



FORENSIC ACCOUNTING AS A TOOL FOR FRAUD PREVENTION AND DETECTION IN DEPOSIT MONEY BANKS IN NIGERIA

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Abstract: *This study investigated forensic accounting as a tool for fraud prevention and detection in deposit money banks in Nigeria. Objectively, the study examined the impact of forensic accounting on fraud prevention and detection in deposit money banks in Ekiti State. The study adopted a descriptive survey design and a well-structured questionnaire was used to elicit the needed data from the respondents. The population covered 12 deposit money banks in Ekiti State and the components of the population were 4 key staff (Head of operations, fund transfer officer, resident internal control officials, and cash officials) in each bank. All the 44 staff constituted the population of this study and considering the small size of the population, all the 44 staffs were used for the study and this was achieved through purposive sampling techniques. The data collected were analyzed through simple linear regression. It was discovered that forensic accounting impacted the detection and prevention of fraud in money deposit banks in Ekiti State. Thus, the study recommended that forensic staffs ranging from head of operations, fund transfer officer, resident internal control officials, and cash officials, should attend conferences and seminars within and outside the country on the applicability of forensic accounting skills and techniques to prevent and detect fraud.*

Keywords: Forensic Accounting, Fraud Prevention, Fraud Detection Deposit Money Banks

1.1 Introduction

Financial scandals in developed and developing countries are alarming and the expected trust in the financial statements of organizations seems to be jettisoned by investors whose trust has been betrayed over the years. Undoubtedly, financial scandals greatly affect both employers and employees and in turn affect the overall performance of a nation's economy (Imam, Kumshe and Jajere, 2015). This is apparent in the downfall of WorldCom and Enron where many employees lose their jobs, citizen's trust in the American economic system was destroyed and banks were suspected of collusion (Apostolou & Crumbley, 2005).

Fraud seems to be an integral part of every organization manifesting in different magnitude and sources. According to Adamu (2015) and Adebisi, Okike and Yoko (2016), fraud is anything calculated to deceive, whether by a single act or combination, or by suppression of the truth, or suggestion of what is false, whether it is by direct falsehood, by speech or silence, word of mouth, look or gesture. Its commonness in modern entities has made traditional investigation and auditing

less efficient and effective in the control of fraudulent activities (Onuorah & Appah, 2012; Yahaya, Suleiman & Abba, 2018).

Chi-Chi and Ebimobowei (2016) affirms that Nigerian banking sector is one of the most controlled and regulated sectors. In spite of this, financial crimes such as embezzlement, bribery, bankruptcy, security fraud among others appears to have taken the center stage and it seems that financial auditors do not have what it takes to detect and prevent fraud any longer. Detection is the act of noticing or sensing something and also to discover or catch (a person) in the performance of some acts. This means the action or process of identifying the presence of something concealed (Howard & Sheetz, 2006).

On the other hand, prevention means the act of stopping something from happening or stopping someone from doing something (Ehioghiren & Atu, 2016; Okunbor & Obaretin, 2010). Over the years, fraud prevention and detection seem to be difficult because perpetrators appear to be sharper than the auditors saddled with the onus of fraud detection and



prevention. Attesting to this, Owojori and Asaolu (2009) submitted that fraud is not easily proven since frauds have themselves a safe line where authority could not convict them. This shows that fraudsters are always smarter and auditors are not exclusive of mistakes in their operational activities.

In 2017, fraud incidences and amount involved stood at ₦12.01 billion in 2017, compared with ₦8.68 in 2016 and ₦18.02 billion in 2015, respectively. While the figure was relatively lower compared with 2015, it was different with the incidences of frauds and forgeries recorded in 2016. The number of fraud cases and amount involved remained historically high, while efforts were being made to stem the tide through adequate supervisory foresight and interventions by the authorities, as well as initiatives by the respective Bank Management to broaden the depth of internal control processes.

It seems that financial accountants and auditors saddled with the responsibilities of revealing the true and fair view of financial reports have failed in their statutory obligations; and evidently lead to the increase in corporate crime that breed pressure on the professional accountants and auditors (Okafor & Agbiogwu, 2016). With the spotlight on the accounting profession, a new breed of accountants called Forensic Accountants has come up. Damilola and Olofinola (2007) described Forensic Accounting as the application of criminalities methods and integration of the accounting investigative activities and law procedures to detect and investigate financial crimes and related economic misdeeds. This means Forensic Accounting activities are capable of fraud control in organizations.

