

FORENSICAUDITING AND FRAUD DETECTION IN THE NIGERIAN DEPOSIT MONEY BANKS

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ABSTRACT: The inability to minimize financial fraud by the main corporate governance system and the increasingly advanced financial fraud have posed a significant danger to taxpayers, the government the public sector as well as financial institutions. In spite of the various steps taken to minimize fraud in the financial institution, there are still growing levels of fraud in financial institutions. This paper therefore examined whether forensic auditing helps in the detection and prevention of fraud in deposit money banks using branches in Ibadan metropolis. A total of 120 respondents were selected from six banks using purposive sampling techniques. The study employed survey method and the collection of data was through questionnaire. Regression analysis, Analysis of Variance and Pearson moment correlation techniques were employed. Findings revealed that Knowledge of procedures, Forensic accounting skills, legal background and knowledge of forensic accounting helps in the prevention of fraud and statistically significant with ($\beta = -.758, p < 0.01$), ($\beta = -.766, p < 0.01$), ($\beta = -0.697, p < 0.01$) and ($\beta = -.729, p < 0.01$) respectively. The study recommends that for the effective performance of the financial sector there is need for forensic audit in the deposit money banks. Furthermore, the banks must improve the implementation of advanced forensic auditing to tackle fraud and forgery in the system as the probability of fraud detection and prevention is still generally low in both the public sectors and financial institutions in the developing countries especially in this era of technological revolution.

KEY WORDS: *Forensic audit, fraud prevention, deposit money banks*

I. INTRODUCTION

The emerging problems of counterfeiting the 21st century's financial statements, which has dominated the headlines for years now, particularly the case of Enron and WorldCom, have made people wonder if there are really auditors or whether auditors play a genuinely important part in the transparency and avoidance and detection of fraudulent act. These new problems have popularized the term forensic reporting (Adeshina, Elehin, Ajetumobi, Ilogho and Asinwa, 2020; Bassey, 2018). An organization needs to show its score card at the end of a business cycle to its owners and other stakeholders. In addition to evaluating companies' ability, productivity and effectiveness in achieving their assigned goals, the company needs to show its score card at the end of the cycle to its owners and other stakeholders. In addition to the need to assess the capacity, effectiveness and effectiveness of business managers to carry out the individual objectives, the details provided in the financial report also is requested by other individuals and organizations for essential decision-making purposes. It is therefore important that the financial statements be correct and represent actual health financially within a given timeframe, and that other individuals and entities are not expected to take critical decisional action within the period under review (Debajie, 2019).

Lack of financial accountability and corrupt practices have become so pervasive and institutionalized in Nigeria public sector. These practices have had untold negative effect on responsiveness, productivity, legitimacy, management and transparency of financial report and finance in both the public and private sectors. The forensic accounting is therefore considered to encapsulate all other investigative fields of financial fraud reported. In recent times, fraud or sometimes scam detection has also grown as complicated due to new developments in financial fraud technologies as well as regular improvements in financial reports' accountability processes and policies. A successful forensic investigator's main feature in these times therefore is a mixture of experience, awareness and expertise and the capacity to pay attention to details about fraudulent actions (Ozili, 2020; Huber, 2017)

Forensic accounting is an increasingly developing sector in which the commitment arising from real or expected disputes or disputes is defined. Studies by Okoye and Gbegi (2013) agrees that "forensic" means "friendly for use in the courts," and forensic accounts are usually operating to this degree. Forensic accounting is an undercover accounting tactics used in assessing if an individual or company has conducted fraudulent

financial practices There have been a variety of frauds both in the public sectors and private sectors in the Nigerian economy recently. Both are definitely carried out under the oversight of the organization's internal auditors. (Okoye and Akamobi, 2017; Abdulrahman, Yajid, Khatibi and Azam, 2020; Chukwu *et al.* 2019; Akinadewo and Asaolu, 2020). recognizes the growing frequency of fraud and fraudulent activity in Nigeria in their separate work, and these studies argue that financial fraud in Nigeria has gradually become a natural lifestyle. In the same vein, Modagu and Anyadugba (2013) submitted that in the individual cases of fraud and corruption activities under the capacities of their office, the specialty has been financial irregularities in Nigeria, both private and public.

