

The Effect Of Forensic Accounting On Financial Fraud Management In Nigeria Public Sector

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Abstract: This study examined the effect of forensic accounting on financial fraud management in Nigeria public sector. The objectives of the study is to find the effectiveness of forensic accounting in fraud prevention and to assess the positive effect of forensic litigation on recovery of funds lost to fraud. The study employed primary data which was collected using a well-structured questionnaire administered to two hundred and fifty respondents from EFFC, ICPC, Office of the Accountant General, Office of the Auditor General and other practicing accountants in the country. The data gathered through the questionnaire were analyzed using descriptive statistics and regression analysis. The findings of the study implying that there is positive relationship between forensic accounting practices and fraud management. The study concludes that forensic accounting has significantly influence on fraud detection and prevention and that forensic litigation has significant positive effect on recovery of funds lost to fraud. The study recommends that forensic accounting courses should be entrenched in the curriculum of Nigerian universities for training of accountants - from undergraduate to doctor of philosophy and that professional accountants in the public sector should be trained as forensic investigators.

Keywords: forensic, litigation, fraud, financial crime, fraud management

I. BACKGROUND TO THE STUDY

Fraud is an epidemic that are gradually becoming a traditional way of life in both public and personal sectors, from the presidential cabinets, right down to the political officer, to the ward councilors, from managing directors of companies, through middle management cadre and to lower managers in Nigeria (Gbegi & Adebisi, 2014). Financial fraud has for long been categorized as a menace that led to the collapse of many reputable institutions in the world which include Enron, Bernie Madoff scandals, WorldCom, Lehman Brothers, Tyco International Ltd, and Adelphia Communications Corporation in the USA, Parmalat crises in Italy and HIH Insurance Ltd in Australia, (Gbegi & Adebisi, 2014).

In Nigeria, the cases of Cadbury Nigeria Plc; Afribank Nigeria Plc, NAMPAK, Oceanic Bank Nigeria Plc, and African Petroleum Plc were relatively caused by massive fraud (Sule, Ibrahim, & Sani, 2019). Despite the several legislations put in place to reduce, alleviate and if possible

eliminate the occurrence and incidences of fraud, it is worrisome that incidences of fraud have become so widespread that it is fast assuming an epidemic proportion in Nigeria.

Most of the developed countries set up strong mechanism to deal with occurrences of fraud. For example, the Association of Certified Fraud Examiners (ACFE) within the U.S was founded in 1988 for the aim of reducing financial fraud (Vanasco, 1998). The ACFE run a program that allows an individual to qualify as a Certified Fraud Examiner (CFE). Therefore, the CFE members are peoples with certain accounting and auditing skills and knowledge to detect or investigate financial fraud and that they are pertaining to a forensic accountant.

According to Vanasco (1998), CFEs members are expected to undertake responsibilities in four specific areas namely; investigating fraud, legal principal involving the proof of fraud, activities involved fraudulent financial transaction and investigating criminal behavior concerning fraudulent conduct in a corporation. This indicated that CFEs

members gain a plus in producing fraud information which will function a determination in discovering of monetary fraud.

The mounting list of fraud in Nigeria has also stirred the attention of the government to set agencies such as the Economic and Financial Crimes Commission (EFCC) Act of 2004 and Independent Corrupt Practices Commission (ICPC) Act of 2000 to research the occurrences of monetary fraud. Despite the effort, the prevalence of financial fraud is yet on the increases (Salleh, & Babatunde, 2016).

Forensic accounting is that the tripartite practice of utilizing accounting, auditing and investigative skills to help in legal matters. It is a specialized field of accounting that describes engagements that result from actual or anticipated disputes or litigation. Forensic accounting can, therefore, be seen as a facet of accounting that's suitable for legal review and offering the very best level of assurance (Apostolou, Hassell & Webber, 2000).

