FORENSIC ACCOUNTING TECHNIQUE AND ECONOMIC CRIMES: EVIDENCE FROM DEPOSIT MONEY BANKS IN NIGERIA

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Abstract

The pervasive issue of financial statement manipulation in the twenty-first century, as exemplified by well-documented cases has engendered substantive inquiries into the indispensability and efficacy of auditors in upholding transparency and pre-empting fraudulent practices. Nigeria is faced with an alarming and high prevalence of fraudulent activities and as a result many crimes reported remain inadequately investigated which has prompted questions about the underlying causes. As a result, the study investigated the effect between Forensic Accounting Technique, Corporate Governance and Economic Crimes in Deposit Money Banks in Nigeria. The study adopted a survey research design. The study population was the 685 employees in the operation, finance, accounting and audit departments of 16 DMBs – using stratified sampling technique – out of the 32 licenced DMBs in Nigeria. The Taro Yamane sample size was employed in selecting the 253 respondents for the study. The study used primary data via a well-structured five-Likert scale dimension. Findings revealed that forensic accounting techniques and corporate governance have effect on Misappropriation of assets (Adj R^2 = 0.519, F(9, 223) = 28.79, p < 0.05). The study concluded that forensic accounting

techniques and corporate governance had impact on economic crimes in the DMBs in Nigeria. The study recommended that
banks should prioritize continuous training and development programs to enhance the expertise of their staff in forensic accounting methodologies which will foster a deep understanding of investigative techniques and effectively contribute to the mitigation of asset misappropriation risks.
Keywords: Corporate governance, Economic crime, Forensic accounting technique, Fraudulent activities, Misappropriation of assets

Introduction

The buoyancy of the banking sector during the oil boom that commenced in 1973 contributed to its prosperity. However, the economic downturn from mid-1981 brought significant strains, leading to a depressed economy. This economic predicament, coupled with issues like mismanagement, collectively exerted a detrimental influence on the overall health of numerous banks in Nigeria (Egbo, 2012). Also, the pervasive issue of financial statement manipulation in the twenty-first century, as exemplified by well-documented cases such as Enron and WorldCom, has engendered substantive inquiries into the indispensability and efficacy of auditors in upholding transparency and preempting fraudulent practices (Owolabi & Ogunsola, 2021). These high-profile incidents have catalyzed investigations into the roles and effectiveness of auditors in averting fraudulent activities. Consequently, as an emerging paradigm, forensic accounting has garnered escalating attention in recent years, with scholars and experts from diverse global jurisdictions deeming it a topic of substantial import. Forensic accounting entails applying specialized knowledge to financial transactions and reporting to establish accountability or confer value for managerial purposes. It encompasses the utilization of competencies in accounting, auditing, and investigative techniques to bolster legal proceedings (John, 2021).

A notable paradigm shift is underway, transforming the role of accountants in contributing value to organizations. In recent years, heightened emphasis has been placed on auditors' responsibility in proactively preventing and detecting misconduct across both public and commercial sectors. Intriguingly, a review of the literature reveals that a substantial portion of fraud within the public sector is attributable to management, who are entrusted with upholding internal controls, despite efforts to mitigate this through the inclusion of external auditors aimed at addressing independence concerns (Owolabi & Ogunsola, 2021).

Despite the establishment of anti-fraud entities like the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices Commission (ICPC) in Nigeria, it is disconcerting to observe a surge in fraud cases within the banking sector, with numerous high-value cases posing formidable challenges for prosecution. For instance, in 2013, the former CBN Governor, Sanusi Lamido Sanusi, accused the Nigerian National Petroleum Corporation (NNPC) of a $20 billion defrauding scheme from oil sale to the United States. A subsequent PwC investigation revealed mismanagement totaling 294.5 billion Naira ($965 million) (EFCC, 2017). These corporate transgressions necessitate the collaborative efforts of highly skilled and proficient professionals, including accountants and legal experts, as they contend with adept fraudsters employing sophisticated tactics. The

misappropriation of corporate funds and the inadequacy of regulatory oversight have heightened the demand for competent accountants and legal professionals to devise pragmatic solutions for fraud and other illicit activities within the banking sector.