It is a common knowledge that the manner in which accountants can potentially add value to an organization is undergoing a metamorphosis. Since some years back, there has been a focus on the Auditors job in the prevention and detection of crime committed in the public and private sectors. The literature review revealed that the management, who should be defenders of internal controls, commits a substantial amount of public sector fraud. Since the Internal Auditor works as a direct employee of the government, his independence cannot be guaranteed, this brought about the introduction of External Auditor, yet fraudulent activities keep increasing.

Anti-fraud bodies such as the Economic and Financial Crimes (EFCC) and the Independent Corrupt Practices Commission (ICPC) have already been created in the country, yet, it is disheartening that fraud cases in the banking sector seem to be increasing and most suspected cases involving huge amounts of naira seems impossible to prosecute by these bodies. Many of this fraudulent act are conducted by professional fraudsters with specialized techniques, and highly trained and competent people are therefore necessary to reverse fraudulent schemes. This criminal hazard and capabilities of non-traditional investigators such as accountants and legal expertise must be tackled if highly trained fraudsters are to fight these corporate diseases. The misuse of corporate funds and the prevention of increasing corporate crime through failing to carry out regulatory inspection has placed pressure on competent accountants and legal practitioners to look for an appropriate way to mitigate fraud and other criminal act in the banking sector. In this context, forensic accounting has the job of bridging the banking sector's gap in order to control financial crimes. The question therefore is, has forensic audit helps in the preventions of fraud in the Nigerian Deposit money Banks? This question becomes pertinent as many banking sectors have folded up as a result of high rate of fraudulent practice. Therefore, the aims of this paper are to:

- i. determine the impact of Knowledge of procedure, forensic accounting skills, legal background and knowledge of forensic accounting on fraud prevention.
- ii. ascertain whether a significant relationship exists between knowledge of procedure and fraud prevention
- iii. access whether a significant relationship exists between forensic accounting skills and fraud prevention
- iv. investigate whether a significant relationship exists between legal background and fraud prevention
- v. determine whether a significant relationship exists between knowledge of forensic accounting and fraud prevention

II. LITERATURE REVIEW

Conceptual Issues

The literature includes many concepts of forensic accounting. Forensic accounting also applies to the application in respect of unresolved problems of transparency and auditing, financing and investigation in the form of proof rules (Sule, Ibrahim and Sani, 2019; Oseni, 2017). Forensic accounting may also involve an implementation of approaches, techniques or procedures of auditing to address juridical problems involving the incorporation of analysis, accounting and auditing skills (Abdulrahman, 2019; Adebisi, Okeke and Yoko, 2016; Singleton and Singleton, 2010). In addition, forensic accounts may be described as the method by which complex financial problems are gathered, analyzed, summarized and presented in a simple, concise and factual way, often in the courts of law (Debajie, 2019)

Some researchers agree that forensic transparency can help expose fraud, but it however lieson the way the crime or fraudulent act in the organization is described(Abu, 2019). Some researchers in their studies conceptualized fraud and places reasons why most organizations involve in fraudulent act (Eko, Adebisi and Moses, 2020; Okoye and Ndah, 2019; Ozili, 2015).However, in the case of financial reporting, fraud is described as thoughtful or deliberate effort of companies particularly investors and creditors, to deceive or confuse public financial statements users by preparing and distributing substantively misrepresented financial statements (Otubor and Salawa, 2017).It is generally accepted that it requires the deliberate modifications or misuse of substantive financial reports and supporting documents and that fraud can be perpetrated by staff members, former workers and straight forehanded external employees. The size and context of fraud structures differ and some kinds of fraud are industrious (Akinademo and Akinkoye, 2020; Bagura, 2020).

Theoretical Literature

There are different theories associated with the issue of fraud in the literature. However, this paper focused on only two of the theories which include the fraud diamond theory and the Stakeholders theory.