Ojaide (2000) notes that there's an alarming increase within the number of fraud and fraudulent activities in Nigeria, requiring the visibility of forensic accounting services. According to the Centre for Forensic Studies (2010) report, the increasing need for forensic and investigative accounting within the banking sector results from the complexities of recent day banking with large volume of complex data. This makes it difficult to watch transactions by applying manual audit processes. This in turn makes the control utility of auditing ineffective. Virtually all the weaknesses and challenges identified within the banking system in Nigeria's post-consolidation, and criminal investigations and prosecutions arising from them, are issues for forensic accounting. Hence, Modugu & Anyaduba (2013) conclude that the general expectation is that forensic accounting may offer some respite to the seeming vulnerability of conventional accounting and audit systems to financial fraud.

According to Abdulrahman (2019), financial related fraud and increase in financial crime has led to the need of forensic accounting in order to aid investigation and prosecution of the syndicates of financial crimes. Ehioghiren & Atu (2016) opined that forensic accounting encompasses three major areas, investigation, dispute resolution and litigation support. Forensic accounting has been identified as tool in detecting and implementation of white-collar Investigations (Hansen, 2009). Degboro & Olofinsola (2007) described forensic accounting because the application of criminalist methods, and integration of accounting investigative activities and law procedures to detect and investigate financial crimes and related accounting misdeeds.

According to Enofe, Olorunnuho and Okporua (2016), forensic accountants play a role in litigation support services in the public sector and are relevant in documentation and reporting. It was observed that forensic accounting plays a big role in curbing crime and corrupt practices in any public sector since it provides a mechanism to carry people accountable, such that those that manage resources during a fiduciary capacity don't easily abuse that trust without detection. Gbegi and Adebisi, (2014) observed that the forensic accounting skills and techniques could help to research fraud occurrence since the external auditors don't or might not have the required

training to be ready to tackle modern frauds like white collar crimes like security fraud, embezzlement, bankruptcy, contract disputes, and possible criminal financial transactions.

STATEMENT OF THE PROBLEM

Considerably, the existence of fraud has affected corporate investments, public finances, the quality of living and therefore the Gross Domestic Products (GDP) in Nigeria (Vanguard News October 19, 2016). Dalhat and Sule (2018) in their study revealed that fraud obstructs sustainable development in Nigeria and threatens good corporate governance and compatible business practice. Also, Bakre (2007) acknowledged that the incidence of fraud cases and manipulation of the firm's account to inflate profit both publicly and personal organizations have made various Nigerian businesses to either be declared affected by low performing or have absolutely collapsed. Several studies have centered on the detective role of forensic accounting in fraud management in Nigeria especially in banks. It is on this note that this study takes more in-depth look at forensic accounting and its use in financial fraud management by in Nigeria public sector.

To best of the researcher's knowledge, available literature suggests that empirical studies on the subject matter in Nigeria are scanty and many of the variables of existing research were inappropriately operationalized (Dada, Owolabi, & Okwu, 2015; Bhasin, 2016; Nwaiwu & Aaron, 2018). These have led to puny results and poor conclusion on the relationship between forensic accounting and financial fraud control. Therefore, further research was needed to evaluate the relationship between the variables.

RESEARCH QUESTIONS

- ✓ To what extent does forensic accounting leads to fraud detection and prevention?
- ✓ What positive effect does forensic litigation have on recovery of funds lost to fraud?

OBJECTIVES OF THE STUDY

The broad objective of this study is to assess the effect of forensic accounting on financial fraud management in Nigeria. The specific objectives are:

- ✓ To find the effectiveness of forensic accounting in fraud prevention.
- ✓ To assess the positive effect of forensic litigation on recovery of funds lost to fraud.

RESEARCH HYPOTHESES

The hypotheses of this study are stated in their null form as follows:

H₀₁: Forensic accounting does not have significantly influence on fraud detection and prevention.

H₀₂: Forensic litigation has no significant positive effect on recovery of funds lost to fraud.

