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FORENSIC ACCOUNTANT EXPERT TESTIMONY AND OBJECTIVITY OF FORENSIC INVESTIGATION IN DEPOSIT MONEY BANKS IN NIGERIA

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ABSTRACT

The study dwelt on the effect of forensic accountants' expert testimony in litigation and the objectiveness of forensic investigation in Deposit Money Banks (DMBs) in Nigeria. The study sought to find out the relationship between forensic accountants' expert testimony and fraud prevention, fraud detection and fraud reduction. Survey research design was adopted in the study. Questionnaires, personal interviews, and document review were the methods that were used to obtain data for this study. A sample of thirty branch manager, and operations managers were used from sixteen DMBs in Nigeria. Pearson moment correlation was used to analysis the data and it was found that forensic accountants' expert testimony have a significant relationship with fraud prevention, fraud detection and fraud reduction. The study thus recommended that the work of the forensic accountant should not just end in fraud investigation but should also and always be invited to provide a sworn expert testimony in the court of law that will aid in the prosecution of fraudsters.

KEYWORDS: *Forensic Accountant, Expert Testimony, and Forensic Investigation*

1. INTRODUCTION

Critical look at the failures, restructuring and renaming of various Nigerian Deposit Money Banks (DMBs), Owolabi (2010) asserted that bank failures were as old as banking industry itself. Nwankwo (1992) stated that the crises of confidence in Nigerian banking industry is not a new one that it has been with us for quite a long time. It occurred in the 1930s when all indigenous banks, except one (National Banks), collapsed. It occurred again during the banking boom and crash of the late 1940s when all but four indigenous banks escaped the liquidators' hammers. Between the periods of 1952 and 1954, 16 out of 21 indigenous banks failed, and in the late 1990s, 26 failed banks were liquidated at once while others went through various surgical operations ranging from, restructuring, renaming, acquiring and

complete sales to new investors (Owolabi, 2010). As a consequence of capital inadequacies, Nigerian banks experienced liquidity problem which led to the raising of minimum capital base of N25 billion in 2004. The recapitalization brought the number of banks to 25 in 2006, a considerable reduction from the 89 which existed in 2004. In 2009, Nigerian banks witnessed sacking of the management of five banks; Intercontinental, Oceanic, Union, Afri, and First Inland banks over alleged fraudulent mismanagement which tremendously heightened public anxiety about the health of these banks and to some extent created doubts about the audit function being performed in these banks. Fraud constitutes a problem to banks in their operations and their roles in the economy at large. Evidence therefore shows that out of the 25 big banks operating in Nigeria after

recapitalization, three international accounting firms have been their auditors (Zachariah et al, 2014)

Consequently, the spate of financial fraud has brought into questioning the services of a traditional auditor in the fight against fraud. Traditionally, the roles of a regular accountant in a company were to ensure that the company has a strong internal control and audit the books of account in order to prepare its financial statement. Due to the increase in the rate of financial fraud, the need to detect and prevent fraud became a necessity in companies, and this was not a part of the responsibilities of a regular accountant. Because of this, a gap was created which resulted to the need of a forensic accountant. In addition to the forensic accountant's role of detecting financial fraud, he can also act as an expert witness in the law court. The role of an expert witness is to help the judge get to the truth. This is also true about the accounting profession. Many attorneys need assistance from accountants during the preparation of their cases and then later need accountants to testify as expert witnesses.

The expert's objective should be to help the court to understand the evidence and to determine the fact that is in dispute rather than highlighting the point of his client. It is therefore necessary that financial information is translated into simple, effective, and clear testimony so that a judge can readily understand the findings. To make the report credible and persuasive, logical analysis of various scenarios in a given set of circumstances is necessary.