Fraudulent financial report seems to weaken thorough economic view of DMBs in making profitable decision. Importantly, the category of fraud committed in these banks cause the highest amount of losses which distort the financial truth in order to obtain certain advantages or hide the possible or negative performance to deceive the users of financial statement. Therefore, if banks must perform efficiently, effectively and contribute meaningfully to the development of a country economy, the industry must be safe, stable and sound. For these to be achieved there is a need for forensic accountants who will ensure strong system of internal control, compliance with banking ethics and good corporate governance practices.

Studies like Oladejo and Oluwaseun (2015), Okoye and Gbegi (2013), Okafor and Agbiogwu (2013), Enofe, Agbonpolour

and Edebiri (2015), Owojori and Asaolu (2009) and Kasum (2009) have all acknowledge in their separate works, the increasing incidence of fraud and fraudulent activities in Nigeria, and equally argued that in Nigeria, financial fraud is gradually becoming a normal way of life. However, none of these studies focused on the impact of forensic accounting services on fraud prevention and detection using Deposit Money Banks (DMBs) in Ekiti State as the study elements. This, therefore, constitutes the gap of this study. Hence, the study is designed to examine forensic accounting as a tool for fraud detection and prevention in Deposit Money Banks (DMBs) in Ekiti State. The rest of the paper is divided into four sections. Section 2 covers the review of the literature, section 3 centers on the research methodology, section 4 presents and discusses the results of the analysis, while the last section, section 5, concludes the paper.

2.0 Literature Review

2.1 Conceptual Issues

2.1.1 Forensic Accounting

Forensic Accounting has been defined by numerous scholars. Manning (2005) defined Forensic Accounting as the integration of investigative techniques, accounting, and auditing skills required by a court of jurisdiction to address issues that revolve criminal litigation. Similarly, Coenen (2005) referred to Forensic Accounting to the application of accounting concepts, auditing skills, and techniques of legal problems to uncover financial scandals in organizations. Forensic Accounting is the applications of expert knowledge and definite expertise to stumble upon the proof of economic transactions (Enofe, Agbonpolour, and Edebiri, 2015). These definitions reveal that Forensic Accountants go beyond the use of accounting and auditing skills to uncover fraud; Forensic Accountants are the financial detective with a suspicious mind, people with a 'sixth sense' that enables restoration of historical accounting dealings and people who look beyond the numbers

Forensic Accounting means the amalgamation of auditing, accounting, and investigative skills to attain a definite result. Corroborating this definition, Rassey (2001) defined Forensic Accounting as the use of accounting, auditing and analytical techniques to reveal fraudulent activities in an entity. In the opinion of Ramaswamy (2005), Forensic Accounting revolves analyses that can reveal fraudulent activities worthy of court presentation. He asserted that such analysis would form the background for dialogue, deliberation and dispute resolution.



Moreover, forensic accounting revolves using accounting, auditing, and investigative skills to uncover possible fraud that is suitable for presentation in court.

2.1.2 Fraud, Prevention and Detection

Fraud is a universal phenomenon that has been in existence for a long time. Describing fraud is as demanding as detecting it. No certain and unchanging rule can be laid down as a universal proposition in defining fraud as it includes trick, surprise, crafty and prejudicial ways by which an individual is cheated. Nwankwo (2013) observed that fraud is a premeditated act that causes an entity to suffer damages, often in the form of monetary losses. According to Howard and Sheetz (2006), fraud means deliberate or rather a purposeful misrepresentation of fact in order to trick or deceive an individual or a company. Moreover, financial fraud is an intentional act by a criminal-minded people to falsify facts or figures with the so aim of cheating or rather defrauding a company or an individual.

