills of their internal control and audit staffs.

3. Methodology

This study which was conducted in 2021employ the survey research design with five diverse groups of respondents;listed DMBs' accountants, internal and external auditors, top management staff of DMBs, users, as well as the academics as population of the study. Previous studies justify their inclusion with good results (Lowe & Pany, 1995). The sample size of this study is 143 respondents consisting of companies' accountants, internal and external auditors, as well as the top management staff of companies. This sample size is considered adequate because prior study by Quick and Rasmussen, (2005) suggest that a minimum number of 30 respondents for statistical analyses provide an adequate rule of thumb. The sampling method employed was simple random sampling technique. The primary data wasgenerated using five point well-structured Likert scale questionnaire. This study employed the non-parametric statistical tests as done in previous studies to tests hypotheses (Canning & Gwilliam, 1999; Joshi et al., 2007; Quick &Rasmussen, 2005).

4. Results Presentation and Analysis

Out of the 143 responses retrieved from the respondents, 80 of the respondents were female which represents 55.9% of the sample while 63 of the respondents were males which represent 45.1% of the sample. From the analysis of the responses retrieved, out of the 143 respondents whose responses were used for this analysis, 28 people i.e. 19.58% of them fall within the age bracket of 20-30 while 62 i.e. 43.4%) of them were in the age range of 31-40 years. Moreover, 30 people which means 20.97% of the respondents fall in the age range of 41-50years while 23 of the respondent's i.e.16.08% were in the range 51-above.On educational qualification however, out of the 143 of the responses retrieved, 53(37.06%) of the respondents have M.sc qualifications. 67(46.85%) have B.SC/H.ND qualifications while 23 i.e. 16.08% of them had ordinary national diploma certificate (O.N.D). Moreover, from the analysis of the 143 responses retrieved, 35(24.48%) are self-employed while 64(44.76%) of the respondents are working class in government organisations. Furthermore, 51 (35.66%) of the respondents work in private institutions.

Reliability Test

According to Modugu and Anyaduba (2013) one of the most reliable test for reliability conducted during analysis is the Cronbach Alpha test of reliability. This study also follows other prior studies to test reliability of the items which compose the scales as shown in Table 1 below.

Table 1: Reliability Test

Cronbach Alpha test	Number of Items
0.87589	15

Source: SPSS version 20.0

Table one above reports the properties of measurement scales and the number of items that compose the scales. According to Pallant (2005) a Cronbach alpha coefficient of not less than 0.7 is ideal. Looking at the Cronbach alpha coefficient for this study in Table 1above, it can be stated that the study's population or the universe has perform very well with a value of 0.876. This Cronbach alpha coefficient further indicates that the scales and items of research instrument have high measure of internal consistency.

Table 2: Forensic accounting and financial fraud control

S/N	Narrations	Mean	Std. Dev.
1	Forensic accounting can be employed to detect fraudulent assets	4.77	0.47
2	Forensic accounting can detect and reverse misappropriated transaction assets	4.05	0.45
3	Forensic accounting is an effective fraud detection technique	4.10	0.85
4	Forensic Accounting can serve as sole detection technique for fraudulent Transactions	3.18	1.10
5	Forensic accounting technique also include fraud risk assessment processes	4.62	0.55

Source: Researchers computation, 2021

Table Two above provides the results of the administered questionnaire indicating the descriptive statistics of each item computed from the responses obtained. As can be seen from the table, forensic accounting can employ to detect fraudulent assets with a mean and standard deviation of 4.77 and 0.47respectively. The Table also indicates that forensic accounting can detect and reverse misappropriated assets transactionand has a mean and standard deviation of 4.05 and 0.45 respectively.Moreover, forensic accounting can be employed as an effective fraud detection technique with mean and standard deviation of 4.10 and 0.85 respectively. On forensic accounting as sole fraud detector of fraudulent transactionstechnique however, the mean and standard deviation is 3.18 and 1.10. On the extent of fraud risk assessment processes however, 4.62 and 0.55 represents the mean and standard deviation of the positive significance of application of forensic accounting technique in fraud detection.From the foregoing, the mean values from the responses except in item four indicates strong agreement amongst respondents on the importance of forensic accounting in financial fraud control of deposit money banks in Nigeria. On the issue of item 4however a weak mean of (3.18) and a very high variation of 1.10observed may suggest division among respondents as to whether forensic accounting can serve as sole detection technique for fraudulent transactions.

Table 3: **Forensic Accounting and Internal Control Quality**

S/N	Narration	Mean	SD
1	Internal Control System Design	4.58	0.47
3	Internal Control System Monitoring and Evaluation	4.81	0.39

Source: Researchers computation, 2021

Table 3 above depicts results of the questionnaire administered indicating the descriptive statistics of each item computed from the responses. As shown from the table, “forensic accounting improves Internal Control System Designas has a mean and standard deviation of 4.58 and 0.47 respectively. Furthermore, “forensicaccounting improves Internal Control Systemwhich in turn improve monitoring and evaluationof DMBs in Nigeria with mean and standard deviation of 4.81 and 0.39 respectively. The mean values for the responses of 4.58 and 4.81 suggest that majority of therespondents marked the “agree” selection option in the questionnaire. The mean of the responses also suggest strongagreement amongst the respondents on the importance of forensic accounting in improving financial reportingquality of DMBs in Nigeria.