SIGNIFICANCE OF THE STUDY

The study has the following significance:

- ✓ To the government, the study will enlighten the various governments on ways to give more power and responsibility to forensic accountants and auditors to checkmate fraud and reduce cost of operations.
- ✓ To the public, this study is aimed at enlightening the society on the function and operations of forensic accounting and significance of forensic accounting.
- ✓ To the business organization, it will enlighten them on the importance of forensic accounting in enhancing financial performance. It will also show them the mechanisms needed to improve the atmosphere for forensic accounting to carry out their function properly based on the findings.
- ✓ To the academia, it will enlighten it will provide support to their studies especially in the areas of forensic accounting.

II. LITERATURE REVIEW

CONCEPTUAL ISSUES

A. CONCEPT OF FORENSIC ACCOUNTING

Okoye & Gbengi, (2013) concur that "Forensic" means "suitable to be used during a court of law", and it's thereto standard that Forensic Accountants generally work. Forensic accounting encompasses three major areas, investigation, dispute resolution and litigation support. Forensic accounting is specialty practice area of accounting that describes engagements that result from actual or anticipated disputes or litigation. Forensic accountants, also mentioned as forensic auditors or investigative auditors, often need to give expert evidence at the eventual trial. According to Nigrini (2011), financial forensic engagements may fall under Economic damages calculations, whether suffered through tort or breach of contract; Post-acquisition disputes like earn outs or breaches of warranties; Bankruptcy, insolvency, and reorganization; Securities fraud; Business valuation; and Computer forensics/e-discovery.

Degboro and Olofinsola (2007) described forensic accounting because the application of criminalist methods, and integration of accounting investigative activities and law procedures to detect and investigate financial crimes and related accounting misdeeds. Dhar and Sarkar (2010) also defined forensic accounting as the application of accounting concepts and techniques to legal problems. It demands reporting, where accountability of the fraud is established and therefore the report is taken into account as evidence within the court of law or in administrative proceedings. Joshi (2003) saw forensic accounting because the applications of specialized knowledge and specific skills to encounter the evidence of economic transactions.

Forensic accounting is widely considered a specialty practice of accounting, auditing practice where investigative skills are wont to analyze information that's suitable to be used during a court of law. In support of this, Popoola et al. (2016) consider forensic accounting as a process of using accounting

skills and knowledge to research fraud or misappropriation of fund and to research the financial information to be used in legal proceedings. Another empirical evidence documented by Singleton and Singleton (2010) who consider forensic accounting as a sort of comprehensive fraud investigation and analyzing anti-fraud control through an audit of accounting records in search of evidence of fraud. The authors further emphasized that forensic accounting investigation include writing a report back to management or court of law to work out certain evidence and therefore the forensic accountant should function an expert in a court. In most of the company organizations, forensic accounting investigation is widely believed as a mechanism that gives more comprehensive details information concerning financial fraud (Eliezer & Emmanuel, 2015). This indicates that forensic accounting investigation deals with the appliance and use of accounting knowledge and skills to work out financial facts and evidence to legal problems.

Owojori & Asaolu (2009) analyzed that forensic accounting through forensic accountants provide litigation support service which is the provision of assistance of an accounting nature in a manner involving existing or pending litigations in the areas of quantification of economic damages, calculating economic loss resulting from a breach of contract. Litigation support service provides real value to the client-attorney relationship because forensic accountants help win lawsuits and earn settlements. Zysman (2004) puts forensic accounting because the integration of accounting, auditing and investigative skills. Simply put, forensic accounting is accounting that's suitable for legal review offering the very best level of assurance and including the now generally accepted connotation of getting been arrived at in a scientific fashion (Crumbley, 2006).

Association of Certified Fraud Examiners (ACFE, 2010) defined forensic accounting because the use of skills in potential or real civil or criminal disputes, including generally accepted accounting and auditing principles in establishing losses of profit, income, property or damage, estimations of internal controls, frauds et al. that involve inclusion of accounting expertise into the system. Hence, forensic accounting involves the appliance of accounting concepts, auditing techniques and investigative procedures in solving legal problems.