Fraud is an activity that takes place in a social setting and has severe significances for the economy, companies, and personalities. It is an opportunistic infection that bursts forth when greed meets the possibility of deception (Owojori and Asaolu, 2009). Fraud according to Black law Dictionary 1997 in Okoye and Gbengi (2013), includes all the multifarious means human ingenuity can devise that is resorted to by the individual to get an advantage over another by false suggestions or suppression of the truth. Fraud in bank affects the foundation and integrity of most banks in Nigeria. It greatly affects the profit level of banks and invariably the so cause of shareholders disloyalty. Bank frauds are generally bringing untold hardship on bank owners, staff, customers and family members as most bank failures are always associated with the large scale of frauds.

Detection is the act of noticing or sensing something and also to discover or catch (a person) in the performance of some acts. This means that the action or process of identifying the presence of something concealed (Howard and Sheetz, 2006). On the other hand, prevention means the act of stopping something from happening or stopping someone from doing something (David, 2005). As earlier defined, fraud is a legal term that refers to the intentional misrepresentation of the truth in order to manipulate or deceive a company or individual (Coenen, 2005). This implies that fraud is to create a misjudgment or maintain an existing misjudgment to induce somebody to make a contract.

Fraud prevention is the anticipation, recognition and appraisal of a crime risk and the initiation of some action to remove or reduce it. It is an attempt to reduce and deter crime and criminals. Fraud prevention is defined as the anticipation, the recognition, and the appraisal of a crime risk and the initiation of action to remove or reduce it (Arokiasamy and Cristal, 2009). It is applied specifically to efforts made by governments and other concerned authority to reduce crime, enforce the law, and maintains criminal justice.

2.1.3 An Overview of Deposit Money Banks

Banks act as intermediaries in the economy by accepting financial deposits from individuals, businesses, financial institutions, and sovereigns with surplus savings. Banks then advance these deposits in the form of credit loans to individuals, financial institutions, investors and governments that need the capital for various investment and spending purposes. Investment activities by banks are hardly deprived of problems and risks since banks seek to maximize expected profits on their investments, which requires optimal exploitation of resources available to banks. Since banks are required to meet the liquidity needs of their clients and depositors, they thus are expected at any moment to deliver on those obligations (Alshatti, 2015). Banks regularly keep a large number of short-term liabilities, which can be withdrawn by the public when their confidence in the bank declines. Depositors and its clients may question the soundness and creditability of the bank, if it fails to meet their immediate liquidity needs.

A money deposit bank is a business establishment granted a license by the central bank to trade in money and keep valuables for members of the public (Molefe & Muzindutsi, 2016). Deposit money banks are joint-stock companies that aid trade by trading in money and monetary securities. They accept deposits from the public and give out loans to borrow. Deposit Money banks are banking institutions that accept deposit and grant short-term loans and advances to their customers. In addition to giving short-term loans, deposit money banks also give medium-term and long-term loans to business enterprises (Molefe & Muzindutsi, 2016). Furthermore, deposit money banks also give housing loan on a long-term basis to individuals. This implies that a Deposit Money bank is a profit-seeking business firm, dealing in money and credit. It is a financial institution dealing in money in the sense that it accepts deposits of money from the public to keep them in its custody for safety.



2.1.5 Recent Volume and Value of Frauds and Forgeries in DMBs

The number of reported cases of attempted frauds and forgeries in the nation's banking industry witnessed a substantial increase to 26,182 cases in 2017, which was an increase of 56.30% over the 16,751 cases reported in 2016. The frauds and forgeries cases reported in 2017 also showed a 146.50% and 113.20% increase over reported cases in 2014 and 2015, respectively (Nigeria Deposit Insurance Corporation, NDIC, Annual Report, 2017). The actual amount lost to fraud incidences in 2017 stood at ₦2.372 billion, but was lower by 1%, 25.20% and 61.70% compared to figures recorded in 2014, 2015 and 2016, respectively. The marginal decline in the trajectory of fraud losses could be attributed to improved regulatory/supervisory oversight, relative increase in vigilance by DMBs, adoption of more robust internal control procedures, and the deployment of improved security architecture in the banking industry (NDIC Annual Report, 2017). The continued cooperation and collaboration amongst regulatory/supervisory authorities and the financial institutions could also be responsible for the increasing decline in the success rate recorded in frauds in 2017. In a tabulated form, the breakdown of Recent Volume and Value of Frauds and Forgeries in DMBs

Table 1: Recent Volume and Value of Frauds and Forgeries in DMBs

Year	Total No. of Fraud Cases	Total	Total Actual Loss (₦m)	Proportion of Expected
		Amount Involved (₦m)		Loss to Amount Involved (%)
2017	26,182	12,012	2,372	1
2016	16,751	8,683	2,396	
2015	12,279	18,021	3,173	1
2014	10,621	25,608	6,192	2

Source: Nigeria Deposit Insurance Corporation, NDIC, Annual Report, (2017).