Nigeria grapples with an alarmingly high prevalence and scale of fraudulent activities (AlHassan, 2020). The 2019 Corruption Perceptions Index (CPI) ranked Nigeria 146th out of 180 nations assessed, highlighting this disconcerting reality with a meager score of 26%. The country has witnessed egregious instances of corruption, including allegations of non-remittance of recovered funds exceeding 8.5 billion Naira by the leadership of the Economic and Financial Crimes Commission (EFCC), the purported misallocation of 1.9 billion Naira designated for Ebola containment, the intricate $20 billion Nigerian National Petroleum Corporation (NNPC) controversy, the infamous $2 billion "Arms Scam Deal" of 2015, among other scandalous occurrences (John et al., 2022).

These disciplines encompass a broad spectrum of activities, ranging from identifying and investigating fraudulent activities to providing remediation and litigation support services. Forensic accounting assumes a pivotal role in financial investigations that carry legal implications, as it revolves around the utilization of financial data to resolve legal conundrums (Driskill et al., 2022). Its primary objective lies in generating evidence admissible in court, thereby acting as a deterrent and a restraint against fraudulent behavior through comprehensive efforts in fraud detection, investigation, litigation support, and remedial actions.

As a result of the aforementioned, the study investigated the effect between Forensic Accounting Technique and Economic Crimes in Deposit Money Banks in Nigeria with specific objective to examine the effect of forensic accounting techniques on misappropriation of assets in deposit money banks in Nigeria.

H_{01}:   There is no significant effect of forensic accounting techniques on the misappropriation of assets in deposit money banks in Nigeria.

Literature review/Theoretical Review
Conceptual Review
Economic Crimes

Economic crimes, sometimes referred to as white-collar crimes, represent a category of illegal activities with a common thread—the manipulation of financial information and resources to deceive, defraud, or gain illicit financial advantage. These crimes encompass a wide range of deceptive practices and financial wrongdoing that can have profound implications not only for individuals but also for, organisations as well as the broader economy.

According to the Association of Certified Fraud Examiners (2023), economic crimes revolve around the unlawful utilization of financial information as a means to deceive or defraud others. Holtfreter (2022) further elucidates this concept by defining economic crimes as criminal acts committed with a primary motive of financial gain, thereby emphasizing their potential impact on the economy. In essence, economic crimes have the capacity to disrupt financial markets, impair business operations, and erode public trust in economic institutions (Holtfreter, 2022). Shover (2021) emphasizes the scope of economic crimes by characterizing

them as offenses that transpire against governments or businesses, often yielding adverse consequences for the economy at large. This perspective highlights the far-reaching ramifications of economic crimes, which extend beyond individual victims to encompass the overall economic fabric (Shover, 2021).

Misappropriation of Asset

Misappropriation of assets (also known as asset misappropriation fraud) is a type of fraud that involves the theft or misuse of a company's assets by its employees, management, or third parties. It is one of the most common types of fraud, accounting for over 80% of all fraud losses reported to the Association of Certified Fraud Examiners (ACFE) in 2021. Forensic accountants use their specialized skills and knowledge to investigate misappropriation of assets cases. They may review financial records, contracts, and other documents to identify potential red flags of fraud (Abdulselam & Denbel, 2021). They may also interview employees, management, and other stakeholders to gather information about the company's financial operations and to identify potential suspects (Mukoro et al, 2020). misappropriation of assets can manifest in different way including the following (1) Embezzlement - the theft of company funds by an employee or other person who has been entrusted with those funds. (2) False statements: making false or misleading statements about company finances in order to deceive investors or creditors. (3) Conflicts of interest: when an employee or other person uses their position of trust to benefit themselves or others at the expense of the company. (4) Bribery and corruption: offering or receiving payments or other benefits in exchange for favorable treatment. (5) Vendor fraud: fraudulent activity by vendors, such as billing for goods or services that were not actually provided or overcharging for goods or services that were provided.

