

**ACCOUNTING TECHNIQUE IN FRAUD EXAMINATION/PREVENTION IN
THE NIGERIAN BANKING SECTOR**

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Abstract

This study examined the application of accounting techniques in fraud examination/prevention in commercial banks of Nigeria by specifically assessing the impact of accounting technique on commercial Survey research design was utilized. Area of the study was twenty-four (24) commercial banks in Nigeria as at the period of study. Frequency, percentages were utilized in analyzing data also, combat alpha which performed very well with a value of 0.876 which indicate a high measure of internal consistency, while, single factor ANOVA was the statistical tool utilized to test hypotheses to compare the difference between accounting technique to fraud examination. Frequency, percentages were utilized in analyzing data. Also, combat alpha which performed very well with a value of 0.876 which indicate a high measure of internal consistency (data is reliable) while, single factor ANOVA was the statistical tool used to test hypotheses to compare the difference between variables of accounting technique (forensic accounting) to fraud control. Among the findings were that the use of GAAP/Accounting technique does significantly aid in fraud examination which consequently reduce the occurrence of fraud cases in the banking industry.

Key words: Accounting technique, Forensic Accounting, Fraud, Fraud Examination/detection, Banking sector, Nigeria.

Introduction: Forensic accounting tools include: Accounting technique, Research technique, Law (Litigation), Quantitative Methods and Finance, Auditing, Law enforcement officer insights and Investigative Skill (Dahili, 2007).

Standard accounting principles/techniques are collectively known as Generally Accepted Accounting Principles (GAAP); therefore, GAAP provides the framework foundation of accounting standards, concepts, objectives and conventions for banks, serving as a guide of how to prepare, present and examine financial statements (Dibetoot Dictionary 2020). Accounting Concepts and Principles/techniques are a set of broad conventions that have been devised to provide a basic framework for financial accounting reporting

According to Collat School of Business the five important Principles of Accounting are as follows: i) The revenue principle: This identifies a point in time when bookkeepers may record an activity as revenue on the books. The revenue principle states that revenue for the business is earned and recorded at the point of sale. This means that revenue occurs at the time at which the buyer takes legal possession of the item sold or the service is performed, not at the moment at which cash for the transaction is accepted by the seller. This concept is sometimes called the “revenue recognition principle. 2) The Expense Principle: This principle defines a point in time at which the bookkeeper may log a transaction as an expense in the books. The expense principle, or expense recognition principle, states that an expense occurs at the time at which the business accepts goods or services from another entity. Essentially, it means that expenses occur when the goods are received or the service is performed, regardless of when the business is billed or pays for the transaction; 3) The Matching Principle: The matching principle states that you should match each item of revenue with an item of expense. For example, if you are selling tacos, you could count the expense of the shells, meat, and toppings at the time at which a customer buys the taco. In other words, you match the expense of the taco ingredients with the revenue earned from the sale of the taco. When a business applies the revenue, expense, and matching principles in practice, they are operating under the accrual accounting method; 4) The Cost Principle: The cost principle states that you should use the historical cost of an item in the

books, not the resell cost. For example, if your business owns property, such as real estate or vehicles, those should be listed as the historical costs of the property, not the current fair market value of the property; 5) **The Objectivity Principle:** The objectivity principle which state that you should use only factual, verifiable data in the books, never a subjective measurement of values. Even if the subjective data seems better than the verifiable data, the verifiable data should always be used; In addition to the ese basic principles, the accounting world operates under a set of assumptions, or things that accountants can assume to always be true. Accountants ought to be conversant with these principles in their day to activities in banks and so use it to check met fraudulent acts before it criticizes in to fraud.

These basic accounting concepts are as follows: Accruals concept, Revenue is recognized when earned, and expenses are recognized when assets are consumed, Conservatism concept, Consistency concept, Economic entity concept, Going concern concept, Matching concept, Materiality concept and many more. These concepts if strictly followed would help prevent fraud cases in the bank. Bank records though balances on the daily basis, there are some they leave till the end of month before reconciling their books. Invariably this creates room for fraudulent activities to be perpetrated.