2.1.4 Major areas of Application of Forensic Accounting in Money Deposit Banks

According to Omondi (2013), forensic accounting can be applied in the following ways:

- Controlling financial statement frauds
- Prevention of scandals in the bank
- Enhancing the quality of financial reporting
- Guarantee the well-being of the bank
- Uncovering economic bank crimes
- Controlling electronic crimes

- Investigation of employee theft
- Establishing effective lines of communication
- Ensuring regulatory compliance
- Monitoring and evaluation of internal control systems

2.2 Theoretical Framework

The theory that guided this study is the “theory of fraud diamond.” Wolf and Hermanson (2004) introduced the fraud diamond model where they presented another view of the factors to fraud. The theory adds the fourth variable “capabilities” to the three-factor theory of the fraud triangle. Wolf and Hermanson believed many frauds would not have occurred without the right person with the right capabilities implementing the details of the fraud. Opportunity opens the doorway to fraud and incentive. Using the four-element fraud diamond, a fraudster thought the process might proceed as follows:

- Incentive: I want to, or have a need to commit fraud
- Opportunity: There is a weakness in the system that the right person could exploit fraud is possible.
- Rationalization: I have convinced myself that this fraudulent behavior is worth the risks.
- Capability: I have the necessary traits and abilities to be the right person to pull it off. I have recognized this particular fraud opportunity and can turn it into reality.

While these four elements certainly overlap, the primary contribution of the fraud diamond is that the capabilities to commit fraud are explicitly and separately considered in the assessment of fraud risk. By doing so the fraud diamond moves beyond viewing fraud opportunity largely in terms of environmental or situational factors, as has been the practice under current and previous auditing standards.

The fraud diamond theorists were of the opinion that when people perform a certain function repeatedly, such as bank reconciliations or setting up new vendor accounts, their capability to commit fraud increased as their knowledge of the function's processes and controls expands over time. Secondly, the right person for fraud is smart enough to understand and exploit internal control weaknesses and to use position, function or authorized access to the greatest advantage.

Forensic accountants have to keep in mind that pressure/motive to commit fraud can be either personal pressure, employment pressure, or external pressure and each of these types of pressure can also happen because of financial and non-financial pressure. Forensic accountants also need to



understand the opportunity for fraud to help them in identifying which fraud schemes an individual can commit and how fraud virus occurs when there is an ineffective or missing internal control

2.3 Empirical Review

Going through the existing literature, one would notice that forensic accounting is universally accepted to aid the detection and prevention of fraud. In Brazil, Imoniana, Antunes, and Formigoni (2013) examined the features of Forensic Accounting services carried out by accounting firms; using an exploratory approach. Their findings revealed that the knowledge of Forensic Accounting skills and techniques helped auditors to more productive in the detection and prevention of fraud. Correspondingly, Bressler (2011) studied the perception of attorney and judges in the court system as to what might enhance understanding of the role of forensic accountants in fraud investigation. The researchers employed conceptual analysis and found that forensic accountants must be well trained in the rules of evidence, financial data, accounting information system, software and communication skills.

In Bangladesh (2011), Islam (2011) examined the forensic accounting profession and corruption reduction in the banking sector. The study was descriptive research of a survey type and questionnaire was used to gather the needed data that was later analyzed through a simple percentage and simple regression. The outcome confirmed that Accountants had used the skills of forensic accounting to detect frauds. In the same line Luke (2013) undertook a study to ascertain whether the application of forensic accounting could be used as a tool to increase confidence in auditor's report. In the analysis of data, descriptive statistics were used in the study. He administered 400 questionnaires on firms of auditors, legal practitioners' and computer experts. He found that the application of forensic audit could significantly detect frauds perpetrated through thumbprint and signatures. Obviously, these studies are similar to this present study only that the previous study used only descriptive statistics while this present study used inferential statistics of simple linear regression.

