

Accountants Perception of Forensic Accounting and Fraud Investigation

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ABSTRACT

This study is an empirical investigation on the Accountants perception of forensic accounting and fraud investigation. To achieve the objective of this study research questions were raised, hypotheses formulated, and a review of related literature was made. The population of this study is the Accounting staff of commercial banks and academic Accountants currently operating in Nigeria . Quota sampling technique was adopted for this study. Using the sample size of two hundred (200) professional accountants, practicing in firms, mid level employee and senior accountant with academic accountant drawn from the population of the professional Accountants in Edo State, data were elicited from our respondents with the aid of the research instrument adopted in this study. The major instrument used for generating the primary data was the questionnaire, which was designed in five-response option of Likert-scale and administered on our respondent. The data generated for this study were analyzed through mean scores while the stated hypotheses were statistically tested with Chi-test. Our findings revealed a general opinion for the need of the services of forensic accountants in Nigeria economy and their services are more required for fraud and corruption related issues. Accountants in Nigeria have an in-depth knowledge of Forensic accounting practice and is neither new to the practicing Accountant nor professional accountants. That Accountants in Nigeria are aware and possessed the relevant forensic accounting skills, but the study was limited because it was not reveal the degree to which the skill possessed were applied to detect and prevent fraud. We recommended that, the Institute of Chartered Accountant in Nigeria encourages formalization and specialization in the field forensic accounting, the government should develop interest in forensic accounting and accountants for monitoring and investigation of suspected and confirmed corruption cases and practicing accountant should work towards specialization and possibly establish firm for forensic accounting practice as well.

INTRODUCTION

Financial reporting is crucial for the effective functioning of corporate governance systems. Current accounting practices allow a degree of choice of policies and professional judgment in determining the method of measurement, criteria for recognition and even the definition of the accounting entity. The exercise of this choice could involve a deliberate non- disclosure of information and manipulation of accounting figures, thereby making the business appear more profitable than it really is. While the financial number games may have different levels, participation in it has a singular objective which is creating an altered impression of a firm's business performance (Niskanem and Kebharju, 2000). With this practice, users of financial

statements are many times misled and this constitutes a threat to corporate investment and growth. In line with this, (David, 1993) observed that with an all- too frequent occurrence, users of financial statements are shaken with the disclosures by the corporate management that certain accounting irregularities have been discovered and as a result, current and prior year financial results require some kind of review. This accounting practice is termed Creative Accounting regulation and procedure.

KPMG's Fraud Survey (2003) reveals that more companies are: recently experiencing incidents of fraud than in prior years; taking measures to combat fraud; and launching new antifraud initiatives and programs in response to the Sarbanes-Oxley Act of 2002 (KPMG 2003). PricewaterhouseCoopers' (PWC) 2003 Global Crime Survey indicates that 37 percent of respondents in 50 countries reported significant economic crimes with the average loss per company of \$2,199, 930 (PWC 2003). Forensic accounting has been pivotal in the corporate agenda after the financial reporting problems which took place in some companies around the world. Forensic Accounting is an investigative style of accounting used to determine whether an individual or an organization has engaged in any illegal financial activities. Professional Forensic Accountant may work for government or public accounting firm. Although, forensic accounting has been in existence for several decades, it has evolved over time to include several types of financial information scrutiny (Okoye and Gbegi, 2013). Arokiasamy and Cristal (2009) defined Forensic accounting as the application of financial skills and investigative mentality to unsettled issues, conducted within the context of the rules of evidence.

Mounce and Frazer, (2002) have noted that forensic accounting is one emerging career available to accounting professionals. According to Enyi (2009), forensic investigations look beyond the figures in financial records and deals directly with the business reality of the situation at hand. Broadly, forensic accounting is the specialty that involves the integration of accounting, auditing and investigative skills. It provides an accounting analysis that is suitable to the court which will form the basis for discussion, debate and ultimately assists in dispute resolution. It therefore encompasses both litigation support and investigative accounting.