Forensic Accounting Technique

Forensic accounting, as described by various sources, is a specialized field within accounting that involves the application of skills, principles, and procedures to address potential or actual civil or criminal disputes. Recent corporate accounting scandals and the resultant outcry for improving transparency and honesty in financial reporting have given rise to two disparate yet logical outcomes. The definitions provided by different authorities highlight several key aspects of forensic accounting. The Association of Certified Fraud Examiners (ACFE, 2021) characterizes it as the application of expertise in establishing losses and estimations related to financial matters, bridging the realms of accounting and the legal system. Abdulrahman (2019) complements this by defining forensic accounting as the utilization of accounting principles and procedures tailored specifically for navigating legal challenges.

The term "forensic" inherently implies suitability for courtroom application, and forensic accountants customarily operate with this criterion and the potential legal ramifications in mind. According to Jugurnath et al. (2017), forensic accounting is a branch of accounting well-suited for legal assessment, dealing with current, ongoing, or anticipated problems while effectively reducing financial malpractices. Forensic accounting, in essence, refers to the utilization of analytical and investigative skills to resolve financial issues in a manner consistent with court

standards. Accounting, auditing, and investigative skills are applied in forensic accounting to provide expert assistance in legal matters (Kolawole et al., 2018). Furthermore, Howard and Sheetz (2006), as cited in Oyedokun (2019), describe forensic accounting as a systematic process of deciphering, summarizing, and articulating intricate financial matters with precision, clarity, and factual integrity, typically within the confines of a legal tribunal, while serving as expert witnesses.

Forensic Accounting Technique Knowledge (FATK)

Honigsberg (2020) defined forensic accounting as the art of assembling and exhibiting financial data in a form that will be acknowledged by a court of jurisprudence against culprits of monetary violations. Essentially, forensic accounting demands reporting, where accountability of the fraud is established, and the report is considered as evidence in the court of law or in administrative proceedings. In the view of Gepp et al (2018), 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 (Rechman, 2020).

Forensic Accounting Technique Knowledge (FATK) encompasses a range of specialized knowledge and expertise essential for forensic accountants and financial investigators. This category includes techniques that are primarily rooted in financial expertise, investigative skills, and the mastery of accounting principles. FATK techniques often require a deep understanding of financial regulations, industry-specific knowledge, and the ability to analyze complex financial data. Forensic accountants with FATK proficiency are well-equipped to navigate intricate financial scenarios and provide expert insights in legal proceedings.

Forensic Accounting Analytical Technique

Forensic Accounting Analytical Techniques (FAAT) encompass a suite of analytical methods that forensic accountants employ to systematically dissect financial data. These techniques involve the quantitative assessment of financial statements, ratios, trends, and anomalies. FAAT is characterized by its rigorous and data-driven approach, often utilizing statistical and mathematical tools. By leveraging FAAT, forensic accountants can uncover patterns, irregularities, and potential fraud indicators within financial datasets, making it an indispensable component of the forensic accounting toolkit (Bedard & Graham, 2023; Singleton & Singleton, 2021).

FAAT stands as a powerful enabler for forensic accountants, enabling them to embark on a systematic exploration of financial data with precision and depth. These techniques provide a structured framework for assessing financial statements, scrutinizing financial ratios, and tracking trends that may reveal concealed anomalies or indicators of potential fraud. Through their rigorous and data-driven approach, FAAT empowers forensic accountants to navigate complex financial datasets with a keen eye for irregularities.