An expert witness in a fraud case is required by the courts to have specialized knowledge in the area in which he will testify and such testimony should be based on reliable facts and data. The accountant must convince the judge that he is an expert and that his testimony is both relevant and reliable (Sanchez & Zhang 2012). He should be able to apply accounting, statistical, research, and economic concepts and techniques to legal problems or potential legal problems. In addition, he should understand the legal process because the investigation may lead to court action, requiring the corporate forensic accountant or an outside expert to give testimony as an expert witness. The outside expert could be a Certified Public Accountant (CPA), a management consultant, a university accounting professor, or an economist (Ejoh, 2017). Being an expert witness is a key attribute of a forensic investigator and it is essential that they are suitably trained and qualified to provide this service

The accountant in a forensic accounting investigation, uses auditing and other investigative skills to analyze what happened, he develops assumptions about what might have happened, and finally explains these assumptions in a written report which usually measures damages to an injured party. Sometimes this report is presented in the courtroom if the case goes to trial and as such he must be

prudent and objective in his investigations, as his reports and analysis can ultimately determine the outcome of the civil litigation. Auditing skills are valuable in litigation process, but additional skill which is the investigative techniques are required because the process goes beyond the testing which is the basis for audit.

Forensic accountant differ from other scientists by the likelihood that they will be called upon to present and explain their findings, under oath, in a court of law. They will also be required to explain how their findings were obtained and what they represent. The single feature that differentiates forensic accountants from any other conventional accountants is the expectation that they will appear in court and testify to their findings and also offer an opinion as to the significance of those findings. The forensic accountant will, or should, testify not only to what things are, but to what things represent (Lyman, 2002). Thus, the anticipation of sworn expert testimony and the offering of sworn expert testimony are distinctive traits possessed by the forensic examiner. The ability to provide sworn expert testimony which is integral to forensic examinations, a trustworthy character requirement is also required. Mistakes or lack of professional standards by forensics professionals can lead to wrongful convictions in a worst case scenario (Lyman, 2002).

STATEMENT OF RESEARCH PROBLEM

The objective of Forensic Accountants is to provide an analysis that is suitable to the court which will form the basis for discussion, debate and ultimately dispute resolution. Doing this effectively and efficiently, expert assistance is needed by the judges to get to the truth. Many judges need assistance in cases involving financial frauds from forensic accountants during the preparation of the filed cases and may also need them to testify as expert witnesses. The role of forensic accountants as expert witnesses is to help the judges get to the truth in interpreting accounting jargons through testimonies, assisting clients in preparing evidence and witnessing in court to prove a case in the event of litigation as an expert witness. This way, forensic accountants have compelling responsibility to generate credible and admissible evidence that can stand all court hurdles in proving a case or supporting a claim. If a forensic accountant is invited by the court to also testify as an expert, any fatal error, or major flaw in his investigation could not only spoil his career as an expert, but it may also have a serious blow on the credibility of the profession if the court frequently renders such expert evidence as inadmissible. Experts provide opinion evidence and are expected therefore to only testify to what they have observed. If there is lack of independence by an expert, the court might be misled

by him and the objective of the forensic investigation defeated.

Furthermore, when an expert is selected by the client on the advice of his lawyer, the lawyer's integrity and reputation is also at stake. It is necessary for lawyers to consider the expert's academic qualification, area of expertise, and ability to assist during the trial and understand complex issues involved in the case before selection. Some of the experts who specialize in fraud investigation might not have developed the skills needed for damage quantification or valuation of an on-going business and as such, an expert should before accepting any assignment evaluate whether the work involved matches his expertise and experience. The forensic accountant acting as an expert witness is expected to possess certain qualifications, experiences, qualities and skills. Thus this research is to look at these qualifications, experiences, qualities and skills and how they affect the judiciary in terms of assisting the judge get to the truth of every financial crime brought before the court. In the light of this, this study is poised to examine the relationship between forensic accountants' expert testimony and the objectiveness of forensic investigation in Deposit Money Banks (DMBs) in Nigeria.

OBJECTIVE OF THE STUDY

The objective of the study is to examine the relationship between the possibility of the forensic accountant providing sworn expert testimony and the objectiveness of forensic investigation in Deposit Money Banks (DMBs) in Nigeria. In specific terms, the study seeks to ascertain:

1. the relationship between forensic accountants' sworn expert testimony and fraud prevention;
2. the relationship between forensic accountants' sworn expert testimony and fraud detection;
3. the relationship between forensic accountants' sworn expert testimony and fraud reduction.

STATEMENT OF RESEARCH HYPOTHESES

The following hypotheses are relevant to the stated objective above and shall be tested in this study:

1. **H₀**: there is no significant relationship between forensic accountants' sworn expert testimony and fraud prevention;
2. **H₀**: there is no significant relationship between forensic accountants' sworn expert testimony and fraud detection;
3. **H₀**: there is no significant relationship between forensic accountants' sworn expert testimony and fraud reduction.

