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Influence of Forensic Accounting on Fraud Prevention and Detection in Nigerian Financial Sector: A case of the Bank and Insurance Companies

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ABSTRACT
The effect of fraud in the financial sector of Nigerian business is significant and complex. Fraud affects insurers and insureds in the insurance business. Although the occurrence and prevalence of fraud in the banking industry are disturbing, there are more than reported fraudulent practices. The confidence of the Nigerians in the financial sector of the economy may be threatened if the rising fraud in the industry is not minimised. To this end, the paper focuses on the use of forensic accounting to prevent and detect in banks and insurance companies in Nigeria. It deployed the systematic review method, information, and materials cut across journal articles, books, and other online materials. Also, a search was done using Google Scholar, Semantic Scholar, and RefSeek, Google, among others, yielding several results. In addition, content analysis was deployed, and information resources obtained were grouped into major themes to address the major focus of the study. The findings revealed that forensic accounting reduces fraudulent activities in Nigeria's banking and insurance companies.Therefore, the study recommends adoptingthe forensic accounting system by banks and insurance companies in Nigeria. It also recommendsusingforensic accounting by the fraud detective agencies and bodies in Nigeria, such as EFCC, ICPC and Police.

KEYWORDS: Fraud, Financial Sector,Prevention, Detection, Systematic Review, EFCC, ICPC, Forensic Accounting

I. INTRODUCTION

Fraud is as old as the human race. It is a global problem affecting every organisation in every industry, but its occurrence is more pervasive in the financial sector than in other sectors. In business organisations, fraud affects the success and the attainment of business objectives. Fraud could imply variousfraudulent activities such as money laundering, cybercrime, false insurance claims, tax evasion, and terrorist financing (Heavy, 2022).

According to Okoro andOnyebueke (2021), fraud could be internal or external to an organisation. Those committed by members of the organisation are internal, while those committed by those outside the organisation are external. The most harmful and destructive frauds are those committed by the members of the organisation (Okoro andOnyebueke, 2021). Modugu and Anyaduba (2013) and Abdullahi and Mansor (2015) noted that financial fraud, such as those related to misstatements, money laundering, security fraud, contract disparate, embezzlement, omissions of quantities, non-disclosures of certain information, hurtthe firm, its shareholders, and the public. Fraud can lead to financial losses, loss of confidence from investors, deprivation of the organisation of needed and appropriate funds for business continuity and sustainability, and eventually, closure of businesses (Okoro andOnyebueke, 2021).

Most frauds stem from the top levels of the organisation, where controls are least effective(Trigueiros, 2016). It is so because management may override its established controls. In addition, frauds are not easily detected because they are planned to be hidden.

Fraud in the financial industry can be financial and non-financial. Financial fraud includes but isnot limited to identity theft, investment fraud, phishing, credit card fraud, mortgage and lending fraud, counterfeit cards, Ponzi schemes, funds transfer scams, and account takeovers. In addition, they include inheritance scams, fraudulent charities, false claims, wills and legacies and fakecheques.

Non-financial fraudcan also create havoc on the economy. It includes false claims.

According to Viaene and Dedene (2004), insurance fraud can be classified into three functional areas. They are internal vs external, underwriting vs claim and soft vs hard. According to Henderson et al. (2010), the most common external fraud in the insurance industry include fraudulent claims, money laundering, secret commissions, and investment fraud, while internally, the most common fraud plans include: theft of cash/cheque, employee expense fraud, cash receipt/premium fraud/ receivable, fraudulent revenue/underwriting, commission fraud and non-compliance to regulation. Singh et al. (2011) posit that fraud in an insurance transaction

include excessive claims, collusion between parties, fake documentation, commission rebate, employee-related fraud, vendor-related third-party fraud, insurance applicants, and surrender of policy or claimants.

Lexis-Nexis (2014) opines that tactics to prevent insurance fraud must be linked with insurers' operational activities to ensure that information management is secured, improve operational efficiency, enhance efficient investigation, reduce false-positive outcomes, and facilitate compliance with global regulations and practices.

Insurance claims fraud will not only threaten the survival and profitability of an insurer, but it will also negatively affect its value and probably be detrimental to sustaining its social and economic structure (Ajemunigbohun et al., 2019).

Fraud, such as the misuse of cash, forgeries of cheques, and money laundering, has affected business processes in Nigeria massively in several ways (Alizadeh, 2016; Okoro andOnyebueke, 2021). Fraud has increased to a certain level in Nigeria, which has significantly threatened the organisations and the nation's economy (Adeniyi &Mieseigba, 2013; Enofe, Ochuwa, Henrietta &Nosareimen, 2017; Okoro andOnyebueke, 2021).