Table 4. Forensic Accounting and financial reporting credibility

S/N	Narrations	Mean	S.D
1	Enhanced quality of financial reporting	4.61	0.87
2	Improves stakeholder confidence in corporate financial statements	4.28	0.60
3	Professionals with forensic accounting skills will deliver quality financial report.	4.58	0.52
4	Forensic investigations deals with fraud investigation which reduces financial report “expectations gap”	4.56	0.53

Source: Researchers computation, 2021

Table 4 above offers the results of the questionnaire administered in this study indicating the descriptive statistics of each item computed from the responses. As seen from the table, “forensic accounting enhances financial reporting credibility with a mean and standard deviation of 4.61 and 0.87respectively. Furthermore, professionals (accountants and auditors) with forensic accounting skills will deliver more quality financial report and have a mean and standard deviation of 4.28 and 0.60 respectively. On the issue of “Forensicinvestigations however, it can be seen that, forensic accountants deal with fraud investigation a lot and this help in reducing audit expectations gap by a mean of 4.56 and standard deviation of 0.53 respectively. These results indicate through the means of the responses that there is a strong agreement amongst respondents on the importance offorensic accounting in improving financial reporting quality. This study observed that responses to item one had the highestdeviation (0.87) amongst respondents which indicates that the preferences for what constitutes financial reporting credibility may vary considerably amongst different stakeholders. The last item in Table 4exhibits thelowest variation amongst responses, indicating a greater consensus of opinion the respondents.

Table 5. Binomial Distribution Test and Result

Hypothesis	Category	Frequency	Obs. Prop	Test Prop.	Asymp. Sig.	Results
H1: Fin. Fraud control	Agree Disagree Total	113 30 143	0.79 0.21 1.00	0.5	0.00	Confirmed

H2: Fin. Rep. quality	Agree Disagree Total	93 50 143	0.65 0.35 1.00	0.5	0.00	Confirmed
H3: Int. Control	Agree Disagree Total	100 43 143	0.70 0.30 1.00	0.5	0.00	Confirmed

Source: Researchers computation, 2021

Table 5 above depicts the result of hypothesis (H1) which indicates rejection of the hypothesis which states that there is no significant effect of forensic accounting in financial fraud control of DMBs in Nigeria. The result as shown indicates significant proportion of respondents (0.79) which exceeds the tested proportion (0.50) and is also positive and significant at 5% level. Moreover, with regards to significant effect of forensic accounting in improving financial reporting quality of DMBs in Nigeria (i.e. H2), this study find a significant proportion of respondents (0.65) that exceeds the tested proportion (0.50) and is also significant at5% level, hence the hypothesis is rejected.Finally, as regards to the third hypothesis (H3), this study find a significant proportion of respondents (0.70) that exceeds the tested proportion (0.50) and significant at 5% level hence, the hypothesis that forensic accounting is not effective in improving internal controlsof DMBs in Nigeriais rejected.

5. Conclusion and Recommendations

Empirical answers to the three hypotheses of this study have been able to establish that forensic accounting techniques are strong drivers in financial fraud detection and prevention. The study further depicts that financial fraud was the major cause of corporate malfeasances in DMBs in Nigeria during the financial and banking crisis of 2008 which require forensic accounting deterrence skills, to curtail future occurrence. It is further confirmed from this study that financial fraud in DMBs is real and has become a way of life in contemporary banking environment. This trend needs to be corrected using forensic accounting expertisebecause it is the new branch of accounting knowledge which has the sole aim of unearthing fraudulent activities within and outside an organization. This study found significant agreement amongst stakeholders on the effectiveness of forensic accounting in financial fraud control, improving financial report and internal control weaknesses in DMBs in Nigeria. The study therefore concludes that there is a lot of relevance in the application of forensic accounting technique in tandem with the diffusion of innovation theory.

Professional accountants should therefore be on the watch out for potential fraud and other irregularities while discharging their ethical duties. Through adequate training and skill acquisition, forensic accountants can be made to provide significant assistance in investigating, preventing, and resolving fraudulent accounting issues in banks. Consequently, this study suggestthat the Nigerian professional accounting bodies which include Institute of Chartered Accountants of Nigeria (ICAN), Association of National Accountants of Nigeria (ANAN), institute of Chartered Taxation of Nigeria (ICTN) should as a matter of urgency encourage specialization in the field forensic accounting techniques.These professional bodies should consider introducing a separate and distinct course on forensic accounting at professional examination levels without prejudice to the separate certification programmes for their already qualified members.The National Universities Commission (NUC) should as a matter of urgency include forensic accounting programme to ensure adequate training of professionals as well create more awareness on forensic accounting to students.The Financial Reporting Council of Nigeria (FRC) as a regulatory authority should require that all relevant staff should possess with proof and evidence of forensic accounting knowledge and skills in addition to their professional accountancy certifications.Finally, governments at all levels in Nigeria should develop the interest and encourage the application of forensic accounting in monitoring, evaluation and in the investigation of suspected corruption cases for prosecution.

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