The ten (10) accounting concepts if judiciously followed would close up the gap for fraudulent practices include: Business Entity, Money Measurement, Going Concern, Accounting Period, Cost Concept, Duality Aspect concept, Realization Concept, Accrual Concept and Matching Concept. With these set of rules/principles borne in the mind of three quarters (3/4) bank staff who presumably are all accountants there hardly would be room for fraud cases.

This growing level of fraudulent activities and the negative image on the banking sector is a cause of concern for necessary mechanism or controls that will address this fraudulent act in the sector. Against this backdrop is the introduction of accounting techniques of forensic accounting in examining and preventing fraudulent practices and easy recognition of violation in the Nigerian banks.

Acceding to Okolo, Iduma and Ani, (2018) banks are now open to numerous of fraud cases as a result of advancement in modern day technology; these

portrayed the duties of Forensic accountant to the banking sector of the nation. Therefore, the importance and popularity of forensic accounting has being on the increase especially with resent increase in fraud cases. Stressing that banking sector plays a very significant role in the development of a nation and are the principal depositories of the public's monetary savings, the nerve centre of the payment system, the vessel endowed with the ability of money creation and allocation of financial resources and conduit through which monetary and credit policies are implemented.

Consequently, the success of monetary policy, to a large extent, depends on the health of the banking institutions through which the policies are implemented. As a result, problems which militate against the proper functioning of the banking sectors will inevitably have adverse effects on the other sectors of the economy. Hence, there is urgency for researchers to address such issues which may hamper the smooth functioning of the banking sector. Furthermore, Fraud has been observed as a main threat to the growth and development of the banking sector globally, more importantly in Nigeria. Stressing that the management of banks experience fraud cases, with the sum of funds perpetrated by ten banks involving N168.84 billion, also, in the year 2008, 2007 fraud cases, with collective sum of frauds of N53.52 billion were perpetrated. Consequently, these banks resources (N168.84 billion and N3.52 billion) would have been used for economic growth and development. This then attracts researcher's attention Okolo, Iduma and Ani, (2018).

Organization of the Accounting Cycle around the Chart of Accounts and the Accounting Period define the accounting cycle with steps: Financial transactions, Journal entries, Posting to the Ledger, Trial Balance Period, and Reporting Period with Financial Reporting and Auditing (Investopedia, 2020). Generally Accepted Accounting Principles includes the following: Principle of Regularity, Principle of Consistency, Principle of Sincerity, Principle of Permanence of Methods, Principle of Non-Compensation, Principle of Prudence, Principle of Continuity, Principle of Periodicity and many more.

Generally Accepted Accounting Principles (GAAP) as reviewed by David Kindness (2020) refer to a common set of accounting principles, standards, and procedures issued by the Financial Accounting Standards Board (FASB) now known as International Financial Accounting Statement (IFRS). GAAP is a combination of authoritative standards (set by policy boards) and the commonly accepted ways of recording and reporting accounting information. GAAP aims to improve the clarity, consistency, and comparability of the communication of financial information; With the above in view, banks ought to employ only those who can understand and interpret the accounting terms, rules and regulations. Since this definitely would aid them examine acidulously every banking transactions, watch out for every red flag GAAP may be contrasted with pro forma accounting, which is a non-GAAP financial reporting method. Internationally, the equivalent to GAAP in the United States is referred to as International Financial Reporting Standards (IFRS)

Steps to Avoid Bank business and Employee Fraud are as follows: Segregate Accounting Duties, Know Your Employees, Maintain Internal Controls, Scrutinize Business Bank Accounts, Audit the Books Regularly, Train Employees while to prevent Fraud:, Protect Credit Card Information, and Know Your Business Partners (Eko, Adebisi, and Moses, 2020)

In the words Oyedokun, Enyi, and Dada, (2018) financial statements reflect the financial effects of bank transactions and events on the bank, internal control system if adequate will help in preventing the activities of fraud stars. Also, Forensic accounting activities are on both evidence of economic transactions and reporting which is as contained within an accounting system. Cases of financial statement misrepresentation have been reported, affected banks and their auditors have gone down while shareholders were greatly affected.