B. THE CONCEPT OF FRAUD

Different scholars have defined fraud, forgeries and errors in various ways. The concept of fraud in itself disordered. But scholars vary significantly in their expressions about fraud. The cause is sometimes confused with effect. Defining fraud is as difficult as identifying it. Fraud is defined by EFCC (2004) as "the non-violent criminal and illicit activity committed with objective of earning wealth illegally either individually or during a group or organized manner thereby violating existing legislation governing the economic activities of state and its administration." Nwaze (2012) defined fraud as a predetermined also as planned tricky process or device usually undertaken by a person or group of persons with the sole aim of cheating another person or organization to gain ill-

gotten advantage which would not have accrued in the absence of such deceptive procedure.

Fraud is that the 'abuse of position, or false representation, or prejudicing someone's rights for private gain'. Fraud are often seen because the intentional misrepresentation, concealment, or omission of the reality for the aim of deception/manipulation to the financial detriment of a private or a corporation (such as bank) which also includes embezzlement, theft or any attempt to steal or unlawfully obtain, misuse or harm the asset of the bank (Idowu, 2009). Kasum (2012) defined fraud as a false representation by means of a statement or conduct, in order to gain a material advantage. According to Arzova (2003), fraud is "to create a misjudgement or maintain an existing misjudgement to induce somebody to make a contract".

C. FORENSIC ACCOUNTING AND FRAUD MANAGEMENT

Forensic Auditing is a field of accounting that is attracting attention as a result of persistent occurrence of frauds (Enofe, Olorunnuho & Okporua, 2016). Forensic accounting is one emerging career and mechanism available to accounting professionals for effective prevention and detection of fraud. It is generally agreed that forensic accounting, also referred to as forensic investigations, looks beyond the figures in financial records and deals directly with the business reality of things at hand (Dhar and Sarkar 2010). Forensic accounting provides an accounting analysis that's suitable to the court, which forms the idea for discussion, debate and ultimately assists at issue resolution. It is further argued that this branch of accounting encompasses both litigation support and investigative accounting (Kasum, 2008).

In Nigeria, fraud publicly and personal sectors of the economy has been seen together of the main factors of the dwindling economy. Hamilton and Gabriel (2012), "fraud and related ills have caused instability in the economy resulting to a high mortality rate of business organizations and the consequent losses of revenue" in Nigeria. This places a demand for forensic accountant. According to Crumbley (2009) the demand for forensic accountants will continue to rise. Therefore, the supply of this kind of experts must be stepped up, especially in countries with high risk of fraudulent activities. Therefore, it's expected that, the moderating or interplay of forensic accounting using forensic accounting index will help reduce the adverse effect of the fraud risk factors in organizations.

Gallet (2010) sees these opportunities as coming from those who know the detailed knowledge of the company environment, of the information system, and of the control mechanisms, and who has a series of technical skills. The pressures that cause the looks of fraud come from the direction of empowering persons who cannot prove their ability to efficiently manage essential fields/systems within the company (for example: bank accounts, cash and cash equivalents), from a series of private failures, from mistaking the company's wealth for the private wealth, from the physical and psychological isolation of the one that commits the fraud, from the will to enhance their personal status by resorting to such actions, also as from the relationships between employee

and employer when the employees consider that they are not sufficiently remunerated in compensation to their effort.

Willems (2004) cited by Temitope (2014) is of the view that financial investigation is the identification and documentation of the movement of money during the course of and after a crime. It establishes the link between where the cash comes from, who gets it, when it had been received, and where it had been stored or deposited. This can provide proof of unlawful activity such as money laundering, racketeering, corruption and terrorist financing, as well as identify and trace assets for asset forfeiture purposes, in effect addressing the proceeds of unlawful activity.

According to Akintoye (2008), forensic litigation deals primarily with issues related to the qualification of economic damages sustained by parties involved in legal disputes and can assist in resolving dispute and can assist in resolving disputes, even before reaching or getting to the courtroom. A good example of litigation support assignment would be calculating the economic loss resulting from breach of contract. Forensic accountants play a role in litigation support services and are relevant in documentation and reporting. It was observed that forensic accounting plays a big role in curbing crime and corrupt practices in any sector since it provides a mechanism to carry people accountable, such that those that manage resources during a fiduciary capacity don't easily abuse that trust without detection (Mukoro, Yamusa & Faboyede, 2013).