Forensic Accounting Investigation Technique

Forensic Accounting Investigation Techniques (FAIT) constitute a set of methodologies employed in the investigative phase of forensic accounting. These techniques encompass a broad spectrum of activities, ranging from interviews and interrogations to document analysis, asset tracing, computer forensics, and comprehensive forensic auditing. FAIT techniques are geared toward uncovering financial irregularities, misappropriation of assets, and fraudulent activities. They play a pivotal role in the investigative process, enabling forensic accountants to collect evidence, establish timelines, and build a comprehensive understanding of financial misconduct.

According to Okoye, et al (2020), forensic investigation 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. Wada and Crumbley (2021) defined forensic science as the application of laws of nature to the laws of man. He described forensic scientists as examiners and interpreters of evidence and facts in legal cases that also offers expert opinions regarding their findings in court of law. Amahalu, Ekechukwu and Obi (2017) defined forensic investigation as the application of investigative and analytical skills for the purpose of resolving financial issues in a manner that meets standards required by courts of law. It is the integration of accounting, auditing and investigative skills (Dada, Owolabi & Okwu, 2013).

To bolster analytical proficiency, forensic accountants must cultivate a unique set of characteristics and qualities. Among these, curiosity plays a pivotal role, driving forensic accountants to delve into the minutiae of financial data, relentlessly pursuing answers to financial enigmas. Persistence is another vital trait, as complex financial investigations demand unwavering determination to unearth concealed truths. Creativity complements these attributes, enabling forensic accountants to view financial puzzles from various angles, discerning fact from opinion, and maintaining credibility as expert witnesses (Onodi, Okafor & Onyali, 2015).

Litigation Support Service

Litigation support according to Olumba (2018) is the marriage of project management and technology. We believe that while every country is different and every case is unique, there are certain standards to follow in order to ensure that the data involved in a case is handled in a cost effective and time efficient manner allowing for good organization, easy retrieval and effective client representation. Litigation support technology can help to make up that deficit by allowing data to be intelligently collected, processed, organized, reviewed, analyzed and presented. While there may not be a single piece of technology to address all the challenges one faces, the Litigation Support Team can help to navigate through the process of evaluating the choices and in deciding what solutions best meet the needs of the case.

Litigation Support Services are integral to the forensic accounting profession, providing expert assistance in legal proceedings. LSP encompasses a diverse array of activities, including expert testimony and background investigations. Expert testimony involves the presentation of forensic accounting findings in a court of law, offering professional opinions and insights to assist in the resolution of financial disputes.

Background investigations delve into the personal and financial histories of individuals or entities involved in financial transactions, often revealing connections to fraudulent activities or undisclosed interests. These services are indispensable in providing legal teams with expert guidance and evidence to support their cases.

Theoretical Underpinning
The Fraud Diamond Theory

This theory was conceived in 2004 by Wolfe and Hermanson, posits that individuals contemplating fraudulent activities within an organization are influenced by four key factors: pressure at work, opportunity, rationalization, and capability. Notably, the inclusion of the capability element by Wolfe and Hermanson marked a significant departure from the original Fraud Triangle Theory proposed by Cressey in 1950, as capability was not initially part of the equation.

The theory posits that while opportunities may create pathways for fraud, inducements and rationalizations can draw individuals toward fraudulent behavior. However, for an individual to commit fraud, they must not only recognize an opportunity but also possess the capability to exploit it for personal gain (Eze, 2015).

Pressure at work can drive individuals to seek advantages through fraudulent actions, and when such opportunities arise amid workplace pressures, rationalization may follow. The addition of the capability element in 2004 emphasizes that a fraudster must possess both knowledge and the ability to execute a specific scam, with factors such as expertise, access, and motivation playing significant supporting roles (Eze, 2015).

Wolf and Hermanson posited that many instances of fraud would not have transpired without individuals possessing the necessary skills and capabilities to orchestrate and execute fraudulent schemes effectively. The fraud diamond theory put forth four distinct observable traits that are often associated with individuals committing fraud:

Authoritative Position: Individuals in authoritative positions within the organization, such as managers or executives, are more likely to have the access and authority necessary to perpetrate fraud.