Statement of the Problem: Accounting techniques are not applied in the day-to-day running of the business of the bank rather the banks only ensure their books are balanced at the end of the month instead of balancing their books on a daily basis with respect to the GAAP. That is, adhering strictly to the rules and regulation of the accounting concepts and conventions, this invariably strengthens the internal control functions. However, when these records are not balanced till end of moth, it

gives room for fraudulent practices. Following the above, the basic problem banking sector face is to sort solution to the irregularity that have become order of the day in preparation and presentation of financial statements so as to satisfy one of the stakeholders at the expense of majority of other stakeholder, presenting financial statement that does not present true and fair view of the position of the banks business for the period under review.

As the fraudsters have over time developed and are continuously developing skills to outwit both internal and external auditors and management who are expected to superintend over the bank businesses, there is an urgent need to put in place mechanism as recommended by GAAP to address this fraud cases. Therefore there arises the need to develop and gradually utilize accounting techniques to examine/prevent these fraudulent practices. In fact most of these frauds are perpetuated due to the application techniques the banks are adopting. Could the ineffectiveness in tackling this fraud acts therefore are as a result of the lack of application of accounting techniques in banks' operations in Nigeria?

It is in the light of the above that this study set out to evaluate the extent to which Accounting techniques of the forensic accounting help in the examination and detection of fraudulent activities in the banking sector in Nigeria.

Objectives of the Study

Anchored on fraudsters' continuous development of skills to outwit both internal and external auditors and management, this study is to evaluate the probable effect of accounting techniques of forensic accounting on fraud examination and detection in the banking sector in Nigeria. Specifically to:

- i. Ascertain the effect of application of banks balancing (reconciling) their books/records on daily basis on fraud examination and detection in commercial banks in Nigeria.**
- ii. Determine the effect of the application of accounting concept technique in fraud examination and detection in commercial banks in Nigeria.**

iii. How does the application of GAAP technique aid in examining/ detects fraud in commercial banks in Nigeria.

Research Question

The research questions for the study is to examine the extent accounting techniques of forensic accounting examine/detect fraudulent activities in the Nigerian banks.

i. To what extent does the application of banks balancing (reconciling) their books/records on daily basis aid fraud examination and detection in commercial banks in Nigeria?

ii. To what extent does the application of accounting concept technique help in fraud examination and detection in commercial banks in Nigeria.

iii. How does the application of GAAP technique aid in examining/ detection of fraud in commercial banks in Nigeria.

Research Hypotheses

The research hypotheses are:

H₀₁: The application of banks balancing (reconciling) their books/records on daily basis does not significantly aid fraud examination and detection in commercial banks in Nigeria.

ii. The application of accounting concept technique does not significantly help in fraud examination and detection in commercial banks in Nigeria.

iii. The application of GAAP technique does not significantly aid in examining/ detection of fraud in commercial banks in Nigeria

Review of Related Literature

Nor, et.al. (2013) maintain that Forensic Accountants have two basic areas as follows: investigative accounting and Litigation support. This invariably put a hut in the growth of the economy. Thus, in the author's opinion these incessant fraud cases has placed greater expectation on the accountants to get acquainted with special skills to identify and act upon indicators of fraudulent acts and even on any red flag.

Maintaining that Forensic Accounting uses investigative, computer, litigation and expert witness techniques in confirming fraud cases for prevention purposes. Thus, the authors examined the role of forensic accounting in fraud detection / prevention for economic growth with keen interest in the Nigerian banking industry.