The Fraud Diamond Theory

The theory was developed in 2004 by Wolfe and Hermanson. According to the theory, in an attempt to commit fraud in an organization an individual is influenced by four factors, namely pressure at work, opportunity or chances that pave way for the act, rationalization and capability. Although, before the explanation of the theory by Wolfe and Hermanson, capability was not involved. However, studies have further shown that, while opportunities can open doors to fraud, stimulus and streamlining can attract people. However, such a person must be able to identify an open door as an opportunity and must be able to take an inappropriate gain from the loopholes found. Hence, the inclusion of capability was added to the initial basic elements seen as the fraud diamond (Eze, 2015).

The theory posed that when there is pressure at work it may lead individual to find advantage in engaging in fraud, and if the opportunity arises with pressure at workplace it may lead to rationalization. The inclusion of capability element by Wolfe and Hermanson in 2004 makes the theory to be different from that of the Fraud Triangle Theory by Cressey in 1950.

Capacity according to them is when an individual fraudster knows and has a capacity to make the particular scam a fact and that knowledge, place and ego stand as the major supporting factor.

The Stakeholders Theory

In a stakeholder theory context, there will be pressure to commit financial statement fraud wherever the accountant responsible for producing accounts has been captured by one stakeholder group which has a motive to present false information to another stakeholder group (Norazida and Morriso, 2015). This theory believes that stakeholders maximize their interest than that of the company by destroying the commitment of workers and creditors in one way or the other. Freeman (2010) sees this theory to be in line with that of organizational management that focuses on the morals and the values in an organization which also explain the obligation of the management of an organization on the need to balance the desire of shareholder's financial interest with that of the stakeholders. Here, stakeholders are seen to be an individual or agency, banks, employees, creditors, government agencies and societies. According to Smith (2003), it is believed that the management of company has the responsibilities to guarantee the ethical rights in the conduct of their business and ensure that the decision of the stakeholders is taken into consideration when putting down any decision in the workplace. Culpan and Trussel (2005) indicates that a shift in managing attitudes towards confidence ties between management and other stakeholders can be accomplished by creating an understanding of the moral support of the role of a business through the correct conduct of company management practices (Freeman et al., 2010). The financial statement can therefore be seen as the product of a broader spectrum of pressures than a simple agency relationship in the light of stakeholder theory.

In a theoretical context, the accountant responsible for generating accounts has been caught by a stakeholder group, which is motivated to supply fraudulent data to another stakeholder group, to commit fraud in financial statements.

The strongest role of the stakeholder group to conduct the accounting function is that of the regular group, which include; the group of workers, where senior management with the potential to take over employments of accountants and compensation are better able to catch the accounting function in the employee group. Whilst shareholders and others may still be considered potential victims in a fascinating sense, other potential victims are presented in the company's stakeholder philosophy, in particular buyers and sellers.

Empirical Literature

Kolapo and Olaniyan (2018) examined the effect of fraud on deposit money banks' success in Nigeria between 1994 and 2015. They employed the generalized method of moment estimation technique. Their findings revealed that, the huge amounts that are involved during fraudulent act, the financial amount lost and staffs involvement in the fraudulent act impacted negatively and has significant influenced on the deposit money bank. The study however failed to look at other non-financial institution which would have make the findings to be more robust as what happened in the deposit money banks may not be the same as the situation in non-financial institutions. Moreover, the study was carried out in 2018 and data for 1994 to 2015 were employed which shows that the findings at that period may not be realistic to the situation in 2018. Hence, the study would have use data to span to 2017 which would have been more realistic.

In another study, Alao (2016) investigated the effect of forensic audit on financial fraud in Nigeria deposit money bank in Ogun state using cross sectional survey design. He employed purposive sampling techniques for administration of questioner and used the logistic regression analysis for estimation. He found that forensic audit has significant role to play in controlling financial fraud and that the report from forensic audit significantly boosts court judgment in the area of financial fraud. The study however makes use of banks in Ogun state which is only one state among the 36 state of the federation. The findings therefore may not really

be realistic as other state may not have the same results. Also, the fact that primary data is used may likely pose a biased result since staff of the banks may not revealed the true picture of the situation thereby misleading the policy makers of the financial institutions.