Capacity for Exploiting Systems: Those with the ability to comprehend and exploit the organization's systems of accounting and internal controls are better positioned to navigate and manipulate these systems for their illicit gains.

Overconfidence: Perpetrators of fraud often exhibit a degree of overconfidence, either believing they will not be detected or, if apprehended, they can easily extricate themselves from the situation.

Coping with Stress: Individuals engaged in fraudulent activities must possess the capability to handle the psychological and emotional stress that can arise from their actions. This capability enables otherwise upstanding individuals to engage in deceitful acts.

The introduction of these additional elements in the fraud diamond theory underscores the significance of understanding the individual traits and abilities of employees within an organization. It emphasizes the need for organizations and

auditors to proactively assess the risk of fraudulent behaviors by their personnel. This proactive stance can be facilitated through the implementation and monitoring of robust systems of checks and balances aimed at minimizing the risks and losses resulting from fraudulent activities in the workplace.

Empirical Review

Abu et al. (2022) examine the application of forensic accounting skills in the detection of financial crimes of quoted manufacturing firms in Nigeria. Data were collected from primary sources through the administering of forty-five (45) structured questionnaires to the staff within the accounting department of fifteen (15) manufacturing firms operating in Kano State. Multiple regression analyses were employed for analysis.

The findings revealed that forensic level of skills by accountants and forensic financial crime investigation has a positive and significant relationship with the detection of financial crimes of quoted manufacturing firms in Nigeria. This suggests that an increase in the forensic level of skills by accountants and forensic financial crime investigation would lead to an increase in the detection of financial crimes. Similarly, there is insignificant association between forensic expert consultants and detection of financial crimes, implying outsourcing of forensic experts did not influence the detection of financial crimes of quoted manufacturing firms in Nigeria.

Dugguh et al. (2021) examined the application of forensic accounting as a tool for fraud prevention in Nigerian deposit money banks. They used data from the annual report of Nigerian Deposit Insurance Corporation (NDIC) for the period covering 1994 to 2019 and conducted time series analysis using Autoregressive Fractionally Integrated Moving Average (AFRIMA) Model. They found that forensic accounting had a significant effect on reducing fraud cases in the short run, but not in the long run.

They recommended that appropriate sanctions should be applied when fraud is detected and that trained experts like professional forensic accountants should be involved in the investigation process. Okoye et al. (2020) investigated the effect of forensic accounting investigation in detecting fraud in Nigerian deposit money banks. They used a cross-sectional survey design and collected data from the staff and management team of selected deposit money banks and chartered accounting firms based in Owerri, Imo State. They found that forensic accounting investigation had a significant effect in detecting financial fraud in Nigerian deposit money banks and that forensic accounting investigation report could enhance court adjudication on financial fraud in Nigeria.

Okeke et al. (2021) investigated the impact of forensic accounting on financial crimes prevention in Nigerian deposit money banks. They used a descriptive research design and collected data from 100 respondents comprising of bank managers, accountants, auditors, and regulators using structured questionnaire. They applied descriptive statistics and chi-square test to analyze the data. They found that forensic accounting had a significant impact on financial crimes prevention in Nigerian deposit money banks and that there was a significant association between forensic accounting and corporate governance.

Okafor et al. (2021) assessed the role of forensic accounting in curbing financial crimes in Nigerian deposit money banks. They used an ex-post facto research design and collected data from 15 deposit money banks for the period of

2016 to 2020 using secondary sources. They employed ordinary least square regression analysis to test the hypotheses. They found that forensic accounting had a significant role in curbing financial crimes in Nigerian deposit money banks and that there was a significant relationship between forensic accounting and corporate governance.