Modugu and Anyaduba, (2013) opined that Forensic accounting emerged to put a hurt to certain fraud cases that cause bank failures, loss of customer's confidence and economic unrest. Hence, Forensic Accounting is knowledge that involves the use of accounting, auditing, investigation, legal, and computer in providing the required evidence in a litigation process.

In the words of Okoye and Gbegi, (2013) who investigate application of forensic accounting as a technique for fraud control in the Public Sector Organizations in Kogi State. Primary Sources of data were adopted through the use of questionnaire and three hundred and seventy (370) questionnaires were given to employee of five (5) selected ministries. Data was analyzed using tables and simple percentages and analysis of variance (ANOVA) was utilized as the statistical tool employed to test the hypothesis. The authors found out that the use of forensic accounting in the public sector organizations of Kogi and detecting and preventing of fraud cases. Recommendation was that forensic accountants should replace external auditors.

Theoretical Frame work: This work is based on Fraud Triangle theory. According to Eko , Adebisi, and Moses,. (2020) the fraud triangle theory was propounded by Cressy [1953] in an attempt to understand what precipitates, inspires or motivates people to commit fraud or crime. Through extensive interview of fraudsters in prisons, he postulated that every fraud has three things in common – motivation or pressure, rationalization and opportunity to commit the crime. Fraud or crime will occur only when there is pressure of motivating factor on the fraudster. These factors may be extreme financial need, organizational action, entailed organizational rewards or punishment for individuals not meeting set targets. Notwithstanding the desire to commit fraud, without the second leg of the triangle – existence of opportunity, the fraud will not occur. There must therefore be a distinctive avenue or situation for the fraudster to gain access or control over the

resources to be defrauded. These opportunity ranges from weak internal controls in the organization, absence of proper accountability and dis-proportionality between the perceived benefits of the fraud and the perceived costs of being detected and punished. According to the theory, although there may be pressure and opportunity to commit fraud, without rationalization fraud will not occur. Rationalization thus completes the precipitating factors that must be present for fraud to occur. Rationalization is self-justification for deviant act which involves justifying the crime under the circumstance by giving excuses why the action is necessary as perpetrators need a way to justify their actions as being acceptable or normal.

EMPERICAL LITERATURE

Eko, Adebisi, and Moses, (2020) evaluated the application of forensic accounting techniques in preventing/detecting fraudulent practices in commercial banks in Nigeria by specifically assessing the impact of commercial data mining, ratio analysis and trend analysis techniques in fraud detection/prevention. With the aid of descriptive statistics and Ordinary Least Square (OLS) model, the result revealed the application of forensic accounting techniques significantly enhanced detection/ prevention of fraud in the banking system. The study further revealed the importance of ratio analysis as well as trend analysis techniques in fraud detection/prevention. Also the study revealed the importance of commercial data mining software in fraud detection/prevention and the lack of capacity and awareness of most staff of the workings of data mining technology as well as the use of trend analysis technique in detecting/preventing fraud in the banks. Recommendation was that commercial banks should mandatorily be required to acquire robust data mining software facilities as well as enhanced training on the application of data mining and its usefulness in the banking sector. Also, use of anonymous response hotlines be encouraged as well as extensive awareness put in place for the attention of the public as well as quick responses from the banks to queries.

Okolo, Iduma and Ani, 2018 investigated the emergence of information technology and its resultant effect as utilized by fraudsters causing increase in fraud cases in banking sector of Nigeria. This was caused by advent of information

technology in Nigerian banking industry. Their objective was to determine the levels at which computer technique of forensic accounting help in frauds detect in Nigerian banking Sector. Survey research design was utilized. Frequency and percentages were used in analyzing data while, single factor ANOVA conducted at 0.05 was the statistical tool used to test hypotheses to compare the difference between variables of computer forensic Accounting technique to fraud detection. Findings were that the use of computer forensic investigation technique and experience does significantly detect fraud cases in the banking sector. Conclusion was that use of Computer technique of Forensic Accounting help in fraud cases detection in the Nigerian banking sector and recommendation was that since computer technique of forensic accounting help in fraud detection; banks should continue the utilization of it to detect fraud. Also, Okoye and Gbegi, (2013) assert that forensic accountant should possess good education and training, in-depth experiences and in addition is closer to being investigators, economist who do economic and market estimation and appraisers, especially trained in finance and/or valuation theory in business.