2. REVIEW OF RELATED LITERATURE

Concept of Forensic Accountant

Forensic Accountants utilizes accounting, auditing and investigate skills in conducting an investigation (Okoye et al, 2017). Forensic accountants are detailed examiners and analyst of financial documents and records for use as evidence in a court of law. Forensic accountants have been around for nearly 200 years and the earliest reference of them was found in 1824 in an accountant's advertising circular in Glasgow, Scotland (Enofe et al, 2015). Forensic accountants are expected to provide services in seven different legal areas; damages, antitrust, accounting, valuation, general consulting and analysis (Enofe et al, 2015). In the opinion of Enyi (2012), forensic accountants must have foundational knowledge in Accounting and Finance for a solid understanding of financial statements and the markets in which they operate. Such knowledge include: Financial Statement Analysis, Taxation and Business Law, Corporate Governance, Information Systems, Business Valuation, Criminology, Psychology, Business Ethics, Business Communication. A Forensic Accountant must be open to study all options, examine the details while seeing the large picture and in addition, a must be able to listen efficiently and communicate clearly and concisely.

As a profession, forensic accounting continued to grow as Generally Accepted Accounting Principles (GAAP) and tax laws became widespread and mandatory. A trace of what could be termed forensic accounting was first seen in 1817 court decision involving a bankruptcy estate. Forensic accountants have been around for nearly 200 years and the earliest reference of them was found in 1824 in an accountant's advertising circular in Glasgow, Scotland (Enofe et al, 2015). Thereafter articles began to appear discussing expert witnessing, evidence arbitration and awards, of which the first published article with the phrase forensic accounting was Maurice E. Peloubet, a partner in a New York City accounting firm in 1946 (Okoye et al, 2017).

A forensic accountant is expected to perform functions of analysing, interpreting, summarizing and presenting complex financial and business issues in a manner which is both understandable and properly supported (Okoye et al, 2017). Functions of a forensic accountant are divided into investigative accounting and litigation support. These two major categories form the core around which other support services that traditionally come within the sphere of investigative services revolve such as corporate intelligence and fraud investigation services. Looking at the term litigation support, Ejoh (2017) defined it as "the provision of assistance of an accounting nature in a matter involving existing or pending litigation". Primarily it is focused on issues

relating to but not limited to the quantification of economic damages, valuations, tracing assets, revenue recovery, accounting reconstruction and financial analysis. This implies that a typical litigation support assignment would involve calculating the economic loss or damage resulting from a breach of contract. Litigation support also works closely with lawyers in matters involving, contract disputes, insolvency litigation, insurance claims, royalty audits, shareholders disputes and intellectual property claims (Ejoh, 2017). Investigative accounting on the other side is concerned with investigations of a financially criminal nature. A typical investigative accounting assignment could include one of the following: employee fraud, securities fraud, insurance fraud, kickbacks and advance fee frauds. Both litigation support and investigative accounting services are often required in many forensic assignments. Cabole (2009) noted that in many cases, the combination of investigative accounting and litigation support will not be adequate to address the problem unless there is in place an effective programme for fraud risk management and control. He further noted that creating an ethical work environment with a vigorous anti-fraud culture, implemented seriously by senior management through the promotion of a clear anti-fraud policy, is the only feasible alternative if management is serious about preventing or reducing the reappearance of corporate fraud in its various facades.

Forensic accountants are often required and retained by groups such as lawyers, Economic and Financial Crimes Commission (EFCC), Independent Corruption Practices Commission (ICPC), police forces, banks and courts. In appointing and retaining a forensic accountant, Okoye et al (2017) is of the opinion that the following issues should be considered: his experience and qualifications, early retention in order to obtain maximum benefit from him, access to relevant documents especially if he is also engaged as an expert witness, and in situations where counsel is involved, forensic accountants should be retained by the counsel so that the privilege which exists between the client and counsel will be extended to be extended to the work of the forensic accountant. Each forensic accounting assignment is unique and the approach adopted and the procedure performed will be specific to it. However in general according to Okoye et al (2017), forensic accounting assignments will include steps such: meet with the client; perform a conflict check; perform an initial investigation; develop an action plan; obtain the relevant evidences; perform the analysis and finally prepare the report. A forensic accountant is expected to possess skills such as deductive analysis skill, critical thinking, unstructured problem solving skill, investigative flexibility, analytical proficiency, legal knowledge, oral communication skill, written communication

skill and composure. In addition to these skills, a forensic accountant is also expected by way of character to be curious, persistent, creative, discrete, organised, and confident and must possess sound professional judgement.