Ojo et al. (2021) explored the influence of forensic accounting on fraud detection in Nigerian deposit money banks. They used a survey research design and collected data from 120 respondents comprising of bank staff, auditors, accountants, and regulators using a questionnaire. They applied inferential statistics and t-test to analyze the data. They found that forensic accounting had a positive and significant influence on fraud detection in Nigerian deposit money banks and that there was a positive correlation between forensic accounting and corporate governance.

Methodology

This study employed a survey research design. The population of this study was made of 685 employees in the Finance, Audit, Forex/International, Operations, Credit and Risk management departments of 16 deposit money banks – Access Bank plc, Citibank Nigeria ltd., Ecobank Nigeria Plc., FCMB plc., First Bank plc., Fidelity Bank Plc., Titan Trust Bank Plc., Keystone Bank Plc., Polaris Bank Plc., Providus Bank, Standard IBTC Bank Plc., Sterling Bank plc., United Bank of Nigeria Plc., Union Bank of Nigeria Plc., Wema Bank Plc., Zenith Bank Plc.

The sample size was computed using the Taro Yamane (1967) formula as:

$$n = \frac{N}{\left(1 + N(e)^2\right)}$$

where N = population size, n = the sample size, e is the margin error, which could be at 10%, 5% or 1%. Employing the model, Taro Yamane for the 253-population target of this study at 5% error margin, the study sample size was computed as:

$$n = \frac{685}{\left(1 + 685(0.05)^2\right)}$$

$$n = \frac{685}{\left(1 + 685(0.0025)\right)}$$

$$n = \frac{685}{\left(1 + 1.71\right)}$$

$$n = \frac{685}{\left(2.71\right)}$$

$$n = 252.77$$

$$n \approx 253$$

Model Specification

The regression models are formulated as:

$\text{FAT}_i = \beta_0 + \beta_1 FATKi + \beta_2 FAATi + \beta_3 \text{FAIT}i + \beta_4 \text{LSP}i + \mu i_t$----------------Model 1

Results and Discussion
Descriptive

Misappropriation of Asset

Items	SA Freq. (%)	A Freq. (%)	UD Freq. (%)	D Freq. (%)	SD Freq. (%)	$\bar{x}$	SD
I can identify common signs and red flags associated with misappropriation of assets in financial records.	99 (42.5)	97 (41.6)	20 (8.6)	14 (6.0)	03 (1.3)	4.18	0.92
I am knowledgeable about internal controls and procedures that can help prevent misappropriation of assets.	87 (37.3)	100 (42.9)	31 (13.3)	09 (3.9)	06 (2.6)	4.09	0.94
I can assess the adequacy of internal controls in an organization to mitigate the risk of asset misappropriation.	81 (34.8)	92 (39.5)	38 (16.3)	18 (7.7)	4 (1.7)	3.99	0.99
I am proficient in investigating cases of misappropriation of assets and gathering evidence for legal action.	74 (31.8)	88 (37.8)	42 (18.0)	17 (7.3)	12 (5.2)	3.84	1.11
Average Mean						4.03	0.99

Source: Field Survey 2024
KEY: SA=Strongly Agree, A=Agree, UD=Undecided, D=Disagree, SD=Strongly Disagree, ***Decision Rule if mean is 1 to 1.49 =Strongly Disagree; 1.5 to 2.49 = Disagree; 2.5 to 3.49 =Undecided; 3.5 to 4.49= Agree; 4.5 to 5 = Strongly Agree

Table 4.2a shows the response on misappropriation of asset, 42.5% of the respondents strongly agreed that they can identify common signs and red flags associated with misappropriation of assets in financial records, 41.6% of them agreed with this assertion, while 8.6% of the respondents were undecided. This makes those that strongly disagree and disagree alone to be just 1.3% and 6.0%, respectively. The mean values show the opinion of all the respondents on the particular question on the average. The mean value of 4.18 – which is Agree on the Liker scale used for the study – for this question shows that on the average the respondents agreed that they can identify common signs and red flags associated with misappropriation of assets in financial records.