Fraud has also affected business processes and organisations in the United States, such as in Adelphia Communications Corporation, Bernie Madoff scandals, Lehman Brothers, WorldCom, and Tyco International Ltd; in Italy, such as with Parmalat crisis; in Australia, such as related to HIH Insurance Ltd (Okoro andOnyebueke, 2021). In Nigeria, Akeem (2015) revealed that massive fraud has also affected Cadbury Nigeria Plc, and NAMPAK, among others leading to a fall in business.

Organisations have taken necessary steps to enhance fraud detection and prevention,thereby deploying strategies that could either eliminate or cushion its prevalence towards achieving business objectives and competitive advantage (Fontini Consulting Ltd, 2022). Fraud prevention implies several systems designed to prevent the occurrence and prevalence of fraud. Fraud detection cuts across the deployment of strategy towards discovering fraud earlier when it occurred. Also, fraud response entails the adequate systems and processes that could assist an organisation or department to swiftly and appropriately respond to an alleged fraud when such has been detected. Finally, fraud monitoring, which also includes reporting and evaluating fraud, promotesaccountability through compliance with fraud control strategies. Although fraud response and monitoring are also pertinent in fraud control, this study focuses on fraud prevention and detection.

In Nigeria, fraud has become a familiarand persistent phenomenon, penetrating every nook and cranny of the nation's economy (Abdul & Abdul, 2013; Abdolmohammadi, 2019; Okoro &Onyebueke, 2021). Okoro and Onyebueke (2021) noted that despite the robust internal controls mechanism that is in place to prevent and control fraud, its prevalence is still very high in Nigeria. Hence, several efforts have been made to eliminate or minimisefraudulent acts, apprehend culprits,and recover funds where possible by firms. However, fraud exists in financial institutions, healthcare, and even the public sector(Heavy, 2022). Although all these sectors are germane, this paper focuses on banks and insurance companies in Nigeria. The reason for selecting the banking and insurance companies is that they are very pertinent to the nation's economy. Fraud in this sector could lead to a substantialloss to the concerned firms and the country.

Nigerian financial sector's fraud prevention and detection strategies could take several patterns. According to Cg Tax, Audit & Advisory (2022), these could include implementing an internal control system, letting employees know that and setting up a monitoring system, and monitoring vacation balance, among others. According to Efiong, Inyang and Joshua (2016), the mechanism for detecting and preventing fraud could be categorised into traditional and Forensic accounting mechanisms. The traditional control mechanisms include strategies such as the deployment of internal control systems, operational audits, code of conduct, and reference checks, among others, by the accountants and auditors coupled with the assistance of the manager (Bierstaker,Brody &Pacini, 2006; Efiong et al., 2016). The ability of the accountants and auditors to prevent or detect fraud will depend on the management's support.Forensic accounting mechanisms involve usingBenford's law and data mining, among others, to detect and prevent fraud in companies (Efiong et al., 2016). Furthermore, the use of Forensic accounting mechanisms cuts across the proactive and the reactive types.

The proactive approach tends to be universally tactical because it aggressively focuses on the types of fraud and searches for vivid indicators, symptoms, or red flags of fraud before it could occur (Levanti,2001). Several techniques for the proactive strategy include Bendford's digital analysis by Nigrini (1994); the breakpoint technique by Hassibi (2000); the strategic fraud detection technique by Albrecht and Albrecht (2008); fraud hypothesis testing technique by Albrecht and Albrecht (2008) and the five-step detection technique by Ernst and Young (2006). On the other hand, the reactive approach could only detect fraud after it has occurred. Therefore, it includes several techniques, such as using electronic equipment such as closed circuit television (CCTV) or digital and mobile cameras, as stated by Njanike, Dube andMashayanye (2009).

Financial fraud has been a constant phenomenon in mostorganisations (Abdolmohammadi, 2019) in Nigeria, particularly in the financial sector, such as banks and insurance companies. However, Efiong et al. (2016) revealed that most of the methods used for fraud prevention and detection in Nigeria were traditional and could not curtail fraud. Hence, forensic accounting has not been used adequately to protect and detect fraud in Nigeria. To this end, there is a need to provide a further vivid and explicit investigation of how forensic accounting could be used for fraud prevention and detection in the Nigerian financial sector. Therefore, the researcher used the following research question to drive this paper:

i. How would forensic accounting be used to prevent and detect fraud in the Nigerian financial sector, focusing on bank and insurance companies?

II. LITERATURE REVIEW

Concept of Fraud

Fraud is an omission or intention to make one gains advantage dishonestly in dealings that can be accomplished by knowingly concealing, suppressing, misrepresenting or non-disclosure of material fact relevant to transactions orfinancial decisions; misappropriating assets; and abusing fiduciary responsibility or position of trust (Kuria and Morange, 2014).