Oyedokun, Enyi, and Dada, (2018) examined the relevance of forensic accounting techniques in ensuring the integrity of the financial statements. Stakeholders who were members of recognized professional accountancy bodies in Nigeria were the despondent. The authors adopt survey research method with the use of primary data and purposive random sampling techniques. The sample size was calculated with the formula by Krejcie and Morgan (1970). 350 copies of questionnaires were administered, and 321 questionnaires were returned, representing 92% of the entire questionnaire. Nominal scale method was used in the demographic section while Likert scale was used in other sections of the questionnaire. Hypotheses were formulated, tested, and analyze using multiple regression analysis. It was found that forensic accounting techniques "FAT" (FPDDS, FAIS, LMAS, and CARDR) have positive influence on the integrity of financial statements (IFS) of business organizations, as evidenced from the individual level of significance of 0.006, 0.045, 0.000, and 0.047 which are less than the 5% acceptable level of significance and the coefficient of determination of the

main model of 0.23 meaning that about 23% variation of the IFS is attributable to FAT while the remaining 77% change in the IFS can be attributed to other factors not covered in the model. It was also found that the inclusion of forensic accounting techniques will strengthen the activities of internal control functions. This is also evidenced by the sign and size of the coefficients, that is $\beta_4 - 7$ are +0.203, +0.256, +0.270, and +0.134 respectively > 0 . They conclude, that forensic accounting techniques are; fraud prevention, detection and deterrence skills, forensic audit, forensic investigation, and forensic interviewing skills, litigation, mediation and arbitration skills, and computer-assisted reviews and document reviews. The study recommended that banks should consider setting up forensic accounting unit within an organization to lend credence to the integrity of financial statement of business organizations.

Gbengi and Adebisi, (2014) examine Forensic Accounting Skills and Techniques in fraud investigation in the Nigerian public sector. The population of comprised of 129 senior staff of the three Anti-Corruption Agencies in Nigeria (EFCC, ICPC, and CCB). Methodology includes both primary and secondary sources of data collection; questionnaire was used in collecting primary data while secondary data were obtained from EFCC, ICPC and CCB. Data generated for this study were used for the testing of hypotheses using Analysis of variance (ANOVA) and time series analysis with the aid of SPSS version 17.0. Findings show that, first, forensic accounting skills and techniques have significant effect on uncovering and reducing fraud in the Nigerian public sector. Recommendation was that, first, 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. Second, the public sector (government) should develop interest in forensic accounting by making sure that forensic accounting is institutionalized in all ministries, extra-ministerial departments and parastatals to build up effective internal control system that will enhance more effective performance in the Nigerian public sector.

Methodology

Research Design: The study utilized survey research method. The topic fraud is seen as sensitive area by banks and as such they are very reluctant in disclosing records in that regard. Therefore, survey research is best suit for this study. Tables, simple percentages and ANOVA were adapted in analyzing data

Area of the Study: The study area is commercial banks (money deposit banks) of Nigeria. Commercial banks were chosen because of its sensitive nature to fraud.

Population of the Study: The population of the study is two hundred (200) Forensic Accountants and Auditors (who are in the field and are in a better position to know the level at which application of accounting techniques of forensic accounting detects fraud in the Nigerian banking sector. The population of this study comprised of two forensic accountants and at least one auditor from all head offices of twenty four (24) commercial banks in their Internal Auditing department at their head offices giving a total of seventy-two (72) accountants. This is as a result of the economic condition of the country where staff comes to work on a rotation basis due to COVID-19 Pandemic lockdown.