In the regional front, a lot of studies have been carried on Forensic Accounting and detection and prevention of fraud. For example, Kosmas, Thulani, and Mashanye (2009) examined the effectiveness of forensic auditing in detecting and preventing bank fraud in Harare, Zimbabwe. It was descriptive research of a survey type and data was collected

through questionnaire and interviews from thirteen commercial banks, four audit firms and four building societies. The analysis carried out through frequency and percentage revealed that forensic accounting is faced with many problems hence; it has not been useful in the detection and prevention of fraud in Zimbabwe. This implies that employment of Forensic Accountants without adequate provision of material resources would produce no desired result. This study is similar to this present study. However, there was a bit distinction because this present study used inferential statistics of simple linear regression whereas the previous study used descriptive statistics of frequency and percentage.

Enofe, Okpako, and Atube (2013) undertook a study to examine the impact of forensic Accounting on fraud detection. The broad objective was to determine the nexus between fraud detection and forensic accounting. The study adopted a survey research design and a well-structured questionnaire was used to elicit the needed data from the sample respondents. The data collected that was analyzed through descriptive statistics of frequency and percentage and inferential statistics of simple linear regression and Chi-square revealed that both forensic accounting and fraud detection moved in the same direction, indicating that the application Forensic Accounting affects the fraudulent activities. This present paper enlarges the study of Enofe, Okpako, and Atube with the incorporation of fraud prevention. This study was designed to ascertain the impact of Forensic Accounting on fraud detection and prevention in commercial banks in Ekiti State.

With the aim of examining the influence of Forensic Accounting in the management of fraud in banks, Okafor and Agbiogwu (2016) examined the effect of Forensic Accounting Skills on the management of bank fraud in Imo State. The study was a survey type and both secondary and primary data were gathered in a bid to know the effect of Forensic Accounting on the management of fraud in Nigeria. The data collected that were analyzed through ANOVA revealed that Forensic Accounting skills significantly reduce the occurrence of fraud in the banking sector. The study was limited to Imo State and other States of the federation were sidelined. To generalize their findings that forensic accounting reduces financial fraud, it is important or rather necessary to carry out the same study in other States. Invariably, this is on the gaps this present study is bridging.



Similarly, Enofe, Agbonpolour, and Edebiri (2015) carried out a study on Forensic Accounting and financial fraud. It was descriptive research of a survey type and study needed data was elicited through a well-structured Likert scale questionnaire; the data collected was analyzed through non-parametric statistical technique. Major in their discoveries was that Forensic Accounting skills are essential for addressing financial crimes in the banking section in Nigeria. Instead of non-parametric statistical technique, simple linear regression is used in this present study. Similarly, the previous was void of any theoretical underpinning and this present study was based on the theory of fraud diamond

More evidence revealed that forensic accounting skills help to reduce financial crime not only in the banking sector but also in the public sector in Nigeria. Okoye and Gbegi (2013) studied Forensic Accounting as a tool for fraud detection and prevention in public sector organizations in Kogi State. It was a survey design study and data generated through primary and secondary data. Primarily, a well-structured questionnaire was used to elicit the necessary data from the sample respondents and analyzed was based ANOVA. 370 questionnaires were administered to staff of five (5) selected ministries in the Kogi State of Nigeria, along with interviews conducted with those ministries. The study discovered that there is a significant difference between Professional Forensic Accountants and Traditional External Auditors and therefore the use of Forensic Accountants can help better in detecting and preventing fraud cases in the public sector organizations. This present study was carried out in commercial banks in the Ekiti State.

To ascertain the usefulness of Forensic Accounting in anti-corruption agencies in Nigeria, Gbegi and Adebisi (2014) examined Forensic Accounting Skills and Techniques in fraud investigation in the Nigerian public sector. The study was a survey type and the population covered 129 staff of EFCC, ICPC, and CCB. To gather the needed data for the analysis, a questionnaire was used for the primary data while secondary data was collected from the agencies. The result of the analysis that was carried out through ANOVA revealed that Forensic Accounting skills and techniques are indispensable for more effective and efficient investigation of suspected and confirmed fraud cases. In the same vein, this study confirmed the usefulness of Forensic Accounting in the public sector. In a bid to push forward the frontier of knowledge, the present study is set out to examine the impact of Forensic Accounting

Skills in the detection and prevention of fraud in the banking sector using simple linear regression and not ANOVA used in the previous study.