According to Derrig and Krauss (1994), the term'fraud'is a criminal act, possibly beyond a reasonable doubt, that violates statutes, doing the willful act of obtaining money or value for an insurer under false pretence or material Misrepresentation of a crime.

Fraud can be categorised in many ways, but the Association of Certified Fraud Examiners classified it asindividual or organisational. The individual is when a single person is targeted by a fraudster — including identity theft, phishing scams and advance-feeschemes. Organisational fraud is also called "occupational fraud". It is fraud committed by individuals against the organisations that employ them.

Concept of Forensic Accounting

Forensic accounting is accounting suitable for legal review, offering the highest level of assurance and including the now generally accepted connotation of having been arrived at scientifically (Crumbley 2006). William, Jay and George (2012) define forensic accounting as applying investigative and analytical skills to resolve financial issues that meet standards required by courts of law.

Damilola and Olofinsola (2007)define forensic accounting as applying criminalistic methods and integrating accounting investigative activities and law procedures to detect and investigate financial crimes and related economic misdeeds. To them, forensic accounting is a highly technical and specialised area of practice within the principles and ethics of the accounting profession. They further assert that not every forensic accounting engagement ends up in a court of law.
Forensic accounting integrates accounting, auditing and investigative skills (Zysman, 2004).

Theory of Fraud

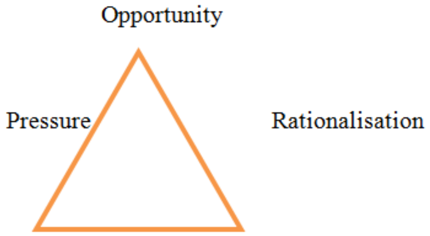
Fraud Triangle Theory

Cressey identified that fraud is encouraged by pressure, rationalisation, and opportunity. These three factors are known as the *Fraud Triangle Theory* proposed by Cressey. According to Cressey (1953), pressure refers more to financial pressures, such as debt, a luxurious lifestyle, drug addiction, etc. It is a motivation to commit fraud. He stressed further that the opportunity is encouraged by the organisation's weak or ineffective internal controls or poor governance system. Such weaknesses include a lack of supervision and abuse of authority. Finally, rationalisationin this theory refers to the justification of the perpetrator for his fraudulent action. The justification is that unethical or dishonest behaviour is not criminal activity. For example, a person may claim that he steals due to the poor economy or loss of a good job or that what he steals belongs to the public or all people and is one of the beneficiaries.

However, Dorminey et al. (2012)opine that the pressure element in the *Fraud Triangle* may not be financial as all the parties involved in fraud may not be motivated by the financial pressure.

The *Fraud Triangle* is a helpful tool for auditors or fraud examiners to investigate the motivesof committing fraud.

Figure 1: Fraud Triangle

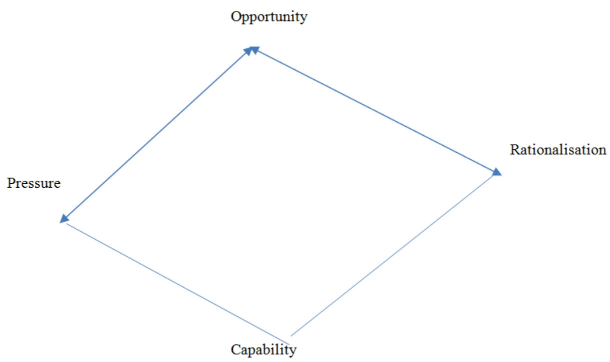


Fraud Diamond Theory (FDT)

The Fraud Diamond Theory (FDT) was first presented by Wolfe and Hermanson (2004) as an expanded version of the *Fraud Triangle Theory*. In this theory, Wolfe and Hermanson added the capability to the three initial fraud elements of the *Fraud Triangle Theory(FTT)*. They (2004) opine that capability is essential to translate perceived pressure or incentive, opportunity and rationalisation to commit fraud. Therefore, it is unlikely for fraud to take place without the existence of the fourth element (i.e., capability). In other words, a fraud perpetrator must have the skills and ability to commit fraud.

The elements of FDT are interrelated; it is unlikely that a person could commit fraud without the existence of all the elements.However, the additional element, i.e., capability, differentiates the FDT of Wolfe and Hermanson (2004) from the FTT of Cressey (1950). A person's capability means having the necessary traits, skills, and abilities to commit fraud. It is where the fraudster recognises the particular fraud opportunity and can turn it into reality. Position, intelligence,ego, coercion, deceit and stress are the supporting elements of capability (Wolfe and Hermanson, 2004).