Determination of Sample Size: The sample size is seventy-two (72), this is due to its small size therefore the researcher decided to study all the population as sample.

Method of Data Collection: This study used primary source of data collection. Data was generated through information obtained from forensic accountants/auditors of the twenty-four (24) Banks. Questionnaire was developed and structured in a four (4) point rating Scale of strongly agree, Agree, strongly disagree, and Disagree; administered to staff of the internal audit department.

Method of Data Analysis: Tables and percentages were used to analyze the data extracted from respondents. The Analysis of Variance (ANOVA) test remained the statistical tool used in testing the research hypotheses. Data collected was statistically analyzed with Simple percentage (%) and frequency distribution to compare the difference between variables of accounting technique application in the banks to fraud examination and detection in banking sector of Nigeria. The choice of ANOVA for this study is justified by the fact that it reveals the extent of variation in dependent variables that are caused by independent variables. It is also used in

comparing the variation in excess of two independent variables, taken just once from population with exact variance.

Model Specification: $SSB = r\sum (XiL - x)^2$, $SSW = \sum\sum (XiL - x)^2$,

Where SSB = between sum of square, SSW = within treat sum of the square,

XiL = individual observation around their columns mean, X = grand mean column,

Df = degree of freedom ($c - 1$) (in 1), C = number of column, R = number of row,

\sum = Summation, Level of significant (0.05)

The Model adopted for this study is $SSB = r\sum (Xil - x)^2$, $SSW = \sum\sum (XiL - x)^2$,

IL = Variables of forensic accounting

Where i = Accounting technique

Data Presentation

Questionnaire response Rate

Table: Response rate

Questionnaire	Number	Percentage%
Questionnaire administered	72	100
Questionnaire returned	70	92.2

Field Survey, 2020

Table above shows that 72 copies of questionnaire were administered on respondents. The seventy (70) questionnaire were returned (response rate of 70 copies were 92.2%). Therefore 70 questionnaires were used for the analysis.

Table: Cronbach alpha reliability of data

Cronbach Reliability and Correlation Test

Cronbach Alpha Number of Items .876 15

Cronbach's Alpha			
0.87615			
Cronbach's Alpha with missing item			
SD	D	SA	A
-0.70995	-2.06201	0.366482	0.898158

Split-half	
Halves	0.894323
OddEven	-0.71227

Source: Microsoft excel toolkit 2007.

Source: SPSS 20.0 the table above examines the properties of measurement scales and the items that compose the scales. Ideally, the cronbach alpha coefficient should be about 0.7 (Pallant, 2001). The cronbach coefficient for the study performs very well with a value of .876 and this indicates that the scales and the items of the research instrument show a high measure of internal consistency (data is reliable).

Table below: Objective one:

Question One: To ascertain the extent to which application of banks balancing (reconciliation) their books/records on daily basis on fraud examination and detection in commercial banks in Nigeria.

Question 1: Your bank practicing application of banks balancing their books/records on daily basis affect fraud examination and detection in commercial banks in Nigeria

Responses	Frequency	Percentage
Strongly agree	5	7.14%
Agree	5	7.14%
Disagree	10	14.29%
Strongly disagree	50	71.43%
Total	70	100%

Source: Field Survey, 2020.

From table above, 5 respondents representing 7.14% of the total population strongly agrees that their bank practices bank balancing their records/books processes of accounting technique of forensic accounting, and that it significantly to fraud examination/detection. 5 respondent representing 7.14% agree, 10 respondents representing 14.29% disagree while 50 respondents representing 71.43% of the population

strongly disagree. From the scores, the researcher deduced that bank do not adhere to balancing their records method of accounting technique to fraud prevention in banking sector of Nigeria given the number of respondents that stood for it.