Gray. D, (2008). Opine that a forensic accountant is viewed as a combination of an auditor and private investigator. He should possess the knowledge and expertise to interpret financial statements or to work under circumstances where financial information has been destroyed or tampered with, necessitating the creation of information to determine if appropriate actions have taken place. The potential significance of forensic accounting is described by Neal Batson, the former United States Department of Justice Examiner who was assigned to investigate the Enron Corporation scandal. He stated that, "There has been no other time in the legal and accounting professions when it has been more important for the two to work together". This indicates that forensic accounting and fraud examination are important areas and will likely continue to be important.

Statement of the Research Problems

The effect of financial crimes is enormous and sky rocket. Cotton (2000) attributes the collapse of Enron, WorldCom, Tyco, Adelphia, to corporate fraud where over \$460 billion. Curse by management override the major fact were not far from insider dealing. Similar lost In Nigeria, Cadbury Nig Plc whose books were intentionally and criminally manipulated by management was credited to have lost \$15 million. The problems remain the some most companies sly from report, leading to wrong estimation. In other situation, nine commercial

banks where fraudulent practices were perpetrated in Nigeria, instead estimating figures, about one trillion naira was credited to have been lost through different means (EFCC Act 2004). Preventing, detecting investigating frauds both on institutions control and mechanisms Jovan k, (2009).

Consequently, there is a general expectation that forensic accounting may be able to stem the tide of financial malfeasance. Importantly, also of the category of fraud committed in most corporate settings and by managers, financial statement frauds cause the highest amount of losses at the company level and aim to distort the financial truth in order to obtain certain advantages or to hide the possible losses or negative performance. Accountants' perception in using forensic accounting as a tool for fraud prevention is the crush of the study (Rezaee, Crumbley and Elmore, 2006). Considering the problems cited in this study, the study therefore seek to examine the perceptions of accountants working in firms in Nigeria regarding the demand, benefits, contents and the intervening skills of forensic accounting (Seda & Kramer, 2009 and Porter & Crumbley, 2012). Some academicians' perceptions of the best approach practitioners' demands and their views towards combating financial fraud.

Research Questions

To what extent are Nigerian academics and practitioners familiar with forensic accounting as a tool for Preventing fraud ?

Do Nigerian academics and practitioners have different perspectives about the state of readiness to embrace forensic accounting as a tool for fraud prevention?

Do Nigerian academics and practitioners possess the relevant skills and knowledge for the application of forensic accounting as a tool for preventing and investigation of fraud?

Objectives of this Study

The main objective of this study is to examine the accountant perception of forensic accounting and fraud investigation in Nigeria. The specific objectives are to:

investigate the level of familiarity of Nigerian academics and practitioners with forensic accounting as a tool for Preventing fraud;

evaluate the readiness of Nigerian academics and practitioners to embrace forensic accounting as a tool for fraud prevention and

examine the level of skills and knowledge possessed by Nigerian academics and practitioners for the application of forensic accounting as a tool for preventing and investigation of fraud.

The Hypotheses of Study

Following the objectives of the study above, the research hypotheses is outlined below in a null form:

HO1: Nigerian academics and practitioners are not familiar with forensic accounting as a tool for preventing frauds familiarity.

HO2: There are no significant differences between Nigerian academics and practitioners on their perspectives on the state of readiness to embrace forensic accounting as a tool for fraud prevention.

HO3: there are no significant differences in the level of skills and knowledge possessed by Nigerian academics and practitioners for the application of forensic accounting as a tool for preventing and investigation of fraud.

LITERATURE REVIEW

We will review empirical literature relating to forensic. It will be arranged stating the history and development of forensic accounting, meaning and scope of forensic accounting, the need for forensic accounting.

History and Development of Forensic Accounting

Maurice E. Peloubet is credited with developing the term forensic accounting in his 1946 essay "Forensic Accounting: Its Place in Today's Economy." By the late 1940s, forensic accounting had proven its worth during World War II; however, formalized procedures were not put in place until the 1980s when major academic studies in the field were published (Rasey, 2009). Since the 1980s in some Western countries, particularly in the USA, a new profession in the field of accounting and auditing has emerged. This profession identifies a field composed of accounting, auditing, and investigative skills (Ozkul & Pamukc, 2012). Forensic accounting is the specialty area of the accountancy profession which describes engagements that result from actual or anticipated disputes or litigation. "Forensic" means "suitable for use in a court of law," and it is to that standard and potential outcome that forensic accountants generally have to work (Crumbley, Heitger & Smith, 2005). Forensic accounting is recognized as a particular form of professional expertise and endowed with specific attributes; the recognition comes from possessing a formal certification in forensic accounting which provides symbolic value (Williams, 2002).