Figure 2: Fraud Diamond



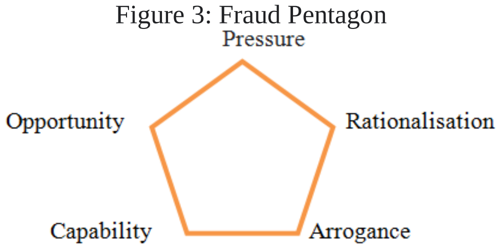
Fraud Scale

According to Albrecht (1984), three factors encourage fraud occurrence: *situational pressures*, *opportunity to commit fraud*, and *personal integrity*. Personal integrity replaces the rationalisation of Cressey's *Fraud Triangle Theory*. Although Albrecht noted that people could observe personal integrity more than realisation, the personal integrity of individuals can be traced from their behaviour.

Fraud Pentagon Theory

According to Hidayah andSaptarini(2019), the fraud pentagon theory is a development on Cressey's theory of the fraud triangle. Two elements of fraud were addedto the theory: competence and arrogance. The competence is almost the same as the capability described by Wolfe and Hermanson in 2004. Competence has to do with the ability of a person to commit fraud. Arrogance is the character of a person who feels that he has power over everything in an entity and ignores the established internal controls in such an entity.

Figure 3: Fraud Pentagon



Theory of Forensic Accounting

Forensic accounting theory states that the techniques and methods used to detect fraud reflect the accounting and non-accounting decisions that were taken into consideration by the forensic investigator (Ozili, 2020). It is an explanation for observed forensic accounting practices.

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Empirical Review

Kolawole et al. (2018) examine forensic accounting and the alleviation of fraudulent practices in Nigerian deposit money banks. The study employed primary data obtained through a questionnaire administered to staff of selected banks in Lagos State and employed ordered logit regression. The study revealed that forensic accounting reduces asset misappropriation in Nigerian deposit money banks.

OnuorahandEbimobowei (2012) study fraudulent activities and forensic accounting services of Port Harcourt Bank in Nigeria. The study employed a sample of (24) banks and analysedusing the least-squares and Granger Causality. The study's findings revealed that the forensic accounting application impacts the level of fraudulent activities in the banks because forensic accounting gives bankssuitable mechanisms that help to detect these fraudulent activities.

The elastic effect of fraud on business has made organisations embark on several strategies to prevent and detect fraud. Such prevention and detection strategies are the use of internal control system, the use of a monitoring system and letting the employees aware of this, monitoring, operational audits, code of conduct, and reference checks, among others (Bierstaker,Brody &Pacini, 2006; Efiong et al., 2016; Cg Tax, Audit & Advisory, 2022). Also, Levanti (2001) and Efiong et al. (2016) revealed that Forensic accounting is more effective in detecting and preventing fraud in organisations. They identified the utilisation of several techniques, such as the use of data mining, Bendford's digital analysis, the breakpoint; strategic fraud detection; fraud hypothesis testing; the five-step detection techniques; among others (Nigrini, 1994; Hassibi, 2000; Ernst & Young, 2006; Albrecht & Albrecht, 2008). In addition, it involves using electronic equipment such as closed circuit television (CCTV) and digital and mobile cameras, among others (Njanike et al., 2009).

The use of forensic accounting techniques was affirmed by several studies such as Nigrini (1994); Hassibi (2000); Ernst & Young (2006); Albrecht & Albrecht (2008); Efiong et al. (2016); among others. However, some other studies, such as Njanke et al. (2009); Okunbor and Obaretin (2010), revealed that the application of forensic accounting in corporate organisations in Nigeria is not effective in curbing fraudulent activities. On the other hand, recent studies such as Alhassan (2020); Momoh & Benjamin (2021) noted that forensic accounting in Nigeria is more effective in detecting and preventing fraud. For example, in a study, Okoye and Mbanugo (2020) investigate forensic accounting as a tool for fraud detection and prevention in the public tertiary institutions in South East Nigeria, focusing on 350 account staff in seven public tertiary institutions in South East Nigeria using questionnaires. They found that the use of forensic accounting posed a significant effect by reducing fraud cases in tertiary institutions in South East Nigeria. They also found a significant difference between professional forensic accountants and traditional external auditors, with forensic accountants being more effective in detecting and preventing fraud cases in the tertiary institution's sector than the conventional methods.