In the current empirical study, Modugu and Anyaduba (2013) examined forensic accounting and financial fraud in Nigeria. The study employed survey design in a sample size of 143 consisting of accountants, management staff, practicing auditors and stakeholders. The authors employed a binomial test for data analysis and found that there is a significant agreement amongst stakeholder on the effectiveness of forensic accounting in fraud control, financial reporting and internal control quality. Similarly, Onuorah and Ebimobowei (2011) employed survey design to examine the effect of forensic accounting services in fraud detection in Nigeria banks by the use of Augmented Dickey- fuller, ordinary least square, and Granger Causality test. The result revealed that the application of forensic accounting services affects the level of fraudulent activities of banks. Clearly, these studies are similar with this present study only the previous studies used binomial test and Augmented Dickey- fuller, ordinary least square and Granger Causality test for data analysis while the present study used simple linear regression analysis.

2.4 Summary of the Literature

Literature affirmed that fraud is an integral part of every organization and its consequence, especially in the banking sector, is always grievous. Scholarly submission reveals that perpetration of fraudulent activities in the banking industry is mostly on financial statement which has a multiplier effect on quality financial reporting. Theoretically, it was gathered that fraudulent activities always pass through four stages namely capabilities, pressure, opportunity and rationalization. The explanation holds that before fraud could take place, fraud perpetrators must have the required capabilities; feel pressurized; perceive opportunity and formulate some morally acceptable idea to him before engaging in unethical behavior (rationalization). That is, if opportunity opens the doorway to fraud, incentive and rationalization draw the person toward it, the person must have the capability to recognize the open doorway as an opportunity and to take advantage of it by walking through, not just once, but time and time again. Undoubtedly, there are many studies on how forensic accounting could enhance fraud detection and prevention in different sectors of the economy. However, to the best of the researcher's knowledge, none of these studies have been carried out on Deposit Money Banks (DMBs) in Ekiti State



which constitutes the study area of this study. This, therefore, raises a question if fraudulent activities are exclusive of Deposit Money Banks (DMBs) in Ekiti State. Hence, the study is designed to examine forensic accounting as a tool for fraud detection and prevention in Deposit Money Banks (DMBs) in Ekiti State.

Methodology

The study adopts a descriptive survey design. The design is considered suitable for the study because it involves gathering data from members of the population in order to determine its current status in regard to one or more variables. The population of this study covered all 11 Deposit Money Banks (DMBs) in Ekiti State (First Bank, UBA, Fidelity Bank, Zenith Bank, Union Bank, Sky Bank, Sterling Bank, Wema Bank, Diamond Bank, Eco Bank and Access Bank). The components of the population entail of 4 key staff in each bank, namely the Head of operations, fund transfer officer, Resident internal control officials, and Cash officials. Hence, forty-eight (44) staff constituted the population of this study. Considering the small size of the population, all the 44 staffs are used for the study and this was achieved through purposive sampling techniques. It was purposive because the selection process of the respondents was judgmental in relation to their expertise and knowledge about forensic accounting. Primarily, a well-structured questionnaire was used to elicit data from the sampled respondents. To authenticate the items on the questionnaire, validity, and reliability of the instrument were carried out accordingly; and it was gathered through Cronbach Alpha that the instrument was suitable for the work with 0.78 reliability coefficient. The data collected were analyzed through simple linear regression.

Model Specification

Model 1

$$FP = \alpha_0 + \alpha_1 FA + U \tag{1}$$

Model 2

$$FD = \alpha_0 + \alpha_1 FA + U \tag{2}$$

Where:

FP = Fraud Prevention

FD = Fraud Detection

The Equations of the models were given below:

Equation 1

$$FP = \alpha_0 + \alpha_1 FA + U \tag{3}$$

Equation 2

$$FD = \alpha_0 + \alpha_1 FA + U \tag{4}$$

α_0 = Intercept

α_1 = Coefficient of the Independent variable

U = Captures other variable not included in the model and it takes care of other factors that cannot be observed or computed due to lack of data. The a priori expectation was there would be a positive relationship between the dependent and independent variables of the study.