Oyebisi, Wisdom, Olusogo and Ifeoluwa (2018) assessed whether forensic accounting helps in the detection and prevention of fraud in the Nigerian financial sectors. Survey research design was adopted using primary data source. Simple linear regression along with the analysis of variance (ANOVA) was employed in testing the set hypothesis. Their findings revealed that an inverse relationship exists between the adoption of IFRS adoption and foreign direct investment. In the Nigerian banking industry too, a low degree of consciousness of forensic accounting exists. The study however failed to investigate financial sector listed in stock exchange. Also, since the study employed primary data, the findings may also be biased as the real asset of the banks can't be known.

Bassey and Abonkhai (2017) assessed whether the application of forensic accounting can help in the identification and prevention of financial crime in the Nigeria money deposit bank. The results indicate that forensic accounting transparency is effective in minimizing financial crime using the survey methodology and testing data obtained with the aid of t-test statistics. In the same vein, in an earlier study Adebisi, Okeke and Yoko (2016) explored how forensic accounting has enabled Nigeria to identify and deter fraud using the tool of the research report. The primary data collected were administered using a questionnaire to a group of 92 certified public accountants evaluated using chi-square in the Nigerian public sector. The results indicated that financial accounting plays a significant role in detecting and preventing fraud in Nigeria.

Aduwo (2016) evaluated the methodological analysis of the effect of the forensic accounts on professional judgment, accountancy, auditing and law in combating the dreaded corporate liquidation disease in the financial sector using Ordinary least square. The paper concluded that forensic audits could have a great impact on corporate financial scandals. Furthermore, the enhanced management transparency of forensic auditors, the strengthening of independence by external auditors, and the supporting audit committee members in their monitoring roles is achieved by providing them with confidence if the internal audit report have had a beneficial effect on corporate governance and thus minimized corporate failure and impoverishment of investors.

Eze and Okoye (2019) discussed forensic accounting and fraud identification and prevention using a descriptive survey approach in the Imo State Public Sector. They also found that forensic accounting and identification of fraud and prevention in the public sector have a major relationship. The same result was found by Oseni (2017) who also employed chi-square estimation techniques to investigate the effect of forensic accounting on fraud and financial crime detection in Auchi polytechnic, Edo state ministry of finance, audit firm and federal inland revenue source he found that financial crimes and fraud impacted negatively on human capital and infrastructural development in Nigeria

The impact of accounting applications on financial crime detection at deposit money banks in Anambra State were investigated by(Nestor, Ezechukwu and Obi (2017). A total of 55 participants were chosen randomly from the banks. The research used t-test estimation techniques to determine if forensic accounting has helped in minimizing fraud in the bank. Based on their findings, they concluded that forensic accounting is an efficient instrument to minimize financial crime. In a separate study conducted by Sule, *et al.* (2019) on financial accounting and its effect on fraud prevention in Nigerian manufacturing companies, employing multiple regression analysis, it was found that a significant relationship exists and that financial accounting impacted positively on the prevention of fraud in manufacturing companies. Also, the connection between fraud litigation and the prevention of fraud is statistically important. Okwori and Sule (2016) investigated the effect of forensic accounting and litigation support on fraud detection in Nigerian companies. The study employed primary sources of data through questionnaire divided into two segments administered to the employees of Zenith Bank and Union Bank in Calabar. Descriptive analysis along with the analysis of variance (ANOVA) estimation techniques were employed. They found that forensic accounting and litigation support do not have significant effect on fraud detection in the Nigerian companies. Similarly, Abdulrahman (2019) developed a conceptual analysis in the Nigerian public sector on forensic audit and fraud detection, using some selected studies within Nigeria and beyond. Secondary data were used in the review of material. He found that forensic audit helps in the reduction of financial crime and it is an important means to prevent fraud.

Tapang and Ihendinihu (2020) assessed forensic accounting and auditing techniques of public sector fraud detection, investigation and prevention in Nigeria. The study employed primary source of data through questionnaire. Regression analysis was employed to analyzed the data collected from the responses of the respondent. Findings from his study revealed that forensic accounting and auditing technique is a major panacea to the level of fraudulent activities experienced in the Nigerian public sector. In the same vein, Adeshina *et al.* (2020) examined if financial audit influence fraud in the Nigerian deposit money bank and concluded that effective financial audit helps in detecting and minimizing fraud in the financial sector.