Ajemunigbohun et al. (2019) examine insurance claims fraud in homeowner's insurance with its

empirical findings from the Nigerian insurance industry. A descriptive research design was employed, andthe purposive sampling method was adopted for information selection in the study. A structured questionnaire was used for data collection. Two hundred twenty-one participants were drawn from 31 general insurance companies, which represent 61% capacity of the industry in terms of market structure. Major statistical techniques employed in the study were simple frequency percentages and T-test statistics. The findings showed that adopting insurance claims fraud prevention might significantly improve the performance of homeowner's insurance in Nigeria. It also provides evidence that insurance claims fraud detections might substantially reduce homeowners' insurance costs.

Ng'ang'a(2015) explores the role of forensic accounting services in combating fraud in the insurance industry. The study covered all 49 insurance companies listed by the Association of Kenya Insurers. Primary data were obtained with the help of well-structured questionnaires. The data collected were coded and analysed with a statistical package for social science (SPSS). Inferential analysis was done using inferential statistics. The regression model was run to test the effect of forensic accounting in preventing fraud in insurance companies. The researcher tested two variables on fraud reduction in insurance companies. The independent variables were investigative services and litigation support services offered by forensic accountants. The study revealed that applying forensic accounting services reduces the number of fraudulent activities in insurance companies.

Alhassan (2021) examines the use of forensic accounting for fraud detection and prevention in the Nigerian Public Sector, using a sample size of fifty (50) respondents who are auditors and accountants in ten (10) ministries in FCT Abuja in Nigeria. The findings revealed that forensic accounting in Nigerian Ministries, Department and Agency is beneficial and leads to fraud discovery and aversion. Also, Adebayo (2022) examines the effect of financial crimes on Nigeria's development. The study used primary and secondary data; the researcher collected the primary data through a well-structured questionnaire administered to 124 respondents. Descriptive analysis, Ordinary Least Square (OLS) and analysis of variance (ANOVA) were used to test the data. The study concluded that forensic accounting would minimise financial crimes and ensure that offenders are convicted and punished accordingly.

As noted above, there are confusing results regarding the influence of forensic accounting on fraud prevention and detection, particularly in the financial sector in Nigeria. Hence, this paper focused on whether forensic accounting could be used to prevent and detect fraud in the Nigerian financial industry with a focus on bank and insurance companies.

III. METHODOLOGY

The researcher deployed a systematic review method to examine the influence of forensic accounting on fraud prevention and detection in the Nigerian financial sector with a focus on banks and insurance companies. Hence**,** theinformation and materials used for this studyare journals, books,and online materials. These include those that focused on the salient issues for achieving the objective of this paper. Furthermore, this information and materials cut across empirical and review studies within the year range of 2015 and 2022 to acquire much information and material resources that could provide better resources, information and evidence that would address the objectives of this study.