Objective two: To determine the extent to which the application of accounting concept technique effect fraud examination and detection in commercial banks in Nigeria.

Question two: Your bank applies accounting concept technique in their day to day operation and it affects fraud examination and detection in commercial banks in Nigeria.

Responses		Frequency	Percentage
A	Strongly Agree	16	22.9%
B	Agree	14	20%
C	Disagree	16	22.9 %
D	Strongly disagree	24	34.2%
Total		70	100%

Source: Field Survey, 2020.

The table above shows that 16 respondents representing 22.9% of the population strongly disagree while 14 respondents representing 20% disagree; 16 respondents representing 22.9% agree, while 24 respondents representing 34.2% Strongly agree. From the scores above, the researcher deduced that bank does not apply accounting concept technique in their day to day operation and it affects fraud examination and detection affects commercial banks in Nigeria negatively.

Objective 3: How does the application of GAAP technique aid in examining/ detects fraud in commercial banks in Nigeria.

Question 3: Application of GAAP technique do aid in examination/ detection of fraud in commercial banks in Nigeria.

Responses		Frequency	Percentage
A	Strongly Agree	40	57.14%
B	Agree	10	14.28%
C	Disagree	10	14.29%

D	Strongly disagree	10	14.29%
Total		70	100%

Source: Field Survey, 2020.

From table above, 40 respondents representing 57.14% of the total population strongly agrees that their bank practices GAAP processes of accounting technique of forensic accounting, and that it significantly affect fraud examination/detection. 10 respondent representing 14.28% agree, 10 respondents representing 14.29% disagree while 10 respondents representing 14.29% of the population strongly disagree. From the scores, the researcher deduced that bank adhere to GAAP method of accounting technique to fraud examination/detection in the banking sector of Nigeria given the number of respondents that stood for it.

Question 4: Three quarter of staff working in your bank are accountants, who understand the accounting concepts/conventions or the GAAP and utilize it in their day to day operation

Responses	Frequency	Percentage
Strongly agree	5	7.14%
Agree	10	14.29%
Disagree	15	21.43%
Strongly disagree	40	57.14%
Total	70	100%

Source: Field Survey, 2020.

From table above, 5 respondents representing 7.14% of the total population strongly agrees that their bank staff understand accounting concepts/convention and practices GAAP processes of accounting technique of forensic accounting, and that it significantly affect fraud examination/detection. 10 respondent representing 14.29% agree, 15respondents representing 21.43% disagree while 40 respondents representing 57.14% of the population strongly disagree. From the scores, the researcher deduced that three quarter of staff working in your bank are not accountants, who understand the accounting concepts/conventions or the GAAP and utilize it in their day to day operation especially to fraud examination/detection in the banking sector of Nigeria given the number of respondents that stood for it.

Test of hypothesis one

To what extent does the application of banks balancing (reconciling) their books/records on daily basis aid fraud examination and detection in commercial banks in Nigeria?

Table: ANOVA

Anova: Single Factor

SUMMARY

<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
SA	4	75	18.75	239.5833
A	4	35	8.75	6.25
SD	4	70	17.5	25
D	4	100	25	166.6667

ANOVA

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	537.5	3	179.1667	1.638095	0.232769	3.490295
Within Groups	1312.5	12	109.375			
Total	1850	15				

Decision Rule

Reject H_0 if F-calculated is greater than or equal to F- critical value. Since F – ratio Cal = 3.490295 while F – ratio Tab = 1.638095. From the ANOVA test statistics above F_{CAL} is lesser than F_{TAB} . That is $3.490295 < 1.638095$. We therefore accept the null hypothesis (H_0^1) at a 0.05 level of significance, meaning that the effect of application of banks balancing (reconciling) their books/records on daily basis does not affect fraud examination and detection in commercial banks in Nigeria.