4.0 Empirical Result

4.1 Regression Analysis

Hypothesis 1: There is no significant impact of forensic accounting on fraud detection in deposit money banks in Ekiti State

Table 2: Regression analysis of the impact of forensic accounting on fraud detection in deposit money in Ekiti State

Dependent Variable: Fraud Detection

Model	coefficients	Std Error	R	R ²	F	Prob
Constant	2.016	0.231	0.419	0.175	25.114	0.000
Forensic Accounting Skills	0.373	0.074				

Source: Author’s Computation, (2019)

The estimated result presented in table 1 revealed a coefficient estimate of 0.373 alongside probability value of 0.000 for fraud detection. The result showed that Forensic Accounting exerts a significant positive impact on fraud detection in deposit money banks in Ekiti State, reflecting that fraud detection increase of the 0.373 units following the application of forensic Accounting skills and techniques. The r-squared value reported in table 1 stood at 0.175 and it implies that about 17.5% of the systematic variation in fraud detection can be explained by the application of forensic Accounting skills and techniques.

Hypothesis 2: There is no significant impact of forensic accounting on fraud prevention in deposit money banks in Ekiti State;

Table 2: Regression Analysis of the Impact of Forensic Accounting on Fraud Prevention in deposit money Banks in Ekiti State

Dependent Variable: Fraud Prevention



Model	coefficients	Std Error	R	R ²	F	Prob
Constant	1.281	0.195	0.692	0.479	108.34	0.000
Forensic Accounting	0.635	0.061				

Source: Author's Computation, (2019)

In table 2 above, the R-square, which showed the overall explanatory power of the model, revealed that the independent variable explained about 47.9% of the systematic variation of the dependent variable. The overall fitness of the model as shown in the F statistics of 108.34 with a probability value of 0.000 was statistically significant as it was lesser than the standard critical p-value of 0.05. The linearized functional specification of the model was appropriate. Therefore, the null hypothesis was rejected and the alternative hypothesis accepted, and this implies that there is a positive significant impact of forensic accounting on fraud prevention in deposit money banks in Ekiti State.

4.2 Discussion of Findings

It was found that Forensic Accounting exerts a significant positive impact on fraud detection in commercial banks in Ekiti State. This indicates a positive movement between Forensic Accounting Skills and fraud detection in deposit money banks in Ekiti State. The argument that rose from this finding is that forensic Accounting Skills and techniques serve as an antidote to detect fraudulent activities in the banking sector. This outcome was similar to the findings of Islam (2011), Omondi (2013), Enofe, Okpako and Atube (2013) and Okafor and Agbiogwu (2016). It was discovered in their studies that Forensic Accounting influenced fraud detection in the banking sector. The study further found that there is a positive significant impact of forensic accounting on fraud prevention in deposit money banks in Ekiti State. This reveals that the panacea to fraudulent practices in deposit money banks in Ekiti State is the application of forensic Accounting Skills and techniques. The corollary of this finding is that Forensic Accountants need to understand the opportunity for fraud to help them in identifying which fraud schemes an individual can commit and how fraud virus occurs when there is an ineffective or missing internal control. This discovery gave credence to the findings of Onuorah and Ebimobowei (2011) and Imoniana, Antunes, and Formigoni (2013). They reported that the application of forensic accounting services affects the level of fraudulent activities of banks.

Conclusion and Recommendations

The study examined the impact of forensic accounting on fraud detection and prevention in deposit money banks in Ekiti State. Based on the discoveries made, it can be concluded that forensic accounting could serve as a tool to prevent fraud in deposit money banks in Ekiti State; and that forensic accounting could help to detect fraud in deposit money banks in Ekiti. Thus, the study recommended that forensic accounting should be welcomed by all and sundry in money deposit banks in Ekiti state. In the same vein, staffs, ranging from head of operations, fund transfer officer, resident internal control officials, and cash officials, should attend conferences and seminars within and outside the country on the applicability of forensic accounting skills and techniques to prevent fraud and detect whenever it is perpetrated.

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