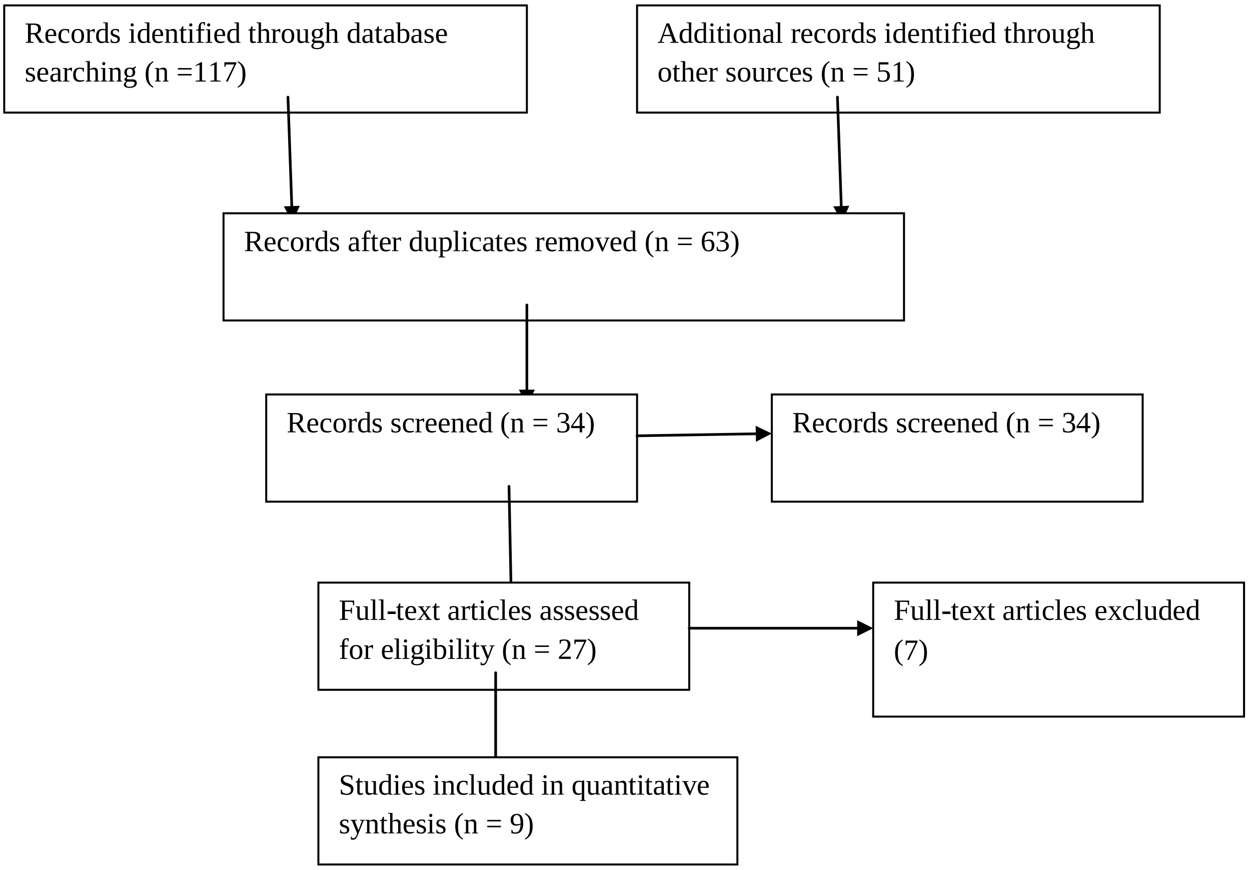
Also, the article deployed the Cochrane review style ofChapman (2014) to informthe search processand strategy. The PICOS was also deployed so that the search and selection of material processes were made to enhance the effectiveness of selecting necessary and relevant materials to be used in achieving the paper's objectives. According to Richardson(1995), on the PICOS acronym:'P' stands for the problem or the population in question; 'I' stands for intervention, 'C' stands for comparison or the control, 'O' stands for the outcome(s), and 'S' stands for the study type (e.g. quantitative, qualitative, etc.). Also, the PICOS framework used in this paper is presented in Table 1.

Table 1. PICOS

	Inclusion	**Exclusion**	**Search terms**
Problem	Fraud in Nigeria in the Financial Sector with a focus on Banks and insurance companies	Other activities in the nation that don't include fraud, also fraud in different sectors of the economy	Fraud in the Financial Sector; Fighting fraud in the Financial Sector in Nigeria Types of frauds in the Financial Sector in Nigeria Forms of fraud in the Financial Sector in Nigeria
Intervention	Forensic Accounting	Another focus apart of techniques used	Forensic Accounting use in the Nigerian Financial Sector with a focus on Bank and insurance companies
Comparator	None	None	None
Outcome	Fraud Detection and Prevention in Nigerian Financial Sector with a focus on Banks and insurance companies		Fraud Detection and Prevention in Nigerian Financial Sector with a focus on Banks and insurance companies
Study type	All types	None	Empirical (quantitative and qualitative), review, and others.

Also, the search engine used to obtain materials for the paper include the use of Google Scholar, Semantic Scholar, RefSeek and other search engines such as Google. The search process yielded results and outcomes, but the researcher eventually selected very few that fit into this study.

Also, the PRISMA Flow Diagram for the study search and the number of articles used in this study are provided below:



The articles selected include the works of Agbaje and Ganiyu (2017); Aigienohuwa et al. (2017); Ogundana et al. (2018); MadichieandEzeyi (2019); Uniamikogbo et al. (2019); Okoye et al. (2020); Haruna et al. (2020); Dugguh et al. (2021); and Chukwuma et al. (2022). Moreover, dataand materials obtained were grouped into the major themes,and content analysis was deployed to provide answers to the research question.

IV. RESULTS

The paper used a systematic review to examine whether forensic accounting could prevent and detect fraud in the Nigerian financial sector, particularly in the bank and insurance companies.Agbaje and Ganiyu (2017) examined the effects of forensic accounting services on fraud reduction in the Nigerian banking industry, using the survey research method to collect primary data through a questionnaire and the data collated were subjected to analysis using regression analysis. Their findings revealed that forensic accounting aids the prevention and detection of fraud in the Nigerian banking industry. Also, Aigienohuwaet al. (2017) examined forensic accounting and fraud mitigation in the Nigerian banking industry through a survey design. Data were collected through a structured questionnaire from 120 bankers in Benin City through a judgmental sampling technique. Data obtained were further subjected to a Binomial test. The findings revealed that forensic accounting significantly reduces fraud and could further help to improve internal control systems in the banking industry.