Legal work during these early years comprised substantial portion of the accounting service. When the Edinburgh society of accountants petitioned Queen Victoria for a royal charter in 1854, it took pains to draw attention to the relationship between accounting and law. It stated, "the business of the accountant is not confined to the department of Actuary; it also ranges over a much wider field in which a considerable acquaintance with the general principles of law is quite indispensable". By the early twentieth century, chartered accountants had increased their accounting services, and court appearances reduced to a fraction of their overall business (Nurse, 2002).

The Nature of Forensic Accounting

The Webster's dictionary defined "forensic" as belonging to, used in or suitable to a court of judicature or to the public discussion or debate. While accounting is commonly defined as "the art of recording, classifying, summarizing and interpreting monetary transactions and event of a financial character". Izedonmi (2000) defines auditing as "an independent examination of the financial statements of an appointed person, called auditor, in order to express a professional opinion, whether or not those financial statements show a true and fair view position of the enterprise as at the end of the financial period, in accordance with the auditor's term of engagement, as well as, other relevant statutory and professional regulation". The integration of accounting, auditing and investigation yield the specialty known as forensic accounting.

Forensic accounting is a science dealing with the application of accounting facts and concepts gathered through auditing methods, techniques and procedures to resolve legal problems which requires the integration of investigative, accounting, and auditing skills (Arokiasamy and Cristal, 2009). Stanbury and Paley-Menzies (2010) state that forensic accounting is the science of gathering and presenting information in a form that will be accepted by a court of jurisprudence against perpetrators of economic crime. Hopwood, Leiner and Young

(2008) argued that forensic accounting is the application of investigative and analytical skills for the purpose of resolving financial issues in a manner that meets standards required by courts of law. Damilola and Olofinsola (2007) noted that forensic investigation is about the determination and establishment of fact in support of legal case. That is, to use forensic techniques to detect and investigate a crime is to expose all its attending features and identify the culprits.

In the view of Howard and Sheetz (2006), forensic accounting is the process of interpreting, summarizing and presenting complex financial issues clearly, succinctly and factually often in a court of law as an expert. It is concerned with the use of accounting discipline to help determine issues of facts in business litigation (Okunbor and Obaretin, 2010). Forensic accounting is a discipline that has its own models and methodologies of investigative procedures that search for assurance, attestation and advisory perspective to produce legal evidence. It is concerned with the evidentiary nature of accounting data, and as a practical field concerned with accounting fraud and forensic auditing; compliance, due diligence and risk assessment; detection of financial misrepresentation and financial statement fraud (Skousen & Wright, 2008).

According to Jafaru (2011), forensic and investigative accounting should be seen as the application of financial skills and investigative mentality conducted within the context of the rules of evidence to resolve unresolved issues. Bologna and Lindquist (1995) as quoted by Chariri (2009) stated that as an investigator, a forensic accountant can be seen as those who are specialists in fraud detection, and particularly in documenting exactly the kind of evidence required for successful criminal prosecution; able to work in complex regulatory and litigation environments; and with reasonable accuracy, can reconstruct missing, destroyed, or deceptive accounting records.

Forensic Accounting and the Forensic Accountant

The forensic accountant could be called the “bloodhounds” of the accounting profession, the nose-to-the ground financial investigator who sniffs out complex fraud plots and other fiscal shenanigans that often go undetected by the other ‘breads’ within the accounting field (Vogt, 2003). A forensic accountant can be defined as someone who is applying financial skills and an investigative mentality to unresolved issues, conducted within the context of the rules of evidence (Bologna and Linguist, 1995). His knowledge encompasses financial expertise, knowledge of fraud and a strong knowledge and understanding of business reality and the working of the legal system (Thornhill, 1995).