Concept Expert Testimony

The custom and law relating to the position of the experts as witnesses dates back to English Courts around 1550. However, the first documented use of an accountant as an expert witness was in *Meyer V. Sefton*, (1817). In the western countries and other developed countries, the use of Forensic Accountant attesting as an expert witness in the Court of law is becoming more and more dominant today in view of the swift increase in the financial fraud cases. In court cases where the understanding of an expert can help to better explain the facts in issue or relevant facts, an expert witness may be called upon to give expert testimony.

In USA, the admissibility of the Forensic Accounting Expert testimony is supported by the Judicial Pronouncements and Federal Rule of Evidence. The US Supreme Court has over the years delivered several decisions clarifying its standards for the admission of expert testimony. In *Frye v. U.S.*, the Court stated “that expert testimony will be admitted if based on a methodology generally accepted by the scientific community”. In *Daubert v. Merrell Dow Pharmaceuticals, Inc.*, 509 U.S. 579 (1993) the Court concluded that the trial judge must act as a gatekeeper for expert testimony, considering several nonexclusive factors applicable to the testimony’s reliability and relevance, including:

- Whether the theory or technique has been or can be tested,
- Whether the theory or technique has been subjected to peer review or publication,
- The known or potential rate of error, and
- Whether the theory or technique is generally accepted in the relevant scientific community. (Neeraj, 2018).

In the case of *Daubert v. Merrell Dow Pharmaceuticals, Inc.*, 509 U.S. 579 (1993), focused on the admissibility of scientific expert testimony, its posterity have had a great impact on Financial Expert testimony. In *Kumho Tire Co. V. Carmichael*, 526 U.S. 137 (1999), the Court made clear that the gatekeeper function applies to all expert testimony, not just scientifically based testimony.

Rule 702 of the Federal Rules of Evidence effectively codifies the Supreme Court’s decisions in *Daubert*. Rule 702 provides that if the Court finds that scientific, technical or other specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue, and if the Court finds that the witness is qualified as an expert by knowledge, skill, experience, training, or education, then the Court may permit the witness to testify, so long as the witness’ testimony is based on

sufficient facts or data, the testimony is the product of reliable principles and methods, and the witness has applied the principles and methodology reliably to the facts of the case. Further, concerning determinations of non-scientific expert testimony reliability, financial expert testimony, the Advisory Committee on the Federal Rules of Evidence and the Standing Committee on Rules of Practice and Procedure specifically observed that Some types of expert testimony will not rely on anything like a scientific method, and so will have to be evaluated by reference to other standard principles attendant to the particular area of expertise. The expert's testimony must be grounded in an accepted body of learning or experience in the expert's field, and the expert must explain how the conclusion is so grounded. Whether the testimony concerns economic principles, accounting standards, property valuation or other non-scientific subjects, it should be evaluated by reference to the knowledge and experience of that particular field.

In the foregoing therefore, under the Federal Rules of Evidence, a judge will permit an accountant to testify as an expert witness only if the judge decides that: The accountant's testimony will help the jurors or judge understand the evidence or determine a fact in issue.

The accountant is qualified as an expert by knowledge, skill, experience, training, or education. The accountant can show that his or her testimony will be based on sufficient facts or data and will be the product of reliable principles and methods that have been applied reliably to the facts of the case. These requirements are often referred to in shorthand as qualification, reliability, and fit. (Neeraj, 2018).

Theoretical Framework:

This research is anchored on the Fraud Triangle Theory (FTT), Fraud Diamond Theory (FDT) and Fraud Box Key Model.