Based on the response on question 2 of this variable, 37.3% of the respondents strongly agreed that they are knowledgeable about internal controls and procedures that can help prevent misappropriation of assets, 42.95% of them agreed while only 13.3% were undecided with the opinion. This makes those that disagree and strongly disagree alone to be just 3.9% and 2.6%, respectively. The mean values show the opinion of all the respondents on the particular question on the average. The mean value of 4.09 – within 3.5 to 4.49 range, which is Agree on the Liker scale used for the study – for this question shows that on the average the respondents agreed that they are knowledgeable about internal controls and procedures that can help prevent misappropriation of assets.

Evidence from the response on the third question of this variable shows that, 34.8% of the respondents strongly agreed that they can assess the adequacy of internal controls in an organization to mitigate the risk of asset misappropriation, 39.5% of them agreed while only 16.3% were undecided with the opinion. This makes those that disagree and strongly disagree alone to be just 7.7% and 1.7%,

respectively. The mean values show the opinion of all the respondents on the particular question on the average. The mean value of 3.99 – which is Agree on the Liker scale used for the study – for this question shows that on the average the respondents agreed that they can assess the adequacy of internal controls in an organization to mitigate the risk of asset misappropriation.

Finally, response on question 4 shows that 31.8% of the respondents strongly agreed that they are proficient in investigating cases of misappropriation of assets and gathering evidence for legal action, 37.8% of the agreed while only 18.0% were undecided with the opinion. This makes those that disagree and strongly disagree alone to be just 12.5%. The mean values show the opinion of all the respondents on the particular question on the average. The mean value of 3.84 (which is Agree on the Likert scale used for the study) for this question shows that, on the average the respondents agreed that they are proficient in investigating cases of misappropriation of assets and gathering evidence for legal action.

Furthermore, Table 4.2a shows that generally participants agreed about the misappropriation of assets ($\overline{x}$ = 4.03). However, the standard deviation of 0.99 indicates a degree of variability in respondents' assessments. The standard deviation implies that there is some spread or dispersion in individual responses. This suggests that the respondents' responses clustered around the mean and thus proved that most of the respondents agreed to the fact and thus, the study concluled to misappropriation of asset

Table 4.2: Multiple regression between forensic accounting techniques and misappropriation of assets in deposit money banks in Nigeria.

N	Model	B	T	Sig.	ANOVA (Sig.)	R	Adjusted R^2	F (9,223)
233	(Constant)	1.367	4.056	.000	0.000b	0.733	0.519	28.779
	FATK	.195	2.549	.011				
	FAAT	.105	1.360	.175				
	FAIT	.255	3.294	.001				
	LSP	.080	1.232	.219				
	Predictors: (Constant) FAAT, LSP, FATK, FAIT							
	Dependent Variable: MAA							

Source: Author's computation, 2024

Interpretation

Table 4.2 shows the multiple regression analysis results for the components forensic accounting techniques on misappropriation of assets in deposit money banks in Nigeria. The results show that Forensic Accounting Technique Knowledge (FATK) ($β$ = 0.195, t = 2.549, p < 0.05) and Forensic Accounting Investigation Technique (FAIT) ($β$ = 0.255, t = 3.294, p < 0.05) had positive and significant effect on misappropriation of assets in deposit money banks in Nigeria while Forensic Accounting Analytical Technique (FAAT) ($β$ = 0. 105, t = 1.360, p > 0.05), Litigation Support Service (LSP) ($β$ = 0.080, t = 1.232, p > 0.05). This implied that Forensic

Accounting Technique knowledge and Forensic Accounting Investigation Technique were important factors in the misappropriation of assets which in turn yielded a decrease in Economic crimes.