Robert (1990) describe a forensic accountant as someone who can look behind/beyond the façade, not accepting the record at their face value; someone who has a suspicious mind that the document he or she is looking at may not be what they purport to be or someone who has the expertise to go out and conduct every detailed interviews of individuals to develop the truth. Forensic accountants search for financial shenanigans by using a mix of accounting law, computer technology, ethics and criminology (Vogt, 2003). Quoted companies in Nigerian operate in the same global economy and information technology, and as a result of the growth trend of the banking industry especially, there is therefore the need for services of the forensic accountant. The forensic accountant can be engaged in public practice or retain by lawyers, banks and insurance companies, the law enforcement agency, the court and the business community.

According to Curtis (2008), forensic accountants are essential to the legal system, providing expert services such as fake invoicing valuations, suspicious bankruptcy valuations,

and analysis of financial documents in fraud schemes. These forensic accountants calculate values, draw conclusions and identify irregular patterns or suspicious transactions by critically analyzing the financial data (Arokiasamy & Cristal, 2009). It provides an accounting analysis to the court for dispute resolution in certain cases and it also provides the court with explanation to the fraud that has been committed. That is why forensic accounting may play a vital role in detecting and reducing accounting frauds in the business sector. In this concept, forensic accountants provide an account analysis to determine the facts necessary to resolve a dispute before it is brought before the court or the lawsuit process takes its course (Ozkul & Pamukc, 2012). The job of forensic accountants is to catch the perpetrator and fraud occurring in the companies per year. This includes tracing money laundering and identity theft activities as well as tax evasion. Insurance companies hire forensic accountants to detect insurance frauds such as arson, and law offices employ forensic accountants to identify marital assets in divorce cases (Weygandt, Kieso & Kimmel, 2008).

Gray .D, (2008) analyzed forensic accountants as a combination of an auditor and private investigators. Knowledge and skills include investigative skills, research, law, quantitative methods, finance, auditing, accounting and law enforcement officer insights. He confirmed that forensic accountants have been employed by the Federal Bureau of Investigation (FBI), Central Intelligence Agency (CIA), Internal Revenue Service (IRS), Federal Trade Commission (FTC) and other government agencies to deal with fraudulent practices. A forensic accountant's primary duty is to analyze, interpret, summarize and present complex financial and business-related issues in a manner that is both readily understandable by the layman and properly supported by evidence. The forensic accountant's activities are relevant to various types of business and personal legal disputes. Much of the work is connected with an evaluation of past and projected profits as well as appraising and preparing business valuations. Forensic accounting expertise is useful in litigation involving loss of profits, breaches of contract, fraud, tax investigations and professional negligence.

Forensic Accounting and Fraud Detection

Defining fraud is as difficult as identifying it. No definite and invariable rule can be laid down as a general proposition in defining fraud as it includes surprise, trick, cunning and unfair ways by which another is cheated. Fraud is a legal term that refers to the intentional misrepresentation of the truth in order to manipulate or deceive a company or individual (Howard and Sheetz, 2006). Fraud is to create a misjudgment or maintain an existing misjudgment to induce somebody to make a contract". It involves enriching oneself intentionally by reducing the value/worth of an asset in secret. "When companies undergo severe financial problems and end up in bankruptcy, fraud by senior management may be involved.

David (2005), states that fraud is not a possibility but a probability. He also explains that fraud can be better prevented if decisions are made by a group and not an individual. However, this is not the case if the group has the same interest in mind. Then fraud may not be prevented. Conversely, the group is influence by the dominant decision maker who ends up deciding everything. Russel (1978 cited in Bello, 2001) remarks that the term fraud is generic and is used in various ways. Fraud assumes so many different degrees and forms that courts are compelled to context themselves with only few general rules for its discovery and defeat. It is better not to define the term lest men should find ways of committing frauds which might evade such definitions.

Okafor (2004) also reported that fraud is a generic term and embraces all the multifarious means which human ingenuity can devise, which are resorted to by one individual to get advantage over another in false representation. According to Anyanwu (1993), fraud is an act or course of deception, deliberately practiced to gain unlawful or unfair advantage; such deception directed to the detriment of another. Accounting fraud is an act of knowingly falsifying accounting records, such as sales or cost records, in order to boost the net income or sales figures; accounting fraud is illegal and subjects the company and the executives involved to civil lawsuits (Arokiasamy & Cristal, 2009). Company officials may resort to accounting fraud to reverse loss or to ensure that they meet earning expectations from shareholders or the public.