D. THEORETICAL REVIEW

The foundation of this research is based on the "Operant conditioning theory" which was first hypothesized in 1938 by Burrhus Frederic Skinner, an Edgar Pierce Professor of psychology at Harvard University. Skinner subsequently, in his book titled "science and human behaviour" redefined negative reinforcement in 1953 (Cleod, 2018). Skinner is regarded as the father of operant conditioning, although his work was based on Thorndike's Law of Effect in 1898. Skinner affirmed that behaviour is determined by the environmental consequences it produces for the individual through the principle of stimulus. Behaviour therefore operates on the premise of reinforcing or punishing results. Reinforcement increases undesired behaviour while punishment decreases such behaviour. This theory has been adopted by various researchers to explain human nature and how behaviour can be predicted and controlled (Feldman & Feldman, 1993; Blackburn, 1995; Hollin, 1996; Ehioghiren & Atu, 2016). Feldman and Feldman (1993) stated that if fraudulent activities were rewarded or not punished, it would have continual increase propensity but punishment serves as a deterrent. This is the basis upon which operant conditioning theory is relevant to the role of forensic accounting in fraud control in Nigerian public sector. Forensic accountants need to work with relevant agencies to produce evidence for litigations to aid punishment of convicted criminals. This would serve as a deterrent to decrease financial fraud.

E. EMPIRICAL REVIEW

Enofe, et al. (2017) carried out a study to ascertain the role of expert witness investigation in detecting financial fraud in the Nigerian public sector. The result obtained showed that forensic accountants' experience, education and as expert witness in court, have a positive influence on financial fraud detection. The above results agreed with findings of previous studies (Ozkul & Pamukçu, 2012; Dada, Owolabi, & Okwu, 2013; Bhasin, 2016).

Ehioghiren and Atu (2016) focused on forensic accounting and fraud management, evidence from Nigeria; primary sources of data were appropriately used. 572 questionnaires were administered. Using F-Statistics, the findings of the study were that Forensic accounting significantly influences fraud detection and control, also, that there's significant difference between the duties of professional Forensic Accountants and that of traditional External Auditors.

Okafor and Agbiogwu (2016) focused on the effects of forensic accounting skills on management of bank fraud in Nigeria. The statistical tool used to test hypotheses was ANOVA (Analysis of Variance) which revealed that possession of enhanced skills aid the forensic Accountant in discharging his duties.

Bassey (2018) focused on forensic accounting as it affects the management of fraud in microfinance institutions in Cross River State. Data collected from both primary and secondary sources were analysed using the ordinary least square technique. The regression results showed that the estimated coefficients of the regression parameter are all negative signs. The study further showed that audit failures over decades have prompted a paradigm shift in accounting and thus concluded that forensic accounting play a significant roles in the prevention of crimes and corruption.

Okoye and Ndah (2019) investigated the relationship between forensic accounting practices and the prevention of fraud in manufacturing companies in Nigeria. Using Ordinary Least Square method of multiple regression analyses on data collected through questionnaire, the findings of the research showed that there is a positive and statistically significant relationship between fraud investigation practices and the prevention of fraud in manufacturing companies. The findings also showed that there is a positive and statistically significant relationship between fraud litigation practices and the prevention of fraud in manufacturing companies.