Fraud Triangle Theory (FTT): In 1950, Donald Cressey, a criminologist, started the study of fraud by arguing that there must be a reason behind everything people do. Questioning why people commit fraud, he focused his research on what drives people to violate trust? He interviewed 250 criminals in a period of 5 months whose behaviour met two criteria: (i) the person must have accepted a position of trust in good faith, and (ii) the person must have violated the trust. He established that three factors must be present for a person to violate trust and was able to conclude that: Trust violators, when they conceive of themselves as having a financial problem which is non-shareable, and have knowledge or awareness that this problem can be secretly resolved by violation of the position of financial trust. The three influences illustrated are non-shareable financial problem, opportunity to commit the trust violation, and rationalization by the trust violator. When it comes to non-shareable financial problem,

Cressey asserted that, individuals become trust violators when they perceive themselves as having incurred financial commitments which are considered as non-socially sanctionable and which, consequently, must be satisfied by a private or secret means. In addition, he revealed that perceived opportunity arises when the fraudster sees a way to use their position of trust to solve the financial problem, knowing that they are not likely to be caught. As for rationalization, he established that most fraudsters are first-time offenders with no criminal record. They see themselves as ordinary, honest people who are caught in a bad situation. The three elements of fraud summarized by Cressey are commonly presented in a diagram. The top component of the diagram represents the pressure or motive to commit the fraudulent act while the two elements at the bottom are perceived opportunity and rationalization.

Fraud Diamond Theory (FDT): The Fraud Diamond Theory (FDT) was first presented by Wolfe and Hermanson in 2004. It is generally seen as an extended version of the FTT. In this theory, an element termed capability which is the situation of having the necessary traits or skills and abilities for the person to commit fraud was added to the three initial fraud elements of FTT. Wolfe & Hermanson (2014) argued that although perceived pressure or incentives might coexist with an opportunity to commit fraud and a rationalization for doing so, it is unlikely for fraud to occur except the fourth element which is capability is also present. According to Wolfe and Hermanson, opportunity opens the doorway to fraud, and incentive which is pressure and rationalization can draw a person toward it. However, the person must have the capability to recognize the open doorways as an opportunity and take advantage of it by walking through, not just once, but repeatedly. With the additional component seen in the FDT affecting individuals' decision to commit fraud, the organization and Auditors need to understand employees' individual traits and abilities in order to assess the risk of fraudulent behaviours in the private and public sector.

Fraud Box Key Model: The Fraud Box Key Model was propounded by Okoye and Onodi in 2014 as an immediate response to the long endured lapses of the FTT and FDT. This they achieved by transforming the fraud diamond into a Fraud Box Key model by adding a fifth perspective "Corporate Governance", in order to show the overbearing function of Corporate Governance on the four other perspectives, i.e pressure, opportunity, rationalization and capability of FTT and FDT. Corporate Governance dysfunction was added since it is the master key response to pressure, opportunity, rationalization and capability. It is believed that the fraudster's thought process will amount to thinking

inside the box if there is good Corporate Governance.

Corporate Governance dysfunction, when carelessly handled, unlocks the fraudster thought process thereby opening the doorway for fraud to occur. Until corporate governance unlocks or allows for fraud in an organisation, fraud however heightened by pressure or numerous opportunities due to internal control weakness or whatever rationalization and capability cannot be perpetrated. The implication is that the key of good corporate governance is firmly used to lock down the functionalities or by product effects of the four other elements of the FTT and FDT in the Fraud Box Key Model.

Since the study is about the relationship between forensic accountant expert testimony and forensic investigation objectives which is proxied by fraud prevention, detection and possibly reduction, the Fraud Box Key Model is the most appropriate model/theory for the study because among the three related theories reviewed, it is the only one that provided a solution to fraud which is corporate governance. Others gave reasons for fraud.

Empirical Review

Enofe et al (2015) carried out a study on expert witness and the court system. The objective of the study was to examine the role of a forensic accountant as an expert witness in the law court in Nigeria. Specifically, the study was set to assess the extent an expert's professional experience can help a lawyer in a case, to assess the role of the expert's assistance in determining the appropriate proximate cause for damages and to explain the bases for determining the authenticity of the expert witness' report. The study assumed an empirical approach using the questionnaire as its instrument of data collection. The questionnaires were distributed to forensic accountants, accountants and forensic accounting students. The chi-square method was used to analyze the questionnaires and found that an expert witness' professional experience cannot assist a lawyer in a case, because cases differ in nature. The study further revealed that an expert witness has the ability to determine the appropriate proximate cause for damages and the authenticity of an expert's report. The study thus recommended that experts should be assessed on the type and nature of previous professional experiences in relation to the nature of the current case at hand.