Adeniji, (2004) summarize the types of fraud on the basis of methods of perpetration include the following but not exhaustive as the methods are devised day in-day out to include: defalcation, suppression, outright theft and embezzlement, tampering with reserves, insider abuses and forgeries, fraudulent substitutions, unauthorized, unauthorized lending, lending to ghost borrowers, kite flying and cross firing, unofficial borrowing, impersonation, teeming and lading, fake payment, fraudulent use of the firms documents, fictitious accounts, false proceeds of collection, manipulation of vouchers, dry posting, over invoicing, inflation of statistical data, ledger accounts manipulation, fictitious contracts, duplication cheque books, computer fraud, misuse of suspense accounts, false declaration of cash shortages and so on.

Bozkurt (2003) opined that there are two types of fraud committed in business: Personal use of business resources and drawing up financial statements of the business falsely. Examples are: Embezzlement of the money during its collection but before it is recorded in accounts, tampering the bank records and taking monetary advantage, gaining advantage through forgery of documents, making payments which should not be made or previously made, creating fictitious debts and having payments done in favor of oneself, inventory and scrap theft, office supplies and fixed asset theft, creating fictitious expenses and obtaining disbursements, creating ghost employees and embezzling their wages/salaries, benefiting from overstated personal expenditures and selling business assets under the market value.

Fraudulent Activities and Forensic Accounting Process in Nigeria

The widespread frauds in modern organizations have made traditional auditing and investigation inefficient and ineffective in the detection and prevention of the various types of frauds confronting businesses world-wide. Oyejide (2008) opine that fraud is a subject that has received a lot of attention both globally and in Nigeria. This interest has been heightened by several high profile cases involving several organizations. Issues relating to fraud have also been the subject of rigorous theoretical and empirical analysis in the academic literature (Appah & Appiah, 2010).

According to Karwai (2002) maintains that the increasing wave of fraud is causing a lot of havoc in Nigeria. This is because fraud has eaten deep into every aspect of the Nigerian society to the extent that many organizations have lost confidence of their customers. In the words of Adesola (2008), the threat of fraud to the global economy is better illustrated by the statistics released by Criminologists at a consultancy: over two hundred thousand cases of online frauds were committed in the United Kingdom in 2006, doubled the amount of real world robberies. The study revealed that 75% of card not present fraud was committed on-line in 2006. The global market is concerned about fraud in high and low places. We are very familiar with Enron,

WorldCom etc. We are also experiencing more and more frauds committed in the society.

Baird and Zelin (2009) say that forensic accounting is important investigative tool for detection of fraud. Gray (2008) reported that the forensic accountants investigation include identification fraud. Gottschalk.P., (2010) stated that the focus of forensic accounting is on evidence revealed by the examination of financial documents. The evidence collected or prepared by a forensic accountant may be applied in different contexts. According to Curtis, (2008) forensic accountants are essential to the legal system, providing expert services such as fake invoicing valuations, suspicious bankruptcy valuations, and analysis of financial documents in fraud schemes.

Bhasin (2007) noted that the objectives of forensic accounting include: assessment of damages caused by an auditors' negligence, fact finding to see whether an embezzlement has taken place, in what amount, and whether criminal proceedings are to be initiated; collection of evidence in a criminal proceedings; and computation of asset values in a divorce proceedings. He argues that the primary orientation of forensic accounting is explanatory analysis (cause and effect) of phenomenon including discovery of deception (if any), and its effects introduced into the accounting domain.

Accountant Perception and Forensic accounting Skill

Forensic Accounting is an offshoot of the general professional accounting and it is affiliated to professional accounting institutes. For the purpose of practice, individual firms of general accounting practitioners departmentalize and train specialist in investigative accounting within their general practice firm. For example, the Canadian Institute of Chartered Accountant, established the Alliance for excellence in investigative and forensic accounting in 1998. Crumbley(2003) also stated that forensic accountant are typically CPA/CAs that specialize in those types of engagements where there is need for such evidence. In the word of Crumbley (2006) forensic accountant refers to a certified public accountant who performs an orderly analysis...in an attempt to obtain the truth and which to form an expert opinion. On firm practice, Crumbley (2006) stated that there are about 500 and 380 forensic accountant in the firm of Price Water House and Coopers and Lybrand respectively.