Also, Ogundana et al. (2018) examined the role of forensic accounting in preventing and detecting fraud in the Nigerian banking sector. They employed a survey research design with primary data from a structured questionnaire. Data collated were analysed using Independent T-test, Oneway ANOVA and Simple regression and decision was made at 5%. Their findings revealed thatforensic accounting significantly impacted fraud prevention and detection; however, there was a shallow level of awareness of the use of forensic accounting in the Nigerian banking industry. In addition, MadichieandEzeyi(2019) examined the role of forensic auditing in curbing fraud in selected Nigerian banks using a survey research design. Theyfocussed on three banks in Nigeria, using both the primary and secondary data and subjected analysis using Chi-square and simple correlation analysis. Their findings revealed that forensic auditing services are a better technique for internal and external auditing to curb fraud in the selected Nigerian banks.

Moreover, Uniamikogbo et al. (2019) examined forensic audit and fraud detection and prevention in the Nigerian banking sector, using 16 Deposit Money Banks (DMBs) listed on the Nigerian Stock Exchange (NSE) as of 31st December 2016, and secondary data were used from the Nigerian Deposit Insurance Corporations' (NDICs) annual reports of 2013 and 2016. Data obtained were analysed using charts, graphs, tables and regression analysis. Their findings revealed that forensic auditssignificantlyreducedthe number of fraud cases, the number of staff involved in such bank fraud, and the actual amount of bank losses through fraud within the Nigerian banking sector. Nevertheless, their results also revealed that forensic auditing does not affectthe expected losses that could be generated through the various fraud activities in Nigerian banks.

Likewise, Okoye et al. (2020) investigated the effect of forensic accounting investigation in detecting fraud in Nigerian deposit money banks through the cross-sectional survey design and focusing on staff and management teams of selected Deposit Money Bank and Accounting firms based in Owerri, Imo State, Nigeria. The study adopted a purposive sampling technique,a sample of one hundred and thirty-five (135) staff and management teams of the banks and accounting firms were used for the study. Their findings revealed that forensic accounting investigation posed a significant effect on the detection of financial fraud in Nigerian Deposit Money Banks hence, supporting the use and application of forensic accounting in the detection and prevention of financial fraud in Nigerian banks.

Also, Haruna et al. (2020) examined forensic accounting techniques, accounting numbers and fraud prevention in the listed insurance companies in Nigeria, focusing on 257 professional accountants and auditors in the listed insurance companies in Nigeria. Data were elicited using the questionnaire, and data obtained were subjected to analysis using the SPSS Version 21. The study found that forensic accounting techniques significantly affected fraud prevention by 63.1 percent.

Moreover, Dugguh et al. (2021) examined the use of forensic accounting for fraud prevention in Nigerian deposit money banks, using firms' data from the published annual report of the Nigerian Deposit Insurance Corporation (NDIC) for the period between 1994 and 2019. Deploying the Automated Teller Machine Related Fraud (ATMF), Web Based Fraud (WBF) and Foreign Currency Fraud (FCF), and using the time series analysis with Autoregressive Fractionally Integrated Moving Average (AFRIMA) Model through STATA 14.2, their results revealed that in the short run, forensic accounting significantly enhances fraud detection and prevention. In the long run, there was no significant relationship between forensic accounting and fraud prevention due to the increased dynamics of fraud cases. This revealed that forensic accounting systems could only detect and prevent fraud in the short run. At the same time, banks and insurance companies may be unable to detect and prevent fraud in the long run due to the dynamics or changing patterns of fraud that the present forensic accounting mechanism could not handle. In addition, it could detect and protect against automated teller machine/card-related fraud, web base/internet-related fraud, and foreign currency theft, among others.

Finally, Chukwuma et al. (2022) examined the relationship between forensic investigation skills and stock value in Nigerian insurance companies, focusing on insurance companies listed in the NSE at the year-end of 2020. Data collected were subjected to multi-regression analysis by adopting a purposive sampling method to select seventeen (17) insurance companies in Nigeria between 2011 and 2020. The result reveals that forensic audit does not significantly affect tax fraud prevention.

V. DISCUSSION

The paperused a systematic review technique to investigate the influence of forensic accounting on fraud prevention and detection in the Nigerian financial sector with a focus on bank and insurance companies. The findings revealed the use of forensic accounting systems to prevent and detect fraud in the Nigerian financial sector, particularly banks and insurance companies. However, putting into consideration the works of Abdul and Abdul (2013); Abdolmohammadi (2019); Okoro andOnyebueke (2021), the inadequate use of forensic accounting in Nigeria banks and insurance companies could further exacerbate the level of fraud in the industry. This justifies why the findings of Njanke et al. (2009); Okunbor and Obaretin (2010); among others, noted that the application of forensic accounting in corporate organisations in Nigeria, such as in banks and insurance companies, is not very effective in curbing frauds due to lack of awareness in use.