Bassey & Ahonkhai (2017) critically considered the effect of forensic accounting and litigation support on fraud detection in Nigerian banks. The objective of the study was to predispose if forensic accounting and litigation support have any significant effect on fraud detection in Nigeria banks. In order to achieve the objective, data were obtained through primary sources and that was achieved with the help organized questionnaires of two segments administered to the employees of Zenith Bank Nigeria Plc. and Union Bank Nigeria Plc. in Calabar,

Cross River State. The data obtained were presented with the aid of tables and was interpreted with the help of inferential statistics using Analysis of Variance (ANOVA). The study found that forensic accounting and litigation supports do not have significant effect on fraud detection in Nigerian companies, and thus recommended that management and shareholders should be educated on the efficacy of the services of forensic accountants in litigation matters and that Nigeria legal system should be strengthened, so that it can lend credibility or confidence in their legal system.

Ejoh (2017) carried out a study on the investigative objectivity of forensic accountant's expert testimony in litigation support. Survey research design was used in collecting data from a sample size of 100 consisting of accountants, auditors, and legal practitioners. ANOVA (F-test) was used in the data analysis. The findings of the study showed that the forensic accountants' ability to provide sworn expert testimony is integral to forensic examinations because it affects the objectiveness and neutrality of forensic accountants during forensic investigations and examinations. It was thus recommended that Forensic accountants should invest whatever is necessary to acquire investigative skills to add to their professional skills of financial analysis and uphold honesty and objectivity which will remove any emotional attachment and interest in the outcome of any litigation process or case thereby making their sworn expert testimony invaluable to the litigation process.

Enofe et al (2017) researched on the role of expert witness investigation in detecting financial fraud in the Nigerian public sector. A survey research design used in this study was generated from primary sources using a questionnaire, which were distributed to obtain complete and accurate responses from the respondents. The data collected was analyzed using descriptive statistics and regression analysis with aid of the statistical tools SPSS 20.0 to analyze the bio-data and E-views 8.1 to analyze the responses from the respondents. The result of this study showed that forensic accountant as expert witness in court, expert witness experience and expert witness education all have a positive relationship with financial fraud detection. It is therefore recommended that there should be an increase in the use of forensic accountant as expert witness in the public sector to help in the detection of financial fraud.

Gbegi & Habila (2017) examined the effect of forensic accounting evidence on litigation service in the Nigerian Judicial system. Primary data were sourced through questionnaires, a descriptive and causal (cause-and-effect) research design adopted while Chi Square test of significance was used for testing the hypotheses formulated. The findings revealed that forensic accounting evidence (documentary evidence, demonstrative evidence,

physical evidence and oral evidence) has significance influence on litigation services in the Nigerian judicial system. The study recommended that Forensic accounting evidence should be constantly employ by the Nigeria court of law in other to positively enhance litigation services in Nigeria, and Forensic accounting oral evidence should be administer in the court of law and should be given by expert witness that has the training and communication skills such as forensic accountants.

Other studies on forensic accounting were related to fraud control, detection and prevention such as, Ehioghiren, & Atu, (2016) that studied forensic accounting and fraud management: Evidence from Nigeria found that forensic accounting significantly influences fraud detection and control, and also there is significant differences between the duties of professional forensic accountant and that of traditional external auditors. Okunbor & Obaretin (2010) used simple regression model (SRM) to analyze the effectiveness of the application of forensic accounting services in Nigeria corporate organization. The study showed among others that the application forensic accounting services by corporate organisation do not prevent fraudulent activities. Based on the findings the study recommended that corporate organization should articulate good personnel and recruitment policy attracting high pay as the antidote for fraud scourge. Henry & Ganiyu (2017) researched on the effects of forensic accounting services on fraud reduction in the Nigerian banking industry and found that forensic accounting services reduce fraud in banking industry. Gbegi & Adebisi (2014) examined forensic accounting skills and techniques in fraud investigation in the Nigerian public sector. Findings from the study showed that, first, forensic accounting skills and techniques have significant effect on uncovering and reducing fraud in the Nigerian public sector. The research recommends that, anti-corruption agencies in Nigeria should establish forensic units and forensic laboratories to allow room for more effective and efficient investigation of suspected and confirmed fraud cases. Olola (2016) investigated the role of forensic accounting in combating the menace of corporate failure. The study concluded that forensic auditing can go a long way to influence financial scandals in corporate organization and that forensic accountants must be well trained in the rules of evidence, financial data, Accounting Information System Software, auditing

and communication skills to be able to address the global menace of corporate failure.