Okunbor and Obaretin (2010) reported that the spates of corporate failures have placed greater responsibility and function on accountants to equip themselves with the skills to identify and act upon indicators of poor corporate governance, mismanagement, frauds and other wrong doings. It has become imperative for accountants at all levels to have the requisite skills and knowledge for identifying, discovering as well as preserving the evidence of all forms of irregularities and fraud. Therefore, fraud requires more sophisticated approach from preventative to detection.

Coenen (2005) stated that forensic accounting involves the application of accounting concepts and techniques to legal problem. It demands reporting, where the accountability of the fraud is established and the report is considered as evidence in the court of law or in the administrative proceeding (Joshi, 2003). It provides an accounting analysis that is suitable to the court, which will form the basis of discussion, debate and ultimately dispute resolution (Zysman, 2001). One of the modern approaches that can be used from the prevention to detection is called forensic accounting. According to Hansen (2009), computer forensics is currently the investigators best tools in detecting and implementation of white-collar investigations. Degboro and Olofinsola (2007) described forensic accounting as the application of criminalistics methods,

and integration of accounting investigative activities and law procedures to detect and investigate financial crimes and related accounting misdeeds. According to Dhar and Sarkar (2010), forensic accounting, also called investigative accounting or fraud audit, is a merger of forensic science and accounting.

According to Bhasin (2007), forensic accountants are trained to look beyond the numbers and deal with the business realities of situations. Analysis, interpretation, summarization and the presentation of complex financial business related issues are prominent features of the profession. He further reported that the activities of forensic accountants involve: investigating and analyzing financial evidence; developing computerized applications to assist in the analysis and presentation of financial evidence; communicating their findings in the form of reports, exhibits and collections of documents; and assisting in legal proceedings, including testifying in courts, as an expert witness and preparing visual aids to support trial evidence.

Ramaswamy (2005) believed that forensic accountants are distinctively positioned to be able to uncover financial deceptions," his prominent skills being an in-depth knowledge of financial statements, the ability to critically analyze them, and a thorough understanding of fraud schemes. He also believed that forensic accountants should have the ability to comprehend the internal-control systems of corporations and be able to assess their risks. The knowledge of psychology helps forensic accountants to understand the impulses behind criminal behavior that motivate and encourage financial deception. Also, interpersonal and communication skills that aid in disseminating information about the company's ethics and an understanding of criminal and civil law and of the legal system and court procedures are skills that aid FA's. Moreover, Rezaee, Crumbley and Elmore (2006) surveyed opinions of practitioners and academics regarding the importance, relevance, and delivery of forensic accounting education. Their results indicated that "the demand for and the interest in forensic accounting will continue to increase." Their study further shows that both practitioners and academics viewed accounting education as relevant and beneficial to accounting students. However, the groups differed in opinions regarding topical coverage of forensic accounting.

Methodology

The primary objective of the study is to investigate the accountant perception of forensic accounting and fraud investigation in Nigeria. Using the sample size of two hundred (200) professional accountants, practicing in firms, mid level employee and senior accountant with academic accountants drawn from the population of the professional Accountants in Edo State, data were elicited from our respondents with the aid of the research instrument adopted in this study. Using a five point Likert scale test, the questionnaire was developed to measure responses of respondents on five scales: Strongly Agree (5), Agree (4), Undecided (3), Disagree (2) and strongly Disagree (1). The values as generated through administration of questionnaire were subjected to empirical investigation. The data collected were analyzed using Frequency distribution expressed in percentages and Chi-square (X²) statistics to test the hypotheses formulated for the study.