Despite the low awareness and use of forensic accounting, it was still the best way to detect and prevent fraud. Therefore, the findings revealed that forensic accounting couldprevent and detect fraud to a considerable extent in the Nigerian financial sector, especially in bank and insurance companies. In addition, the results showed that it could also detect and protect automated teller machine/card-related fraud, web base/internet-related fraud, and foreign currency theft, among others. Hence, any type or form of fraud could be detected and prevented by deployingforensic accounting mechanismsin the Nigerian financial industry. Putting into consideration the works of Okoro andOnyebueke (2021); Modugu and Anyaduba (2013); Abdullahi and Mansor (2015); among others, forensic accounting could help detect and prevent internal and external types of fraudin the banking and insurance companies.

The findings also revealed thatforensic accounting could only prevent and detect fraud in the short run and not in the long run because of the changing and dynamic pattern of fraud in banking and insurance companies. This was supported by Okoro and Onyebueke's (2021) findings that Nigeria's recent prevalence of fraud, including banks and insurance companies, could be attributed to the previous traditional internal controls mechanism. It was also found by Bierstaker et al. (2006) and Efiong et al. (2016) that conventional controls could not tackle the recent changing and dynamic pattern of fraud. Hence, forensic accounting may also be unable to detect and prevent fraud in the long run in banks and insurance companies in Nigeria. This justifies why Efiong et al. (2016) noted that most of the methods used for fraud prevention and detection in Nigeria are the traditional mechanisms which are unable to detect and prevent frauds in recent times due to the changing and dynamic pattern in fraud, particularly in banks and insurance companies in Nigeria. This also concurs with the findings of Adeniyi &Mieseigba (2013); Akeem (2015); Enofe et al. (2017); Okoro andOnyebueke (2021); among others, why fraud has persisted and increased in Nigeria to constitute a significant threat to organisations and the nation's economy.

This also bolsters the works of Levanti (2001); Bierstaker,Brody &Pacini (2006); Efiong et al. (2016); Alhassan (2020); Okoye and Mbanugo (2020); Momoh & Benjamin (2021); Cg Tax, Audit & Advisory (2022); among others. However, forensic accounting could be more effective in preventing and detecting fraud in organisations because it deploys several complex and sophisticated techniques. Such techniques include the use of data mining, Bedford's digital analysis, the breakpoint, strategic fraud detection, fraud hypothesis testing, the five-step detection techniques, closed circuit television (CCTV), digital and mobile cameras, among others in its operation to prevent and detect the current dynamics and changing pattern of frauds in banking and insurance companies.

VI. CONCLUSION AND RECOMMENDATIONS

The paperused a systematic review technique to investigate the influence of forensic accounting on fraud prevention and detection in the Nigerian financial sector with a focus on bank and insurance companies. The findings revealed that although there is low awareness and use of forensic accounting systemsto prevent and detect fraud in the Nigerian financial sector, it has been shown to be the best way to prevent and detect fraud. Therefore, the findings revealed that forensic accounting could detect and prevent fraud to a considerable extent in the Nigerian financial sector, especially in bank and insurance companies. The study, therefore, recommends that:

i. There should be adequate awareness in the country and in the various organisations on the capability of forensic accounting systems to prevent and detect fraud, particularly in banks and insurance companies in Nigeria. The board of directors of such organisations should lead this awareness. In addition, management, accountants, auditors, and others should join the enlightenment campaign.

ii. Fraud detective agencies and bodies in Nigeria, such as EFCC, ICPC and Police, should also deploy forensic accounting to investigate frauds.

iii. Bank and insurance companies should train relevant employees to enhance their skills in using forensic accounting systems to prevent and detect fraud.

iv. Policymakers and fraud detective agencies such as EFCC should encourage organisations to use forensic accounting systems in Nigeria to a large extent. Hence, Government should put relevant policies in place in this regard.

v. Banks and insurance companies should regularly invest in various forensic accounting tools to deal with any type or nature of fraud from time to time in Nigeria.

vi. Also, banks and insurance companies should strengthen their control systems to check fraud occurrences from insiders and outsiders.

vii. The external auditors of bank and insurance companies in Nigeria should acquire forensic accounting skills and deploy them appropriately in their assignments.

viii. Forensic Accountants in Nigeria should develop tools to prevent and detect fraud. The Professionals should not rely only on foreign forensic accounting tools to perform in the Nigerian environment. Nigerians should also use local tools to encourage their developers.

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