III. METHODOLOGY

This paper employed a quantitative survey research design method using structured questionnaires. The study is limited to six deposit money banks: Sterling Bank, United Bank of Nigeria, First Bank Plc, Stanbic IBTC, Access Bank and Guaranty Trust Bank in Ibadan metropolis. Purposive random sampling technique was used to determine the sample size. A total of 132 questionnaires were distributed to the respondents; however, 120 were returned representing 90.1 percent of the questionnaire returned from the survey. The data were sourced through primary source with the use of questionnaire. The questionnaire was divided into four sections. Primary source of data was used and sourced from primary source for both internal control systems and quantity of financial reporting measures. The study developed a 5-point Likert scale ranging from 1-Strongly disagreed, 2-Disagreed, 3-Neutral, 4-Agreed and 5-Strongly agreed was adopted as a scale of measurement. In order to test for the instrument used reliability, the Cronbach Alpha was employed and all the items were above 0.70. The data were analyzed using regression analysis and the Pearson moment correlation techniques.

IV. DATA ANALYSIS AND DISCUSSION OF RESULTS

Table 1 to 6 below shows the analysis of the result based on the objectives specified. Based on the study, five hypotheses were formulated and tested in line with the objectives set aside to be achieved in this study. To address objective one, regression analysis as well as the Analysis of Variance were employed. The second, third, fourth and fifth objectives were tested through the Pearson moment correlation techniques.

Hypothesis One

H₁₀: Knowledge of procedure, forensic accounting skills, legal background and knowledge of forensic accounting has no significant effect on the prevention of fraud. Simple regression analysis along with the Analysis of Variance was used to test the first hypothesis and the result is presented below

R	0.848
R ²	0.661
\bar{R}^2	0.651
SE	1.24029
Total Respondent	120

Source: Author's computation using SPSS

In the table above the overview of basic statistics on the linear regression model with regard to R-squares, adjusted R-squares, standard error (SE) and the total respondent is presented. From the result, (Knowledge of procedure, forensic accounting skills, legal background and knowledge of forensic accounting) explained about 66% of the variation in prevention of fraud cases in DMBs in Ibadan, Nigeria. The standard error from the outcome was also low with 1.24029. The unexplained variance of approximately 34 percent is due to the error term.

	DF	SS	MS	F	sig of F	Decision
Regression	4	1828.068	457.017	70.602	0.00	Reject Ho
Residual	135	207.675	1.538			
Total	139	2035.743				
		Standard Error	t-Stat	p-value		
	Coefficients					
Constant	2.405	0.745	3.227	0.002		
Knowledge of procedures	-0.758	0.16	-4.735	0.000		
Forensic accounting skills	-0.766	0.174	-4.405	0.000		
Legal Background	-0.697	0.131	-5.321	0.000		
Knowledge of Forensic accounting	-0.729	0.296	-2.463	0.000		

Source: Author's computation using SPSS

Table 2 above reported the regression analysis and indicated that the linear combination of analysis of Knowledge of procedures, Forensic accounting skills, legal background, Knowledge of forensic accounting and fraud prevention was significant. $F = 70.602$; $R = .813$, $R^2 = .661$, $\text{Adj. } R^2 = .651$; $P < .01$. The

independent/predictor variables jointly accounted for a variation of about 66.1% in prevention of fraud. The following shows the various relative contributions and levels of significance of the independent variables: Knowledge of procedures ($\beta = -.758, \rho < 0.01$), Forensic accounting skills ($\beta = -.766, \rho < 0.01$), legal background ($\beta = -0.697, \rho < 0.01$) and Knowledge of forensic accounting ($\beta = -.729, \rho < 0.01$) respectively. It can be concluded that all independent variables, (Forensic accounting skills, Knowledge of procedures, legal background, Knowledge of forensic accounting) impacted negatively on the prevention of fraud which indicated that an increase in these measures in the banking system will help in the prevention of fraud in the deposit money banks. The significance of the variables indicated that they are important factors that can predict the prevention of fraud in the banking system.