Data Presentation and Analysis

Data collected from the sampled population from Edo State through the use of questionnaire are analyzed and presented in line with the formulated objectives. A total of 200 questionnaires were administered and used for this research work. Only 194 questionnaires were returned and found usable, amounting to 97%. This shows a high return level. In analyzing the

data obtained, it is intended that the objectives of this study will be achieved. The analysis involves the use of both statistical and econometric methods in order to provide a rich background for the investigation. The statistical tools employed are the demographic statistics and Chi-square. The demographic statistics are used to provide analytical information on the demography of our respondents in this study. The econometric analysis extends the statistical analysis with the goal of performing the empirical analysis and obtaining estimated coefficients which are valid enough to test the hypotheses in the study. The statistical tools were analysed with the aid of scientific packages for social sciences (SPSS).

Demographic Data on the Respondents

The demographic variables of the respondents are presented below in terms of their age, gender, work experience and educational qualification and career category.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	83	3.1	42.8	42.8
	26-30	65	33.5	33.5	76.3
	31- 35	32	16.5	16.5	92.8
	36- 40	6	42.8	3.1	95.9
	40 &above	8	4.1	4.1	100.0
	Total	194	100.0	100.0	

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	128	66.0	66.0	66.0
	Female	66	34.0	34.0	100.0
	Total	194	100.0	100.0	

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	155	79.9	79.9	79.9
	Married	39	20.1	20.1	100.0
	Total	194	100.0	100.0	

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Academic accountant	15	7.7	7.7	7.7

Others accountant	19	9.8	9.8	17.5
Practicing accountant	96	49.5	49.5	67.0
Career accountant	64	33.0	33.0	100.0
Total	194	100.0	100.0	

Out of the total number of 194 respondents, 4.1% are 40 years old and above. Majority of the respondents are between 30-40 years old. This group accounts for 41.8%. The remaining category accounts for only 49.9%. This outcome is more interesting as it shows that the respondents are made up of vibrant and mature individuals in the society.

From the analysis, it shows that majority of the respondents used for this study are male (66%) as against their female counterpart of 44%. The result shows that there is a little wide gap between the genders of the respondents. Out of the total number of 194 respondents that ticked their educational qualifications, academic accountant, practicing accountant, others accountant, career accountant and professional Accountant qualification holders account for 7.7%, 9.8%, 49.5%, and 33% respectively. The implication of this is that the questionnaire administered for the purpose of this study is filled by educated and informed individuals which are assumed to have better understanding of the concept of forensic accounting.

Model Estimation and Interpretation

Hypothesis testing H1 Nigerian academics and practitioners are not familiar with forensic accounting as a tool for preventing frauds familiarity.

Table 2. Observed and expected frequency

Options	1	2	3	Total
Yes	157 (147)	105(147)	177 (147)	439
No	35 (46.7)	87 (46.7)	17 (46.7)	139
Total	194	194	194	578

Source; Researcher (2015)

Table 2.1 Chi-square analysis of hypothesis

Option	Fo	Fe	Fo-fe	(fo-fe) ²	(fo-fe) ² /fe
Yes	157	147	10	100	0.6803
No	35	46.7	-11.7	136.89	2.9313
Yes	105	147	-42	764	5.1973
No	87	46.7	40.3	1,624.09	34.777
Yes	177	147	30	900	6.1224
No	17	46.7	29.7	882.09	18.888
TOTAL (X²)					68.597

Source; researcher (2015)

The chi-square calculated value 68.597, 3 degree of freedom and p-value 0.000 which is significantly higher than 7.815 table value 0.05 level of significance. Consequently the alternative hypothesis is accepted while the null is rejected. Therefore, it is concluded that,

Nigerian academics and practitioners are familiar with forensic accounting as a tool for preventing frauds.

(i.e. $X^2 = 68.597$ table = 7.815, df = 3; $p > 0.05$).

Hypothesis testing H_{02} : There are no significant differences between Nigerian academics and practitioners on their perspectives on the state of readiness to embrace forensic accounting as a tool for fraud prevention.