Test of Hypotheses Two

ANOVA Table

Anova: Single Factor

SUMMARY

<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
SA	4	75	18.75	239.5833
A	4	35	8.75	6.25
SD	4	70	17.5	25
D	4	100	25	166.6667

ANOVA

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	537.5	3	179.1667	1.638095	0.232769	3.490295
Within Groups	1312.5	12	109.375			
Total	1850	15				

F – ratio Cal = 3.490295 while F – ratio Tab = 1.638095. From the ANOVA test statistics above F_{CAL} is lesser than F_{TAB} . That is $3.490295 < 1.638095$. We therefore accept the null hypothesis (H_0^1) at a 0.05 level of significance, meaning that the application of accounting concept technique significantly does not help in fraud examination and detection in commercial banks in Nigeria.

Objective Three

Anova: Single Factor

SUMMARY

<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
SA	7	1810	258.5714	12847.62
A	7	440	62.85714	1323.81
SD	7	206	29.42857	1667.952
D	7	354	50.57143	8597.952

ANOVA

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	237632.4	3	79210.81	12.96554	3.09E-05	3.008787

Within			
Groups	146624	24	6109.333
Total	384256.4	27	

F – ratio Cal = 3.008787 while F – ratio Tab = 12.96554. From the ANOVA test statistics above F_{CAL} is lesser than F_{TAB} . That is $12.96554 < 3.008787$. We therefore reject the null hypothesis (H_0^1) at a 0.05 level of significance, meaning that the application of GAAP technique aid in examination/ detection of fraud in commercial banks in Nigeria

Discussion:

Effects of the application of banks balancing (reconciling) their books/records on daily basis aid fraud examination and detection in commercial banks in Nigeria (H_{01}): the technique of banks balancing (reconciling) their books/records on daily basis aid fraud examination and detection in commercial banks in Nigeria to prevent fraud activities early enough before its perpetration in banks. As revealed from the result that tested objective one, Hence, based on the result of the test, application of banks balancing (reconciling) their books/records on daily basis does not affect fraud examination and detection in commercial banks in Nigeria. The same goes with H_0^2 but in the H_0^3 from the scores, the researcher deduced that banks adhere to GAAP method of accounting technique to fraud examination/detection in the banking sector of Nigeria given the number of respondents that stood for it. Also, from the ANOVA table F – ratio Cal = 3.008787 while F – ratio Tab = 12.96554. Thus, from the ANOVA test statistics above F_{CAL} is lesser than F_{TAB} . That is $12.96554 < 3.008787$. We therefore reject the null hypothesis (H_0^3) at a 0.05 level of significance, meaning that the application of GAAP technique aid in examination/ detection of fraud in commercial banks in Nigeria. This is in line with Eko, Adebisi, and Moses, (2020) the application of forensic accounting techniques in preventing/detecting fraudulent practices in commercial banks in Nigeria was assessed; the impact of commercial data mining, ratio analysis and trend analysis techniques in fraud detection/prevention with the aid of descriptive statistics and Ordinary Least Square (OLS) model, the result

revealed the application of forensic accounting techniques significantly enhanced detection/ prevention of fraud in the banking system. The study further revealed the importance of ratio analysis as well as trend analysis techniques in fraud detection/prevention. Also the study revealed the importance of commercial data mining software in fraud detection/prevention and the lack of capacity and awareness of most staff of the workings of data mining technology as well as the use of trend analysis technique in detecting/preventing fraud in the banks

Conclusion: We therefore conclude that, use of the application of GAAP principles/technique of Forensic Accounting, significantly and positively aid in fraud examination/detection in Nigerian banking sector while the application of banks balancing (reconciling) their books/records on daily basis together with the application of accounting concept technique of forensic accounting does not help in the examination/detection of fraud cases in banking sector of Nigeria.

Recommendations: The application of GAAP principles/technique of Forensic Accounting should be applied in banks to aid in fraud examination/detection in Nigerian banking sector.

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