III. METHODOLOGY

A descriptive survey design method was adopted. The target population consists of 250 participants distributed as 50 employees of Economic and Financial Crimes Commission (EFCC), 50 employees of Independent Corrupt Practices and Other Related Offences Commission (ICPC), 25 employees of Accountant General of the federation (AGF), 25 employees of Auditor General for the federation (AGF) and 100 Practicing Accountants selected based on the researchers judgment. A structured instrument which was personally generated consists of section A and B for demographic and inferential data

respectively. It is made up of twelve (12) close-ended questions on the variables with seven five (5) point Likert scale response [strongly disagreed (1), disagreed (2), No Idea (3), agreed (4) and strongly agreed (5)]. The construct validity carry out showed the values of .678 and .732 > .05 which confirmed the validity of the instrument and that the variables are good for further analysis. The reliability test was based Cronbach's Alpha coefficient conducted. The (Rc) obtained for the two constructs were .665 and .681 > .05. This confirmed the internal consistency and reliability of the instrument for data collection. The probability is 0.05 that a real null hypothesis is going to be rejected. Regression method was employed to analyze the data collected at 5% level of significance.

A mathematical model was used for this a study. This was expressed below as:

$$\text{Fraud management} = f(\text{Forensic Accounting, Forensic Litigation}) \dots \dots \dots (1)$$

$$\text{It is stated econometrically as; } FM = b_0 + b_1FA + b_2FL + Ut \dots \dots \dots (2) \text{ Where } b_0 = \text{Constant term } b_1 \text{ and } b_2 = \text{Coefficients of the independents variables.}$$

The study adopts descriptive statistics which involves the use of mean and standard deviation while regression analysis was adopted to test the stated hypotheses. The regression analysis is conducted to show the effects of the independent variables on the response variable. For the ordered estimation conducted in this study, the main statistics of interest are the coefficient estimates and their corresponding significance.

IV. DATA ANALYSIS AND INTERPRETATION

DEMOGRAPHIC ANALYSIS OF THE RESPONDENTS

Educational Qualification

Qualification	Frequency	Percentage %	Cum percentage
Bsc/HND	20	8%	8%
Msc/MBA	50	28%	28%
Professional	180	72%	100%
Total	250	100	

Source: Field Survey, 2020

Table 1: Educational qualification of the Respondents

Table 1 above shows that 20(8%) of the respondents are Bsc/HND holders, 50(28%) of the respondents are Msc/MBA holders while 180(72%) of the respondents have professional qualifications.

Gender

Gender	Frequency	Percentage %	Cum percentage
Male	175	70%	70%
Female	75	30%	100%
Total	250	100	

Source: Field Survey, 2020

Table 2: Distribution of respondents by gender

Table 2 above shows that 175(70%) of the respondents are male while 75 (30%) of the respondents are female.

Category of Respondents

Category	Frequency	Percentage %	Cum percentage
EFCC staff	50	20%	20%
ICPC staff	50	20%	40%
Accountant general office	25	10%	50%
Auditor General office	25	10%	60%
Practicing accountants	100	40%	100%
Total	250	100	

Source: Field Survey, 2020

Table 3: Distribution of Respondents by category

Table 3 above shows that 50 (20%) of the respondents are from EFCC office, 50 (20%) of the respondents are from ICPC office, 25 (10%) of the respondents are from Accountant General Office, 25(10%) of the respondents are from Auditor General Office while 100 (40%) of the respondents are practicing accountants.

Work experience

Year	Frequency	Percentage %	Cum percentage
5-10 years	5	2%	2%
10-15 years	40	16%	18%
15-20 years	90	36%	54%
Above 20 years	115	46%	100%
Total	250	100	

Source: Field Survey, 2020

Table 4: Distribution of Respondents by work experience

Table 4 above indicate that 5(2%) of the respondents have 5-10 years' work experience, 40(16%) of the respondents have 10-15 years' experience, 90(36%) of the respondents have 15-20 years' work experience while 115(46%) of the respondents have above 20 years work experience.

Model Summary for the Relationship between Forensic Accounting, Fraud Litigation and Fraud Management

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.789 ^a	.622	.514	12.69077

Source: Author's computation, 2020

a. Predictors: (Constant), Forensic Accounting, Forensic Litigation

Table 5

Model summary in table 5 above show that coefficient of correlation (R) for forensic accounting, fraud litigation and fraud management in public sector gave a value of 0.789 indicating that the strength of the relationship between forensic accounting, fraud litigation and fraud management is about the 91.30%. Table 3 further shows that the coefficient of determination (R²) gave a value of 0.622 implying that as much as 62.2% of the changes in fraud management and prevention is attributable to changes in the forensic accounting practices in the public sector.