Table 3 Observed and expected frequency

Option	1	2	TOTAL
Yes	139 (78.7)	116(78.6)	225
No	58(20)	78 (47.5)	58
SA	30(10)	-	30
AG	94(32)	-	94
UN	57(19)	-	57
SD	9 (3)	-	9
D	4(1.4)	-	4
TOTAL	194	194	555

Table 3.2 Chi-square analysis of hypothesis

Option	Fo	Fe	Fo-fe	(fo-fe) ²	(fo-fe) ² /fe
Yes	139	78.7	60.2	3636.09	46.20
No	58	20	38	1444	72.2
Yes	116	78.6	37.4	1398.76	17.79
No	78	47.5	30.5	930.25	19.58
SA	30	10	20	400	40
AG	94	32	62	3844	120.13
UN	57	19	38	144	76
SD	9	3	6	36	12
D	4	1.4	2.6	6.76	4.82
TOTAL (X^2)					408.72

The chi-square calculated value 408.72, 3 degree of freedom and p-value 0.000 which is significantly higher than 7.815 table value 0.05 level of significance. Consequently the alternative hypothesis is accepted while the null is rejected. We concluded that, there are significant differences between Nigerian academics and practitioners on their perspectives on the state of readiness to embrace forensic accounting as a tool for fraud prevention.

(i.e. $X^2 = 408.72$ table = 7.815, df = 3; $p > 0.05$).

Hypothesis testing H_{03} : there are no significant differences in the level of skills and knowledge possessed by Nigerian academics and practitioners for the application of forensic accounting as a tool for preventing and investigation of fraud.

Table 4. Observed and expected frequency

Option	1	2	TOTAL
Yes	184 (91)	180(91)	364
No	10(6)	14(6)	24
SA	23(28.8)	92(28.8)	115
AG	61(33.8)	74(33.8)	135
UN	64(17)	4(17)	68
SD	30(10.5)	12(10.5)	42
D	16(7)	12(7)	28
TOTAL	194	194	776

Table 4.3 Chi-square analysis of hypothesis

Option	Fo	Fe	Fo-fe	(fo-fe) ²	(fo-fe) ² /fe
Yes	184	91	93	8649	95.04
No	10	6	4	16	6.67
Yes	180	91	89	7921	87.04
No	14	6	8	64	10.67
SA	23	28.8	5	25	0.86
AG	61	33.8	27.2	739.84	0.810
UN	64	17	47	2209	129.94
SD	30	10.5	19.5	380.25	36.21
D	16	7	29	841	120.14
SA	92	28.8	63.2	3994.24	38.68
AG	74	33.8	40.2	1616.04	47.81
UN	4	17	13	169	9.94
SD	12	10.5	1.5	2.25	0.21
D	12	7	5	25	3.57
TOTAL (X²)					587.59

The chi-square calculated value 587.59, 3 degree of freedom and p-value 0.000 which is significantly higher than 7.815 table value 0.05 level of significance. Consequently the alternative hypothesis is accepted while the null is rejected. Therefore, it is concluded that, there are significant differences in the level of skills and knowledge possessed by Nigerian academics and practitioners for the application of forensic accounting as a tool for preventing and investigation of fraud. (i.e. $X^2 = 587.59$, table = 7.815, df = 3; $p > 0.05$).

Conclusion

In summary, the study examined the accountant perception of forensic accounting and fraud investigation in Nigeria. We found out empirically that people are of the opinion that services of forensic accountants are required in both public and private sector of Nigeria economy and their services are more required for fraud and corruption related issues. The test,

however, shows that the result that there is greater need forensic accounting services, for fraud and corruption related issues, are not of statistical significance. Based on the result of our library study and empirical investigation we conclude as follows:

- Accountants in Nigeria have and in-depth knowledge Forensic accounting practice is neither new to the practicing Accountant nor professional accountants.
- That Accountants in Nigeria are aware and possessed the relevant forensic accounting skills, but the study was limited because it was not reveal the degree to which the skill possessed were applied to detect and prevent fraud.
- That the services, of the experts (Forensic accountant) are more required in Nigeria, and more especially in the public sector. In line with the above conclusions these paper suggests that.
- The Institute of Chartered Accountant in Nigeria encourages formalization and specialization in the field forensic accounting.
- That the government should develop interest in forensic accounting and accountants for monitoring and investigation of suspected and confirmed corruption cases.
- That practicing accountant should work towards specialization and possibly establish firm for forensic accounting practice only.
- That academia should emphasis skill development in the field of forensic accounting.

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