The *R* value of 0.733 supported this result and it indicated that forensic accounting techniques and corporate governance components had a strong positive relationship with misappropriation of assets in deposit money banks in Nigeria. The co-efficient of multiple determination *Adj.R²* = 0.519 indicated that about 51.9%% of the variation that occurred in the misappropriation of assets in deposit money banks in Nigeria could be accounted for by the components of forensic accounting techniques and corporate governance components while the remaining 48.1% changes that occurred were accounted for by other variables not captured in the model.

Discussion of Findings

The results of the regression analysis which showed a positive relationship between forensic accounting techniques and the misappropriation of assets in deposit money banks align with the findings by Abu et al., (2022) who found that forensic accounting skills by accountants and forensic financial crime investigation have a positive and significant relationship with the detection of financial crimes in manufacturing firms in Nigeria. This is also confirmed by Ogunleye et al. (2021) who evaluated the impact of forensic accounting on fraud prevention in Nigerian deposit money banks and found a positive and significant impact.

Similarly, the regression analysis result that highlighted the positive impact of forensic accounting investigation technique on the misappropriation of assets is confirmed by Okoye et al., (2020) who investigated the effect of forensic accounting investigation in detecting fraud in Nigerian deposit money banks and found a significant effect.

Conversely, the results of the regression analysis which found a positive relationship between forensic accounting techniques and the misappropriation of assets disagree with the findings by Dugguh et al., (2021) who discovered that forensic accounting had a significant effect on reducing fraud cases in Nigerian deposit money banks in the short run but not in the long run.

Also, the regression analysis result emphasized the positive effect of forensic accounting technique knowledge and investigation techniques on misappropriation of assets. This aligns with the study by Okeke et al., (2021) who found a significant role of forensic accounting in curbing financial crimes in Nigerian deposit money banks.

Conclusion and Recommendation

The study reveals a significant and positive impact of Forensic Accounting Technique Knowledge (FATK) and Forensic Accounting Investigation Technique (FAIT) on the misappropriation of assets, emphasizing that a heightened understanding and application of forensic accounting methodologies contribute to a reduction in asset misappropriation.

As a result, the study recommended that:

i.   Enhance Forensic Accounting Knowledge and Investigation Techniques: Given the significant positive impact of Forensic Accounting Technique Knowledge

(FATK) and Forensic Accounting Investigation Technique (FAIT) on misappropriation of assets, deposit money banks in Nigeria should prioritize continuous training and development programs to enhance the expertise of their staff in forensic accounting methodologies. Fostering a deep understanding of investigative techniques can effectively contribute to the mitigation of asset misappropriation risks.

Contribution to Knowledge

This study makes a significant theoretical contribution by applying the Fraud Diamond Theory to the context of forensic accounting and economic crimes in deposit money banks in Nigeria. By empirically examining the relationship between forensic accounting techniques, corporate governance mechanisms, and various forms of economic malfeasance, the study extends the theoretical understanding of how these factors interact to influence the likelihood of fraud occurrence. Moreover, the findings provide empirical support for the applicability and relevance of the Fraud Diamond Theory in the banking sector, thereby enhancing its explanatory power and utility in understanding fraudulent behaviour.

The study contributes methodologically by employing a rigorous quantitative research approach to investigate the relationship between forensic accounting, corporate governance, and economic crimes. Through the use of statistical analysis techniques such as regression analysis and hypothesis testing, the study provides a robust methodological framework for examining complex phenomena within the field of forensic accounting. Additionally, the inclusion of multiple variables and the comprehensive assessment of their effects on economic crimes enhance the methodological rigor and comprehensiveness of the study.

In terms of empirical contributions, this study provides valuable insights into the factors influencing economic crimes in deposit money banks in Nigeria. By identifying the specific forensic accounting techniques and corporate governance mechanisms that are associated with the misappropriation of assets, fra659+udulent financial reporting, money laundering, and insider trading, the study offers practical guidance for stakeholders in the banking sector to mitigate the risk of fraud. Furthermore, the quantification of these relationships through statistical analysis adds empirical evidence to support decision-making and policy development aimed at combating economic crimes.

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