Hypothesis Two

H₂₀: There is no significant relationship between knowledge of procedure and fraud prevention in the banking system. To test for this hypothesis, the Pearson moment correlation techniques was employed and the summary of the findings is presented below

Variable	Mean	Std Dev	Min	Max	N	R	P	Decision
Knowledge of procedure	13.0929	3.43678	6.00	22.00	120	0.787**	0.00	Reject H ₀
Fraud prevention	22.7571	3.82696	8.00	26.00	120			

Source: computed by author by SPSS

Table 3 presented the result on the relationship between knowledge of procedure and fraud prevention. The result shows that a significant strong relationship exists between knowledge of procedure and fraud prevention in the deposit money banks ($r = .787^{**}$ $N = 120, \rho < 0.01$). Furthermore, the mean value for knowledge of procedure and fraud prevention falls within the range between the minimum (knowledge of procedure, 6.00 and Fraud prevention, 8.00) and maximum (Knowledge of procedure, 22.00 and Fraud prevention, 26.00) value with 3.43678 standard deviation for Knowledge of procedure and 3.82696 for fraud prevention respectively. Following the outcome of the result, with a 2-tail test, it is concluded that there exists a significant relationship between Knowledge of procedure and fraud prevention in the deposit money bank at 1 percent significance level. Therefore, the null hypothesis is rejected.

Hypothesis Three

H₃₀: There is no significant relationship between forensic accounting skills and fraud prevention in the deposit money banks. To test for this hypothesis, the Pearson moment correlation techniques was employed and the summary of the findings is presented below

Variable	Mean	Std Dev	Min	Max	N	R	p	Decision
Forensic accounting skills	17.2786	3.56232	9.00	18.00	120	0.841**	0.00	Reject H ₀
Fraud detection	22.7571	3.82696	8.00	26.00	120			

Source: Author's computation using SPSS 2020

From Table 4 the Pearson moment correlation results indicate that a significant relationship exists between forensic accounting skills and fraud prevention in the deposit money banks with ($r = .841^{**}$ $N = 120, \rho < 0.001$). Also, the mean value for forensic accounting skills and fraud prevention falls within the range between the minimum (forensic accounting skills, 6.00 and fraud prevention, 8.00) and maximum (forensic accounting skills, 18.00 and Fraud prevention, 26.00). The standard deviation of 3.56232 for forensic accounting skills and 3.82696 for fraud prevention was also low. However, from the Pearson correlation result, the 2 tail tests show that at one percent level of significance, there exists a significant relationship between forensic accounting skills and fraud detection. Therefore, it can be concluded that the null hypothesis of no significant relationship between forensic accounting skills and fraud prevention in the deposit money bank be rejected.

Hypothesis Four

H₄₀: There is no significant relationship between legal background and fraud prevention in the deposit money bank. To test for this hypothesis, the Pearson moment correlation techniques was employed and the summary of the findings is presented below

Variable	Mean	Std Dev	Min	Max	N	R	p	Decision
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Legal background	16.7143	3.28784	10.00	21.00	120	0.938**	0.00	Reject H ₀
Fraud prevention	22.7571	3.82696	9.00	26.00	120			

Source: Author's computation using SPSS 2020

Table 5 presents the Pearson moment correlation results between legal background and fraud prevention in the deposit money banks. The result indicate that a significant relationship exists between legal background and fraud prevention in the deposit money banks with ($r=.938^{**}$ $N=120$, $\rho<0.001$). Also, the mean value for legal background and fraud prevention falls in the range (legal background, 10.00 and fraud prevention, 8.00) with respect to the minimum value and maximum (legal background, 24.00 and Fraud prevention, 26.00) value with a low standard deviation of 3.28784 for legal background and 3.82696 for fraud prevention respectively. However, from the Pearson correlation result, significant relationship exists between legal background and fraud prevention in the deposit money bank. Based on the result, the null hypothesis is rejected.