Coefficients for the Relationship between Forensic Accounting, Fraud Litigation and Fraud Management

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta.		
(Constant)	44.260	8.465		5.229	.001
Forensic Accounting	-.362	.183	-.744	-	.088
Litigation	.853	.262	1.225	1.979	.014
Accounting				3.260	

Source: Author's computation, 2020

a. Dependent variable: fraud management

Table 6

From table 6 above, it is observed that the coefficient of forensic accounting practice had a value of 1.640 implying that there is positive relationship between forensic accounting practices and fraud management. Thus, a one unit increase in forensic accounting practice is predicted to lead to a 0.853 units increase in the ability to manage and prevent fraud. Furthermore, considering that the t-stat for the relationship between forensic accounting and fraud management gave a value of 3.260 with a critical probability of t-stat of 0.014, we reject the null hypothesis of no significant relationship between forensic accounting practices and fraud management and thus conclude that Forensic accounting significantly influence fraud detection and prevention.

Again, the t-stat for the relationship between forensic litigation and recovery of funds lost to fraud gave a value of -1.979 with a critical probability of t-stat of 0.088, we accept the null hypothesis of no significant relationship between forensic litigation and recovery of funds lost to fraud and thus conclude that forensic litigation has no significant positive effect on recovery of funds lost to fraud.

A. DISCUSSION OF FINDINGS

Findings showed that forensic accounting significantly influence fraud detection and prevention. The positive association suggests that as more forensic accounting is carried out, more fraud are detected and prevented. This is consistent with the study of Abdulrahman (2019) and Bassey (2018) that there is an alarming increase in the number of fraud and fraudulent activities in Nigeria, requiring the visibility of forensic accounting services. In a similar study, Sule, Ibrahim and Sani (2019) showed that forensic accounting is effective in reducing financial crimes through active and thorough investigation of such fraud. They posit that the implementation of certain standard methodology and procedures to guide forensic accounting assignments will further help to reduce the occurrence of fraud.

V. CONCLUSION AND RECOMMENDATIONS

A. CONCLUSION

With the rise in financial fraud within the current economic scenario experienced, financial fraud detection has

become an emerging issue of great importance for tutorial, research and industries. Forensic accounting is an effective tool in uncovering diverted fraudulent practices and can identify misappropriated asset and reversible insider transactions; this significantly influences fraud detection and control. Fraudulent practices are real and have become prevalent in contemporary business environment. This trend needs to be arrested before it is too late. From the findings, we conclude that fraud investigation practices are very important for the prevention of fraud in public sector. This is because the prospect fraud investigation acts deterrence for fraudulent activities. Thus, when public office holders are aware that forensic accountants will be called in on any suspicion of fraud, they will be more cautious and avoid any activities that will place them at the centre of a fraud investigation in the organization. Similarly, fraud litigation practices are an important factor in the prevention of fraud as fear of being embroiled in fraud investigation and prosecution will deter certain individuals from getting involved in fraudulent activities especially where the organization makes it a point to ensure that the prosecution of fraudulent staffs is publicized to deter other in the future.

B. RECOMMENDATION

The study hereby recommended that:

- ✓ forensic accounting courses should be entrenched in the curriculum of Nigerian universities for training of accountants - from undergraduate to doctor of philosophy;
- ✓ professional accountants in the public sector should be trained as forensic investigators;
- ✓ every anti-graft agency should have forensic accountants attached to investigating unit,
- ✓ professional accounting bodies in Nigeria should intensify the certification of forensic accountants if they have the capacity;
- ✓ Alternatively, a new body of professional forensic accountants be given a chartered status to operate independently as an apex body on forensic issues
- ✓ ICT based forensic accounting training should be encouraged to minimize time spent and to achieve accuracy of in the provision evidentiary data for the use of court.

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