3. METHODOLOGY

The researcher adopted a survey research design in collecting the data. This helped the researcher in answering research questions and the testing the hypotheses. More so, questionnaire and personal interviews were used in collecting primary data. While documentary sources were used for secondary data. The characteristics of the respondents were determined, using survey research method of questionnaire and personal interviews to find out the opinions, attitudes and perceptions of selected respondents about the research questions. The population of the study was made up branch managers and operations manager of the sixteen (16) DMBs currently listed on the Nigeria Stock Exchange. The whole population, excluding Wema bank PLC formed part of the sample size. This was so because of the small number of the population under study. Wema bank was excluded because the bank has no presence in Awka which is the study area. Hence the sample size is Thirty (30). The data generated for this study were presented with frequencies and percentages, while the stated hypotheses were statistically tested with Pearson motion correlation, which was computed with the aid of the Statistical Packages for Social Sciences (SPSS) Version 20.

Model Specification

The model of this study is a modification of the model used by Modugu & Ayanduba (2013). They examined the role of forensic accounting in curtailing fraud in Nigeria. The model as used by Modugu & Anyaduba (2013) was modified by replacing their variables with forensic accountant expert testimony, fraud prevention, fraud detection and fraud reduction; given the view that these will be more effective in this study. The model for this study thus is stated in its functional form below:

$$FAET = f(FP, FD, FR)$$

However, in other to take into account the deterministic and stochastic aspect of the model it is therefore stated in an econometric form:

$$FAET = \beta_0 + \beta_1 FP_i + \beta_2 FD_i + \beta_3 FR_i + \mu_i$$

Where,

FAET= Forensic Accountant Expert Testimony

FFP= Financial Fraud Prevention

FFD= Financial Fraud Detection

FFR= Financial Fraud Reduction

$\beta_0, \beta_1, \beta_2, \beta_3$, are coefficients

Apriori signs $\beta_1 > 0, \beta_2 > 0, \beta_3 > 0$

4. PRESENTATION AND INTERPRETATION OF RESULTS

Correlations

		FAET	FP	FD	FR
FAET	Pearson Correlation	1	.967**	.851**	.702**
	Sig. (2-tailed)		.000	.000	.000
	N	150	150	150	150
FP	Pearson Correlation	.967**	1	.866**	.726**
	Sig. (2-tailed)	.000		.000	.000
	N	150	150	150	150
FD	Pearson Correlation	.851**	.866**	1	.875**
	Sig. (2-tailed)	.000	.000		.000
	N	150	150	150	150
FR	Pearson Correlation	.702**	.726**	.875**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	150	150	150	150

** . Correlation is significant at the 0.05 level (2-tailed).

From the correlation result, the possibility of the forensic accountant providing a sworn expert testimony has a strong positive correlation of .967, .851 and .702 with fraud prevention, fraud detection and fraud reduction respectively. Since the computed correlation coefficient r .967, .851 and .702 is greater than the critical r value .666 for two-tailed test at 0.05 level of significance, we therefore reject the null hypotheses, meaning that, there is a significant relationship between the possibility of the forensic accountant providing a sworn expert testimony with fraud prevention, fraud detection and fraud reduction respectively.

5. CONCLUSION AND RECOMMENDATIONS

Fraudulent practice in Nigerian companies is fast spreading and that this problem of fraud has to be dealt with before it gets out of hand. Forensic accounting is that branch of accounting that aims to detect and deal with fraudulent practices within and outside a company and this is achieved by the application of a set of investigative techniques. This investigative technique is not enough as the fraudsters' needs to be prosecuted by the court of law and their cases may not be substantiated without the aid of a sworn expert testimony by the forensic accountant. The study found that there is a significant relationship between the possibility of the forensic accountant providing a sworn expert testimony with fraud prevention, fraud detection and fraud reduction and concluded that there is a significant relationship between the Forensic Accountant's expert testimony in litigation support and objectiveness of forensic investigation. The study thus recommended that the work of the forensic accountant should not just end in fraud

investigation but should also and always be invited to provide a sworn expert testimony in the court of law that will aid in the prosecution of fraudsters.

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