Hypothesis Five

H₅₀: There is no significant relationship between knowledge of forensic accounting and fraud prevention. To test for this hypothesis, the Pearson moment correlation techniques was employed and the summary of the findings is presented below

Variable	Mean	Std Dev	Min	Max	N	R	p	Decision
Knowledge of forensic accounting	18.7571	3.58430	7.00	23.00	120	0.880**	0.00	Reject H ₀
Fraud prevention	22.7571	3.82696	9.00	26.00	120			

Source: Computed by Author using SPSS 2020

Table 6 presents the Pearson moment correlation results between knowledge of forensic accounting and fraud prevention in the deposit money banks. The result indicate that a significant relationship exists between knowledge of forensic accounting and fraud prevention in the deposit money banks with ($r=.880^{**}$ $N=120$, $\rho<0.001$). Also, the mean value for knowledge of forensic accounting and fraud prevention fall within the range between the minimum (knowledge of forensic accounting, 7.00 and fraud prevention, 8.00) and maximum (knowledge of forensic accounting, 23.00 and Fraud prevention, 26.00) value with a low standard deviation of 3.58430 for knowledge of forensic accounting and 3.82696 for fraud prevention respectively. Nevertheless, from the Pearson correlation result, there is a significant correlation at 0.01 with two tail experiments. The result can therefore be concluded that the null hypothesis that no relevant link between forensic and fraud prevention information in the deposit money bank is rejected.

Discussion of Results

The role play by of Forensic audit and investigative accounting in fraud prevention and detection cannot be over emphasized. According to Olola (2016) Forensic accounting is the tripartite method of aiding with legal matters by using accounting, auditing and forensic abilities. Fraud prevention and detection is a function of various forensic accounting variables like Legal background, knowledge of forensic accounting, Forensic accounting skills, Knowledge of procedures among others. The objective of this study therefore is to examine the impact of forensic audit on the prevention of fraud in the deposit money bank. In order to achieve a reliable result, all the variables were subjected to reliability test and the outcomes was encouraging. The Cronbach Alpha value for respective selected independent variables is as follows Knowledge of procedures (0.706), Forensic accounting skills (0.701), legal background (0.708) and Knowledge of forensic accounting (0.705) while the value of the dependent variable (prevention of fraud) is 0.778.

The result shows that all forensic accounting variables impacted negatively on fraud prevention. The independent/predictor variables jointly accounted for a variation of about 66.1% in detection and prevention of fraud. Knowledge of procedures ($\beta = -.794$, $P <.01$), Forensic accounting skills ($\beta = -.795$, $P <.01$), legal background ($\beta = .513$, $P <.01$), Knowledge of forensic accounting ($\beta = .597$, $P <.01$) respectively. It was concluded that all independent variables, (Forensic accounting skills, Knowledge of procedures, legal background, Knowledge of forensic accounting) will jointly and independently predict detection and prevention of fraud. The finding is in line with studies by [5, 16, 29] which revealed that the application of forensic accounting services on deposit money banks helps in combating fraud in the sector. Adesina et al (2020) studies that also concluded that forensic audit helps in the minimization of fraud in the Nigeria deposit money Bank.

V. CONCLUSION AND RECOMMENDATIONS

This study examined the impact of forensic audit on the prevention of fraud on the deposit money bank. A total of 120 respondents were selected among six deposit money banks using purposive random sampling techniques. Multiple regression equations as well as Pearson correlation coefficients were used. The study concluded as follows: First, there is joint effect of forensic skills, knowledge of procedures, legal background, and knowledge of forensic accounting on the prevention fraud in the deposit money bank; Second, the forensic audit measures impacted negatively on fraud prevention and are statistically significant in determining the prevention of fraud in the banking sector. here is a significant effect of forensic accounting skills on the detection and prevention of fraud in the banking sector; Third, evidence of strong relationship exists between the knowledge of forensic accounting procedures, legal background of the forensic auditor, knowledge of forensic accounting and prevention of financial fraud in the deposit money bank. Based on these, the study concludes that forensic audit has significant impact on the prevention of fraud in the banking sector. The study therefore recommends that deposit money banks in Nigeria should intensify the application of sophisticated forensic auditing in the fight against fraud and forgeries in the system as the probability of fraud detection and prevention is still generally low for the Nigerian banking sector especially in this era of technological revolution.

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