

FORENSIC ACCOUNTING AND FINANCIAL REPORTING QUALITY OF LISTED DEPOSIT MONEY BANKS IN NIGERIA

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Abstract

Economic volatility and stakeholder dissatisfaction such as inadequate regulatory monitoring, public sector inefficiency, corporate governance issue, financial reporting irregularities, weakness in traditional auditing widespread corruption and financial mismanagement have led requests for improved financial system protection, necessitating the implementation of forensic accounting. This research was initiated to explore the impact of forensic accounting on financial reporting quality in Nigerian listed deposit money banks (DMBs). The longitudinal research included 10 DMBs listed on the Nigerian Exchange Group as of December 31, 2022. The rationale behind selecting 10 DMBs is based on DMBs with largest asset base. The data which includes investigative accounting and litigation support services was examined by descriptive statistics and ordinary least squares regression. This study discovered that investigative accounting has a positive and significant (coefficient = 0.0034, p-value = 0.0000) effect on the financial reporting quality of listed DMBS in Nigeria. The study also discovered that litigation support services have a positive and significant effect (coefficient = 0.0007, p-value = 0.0000) on the financial reporting quality of listed DMBS in Nigeria. On overall result shows that forensic accounting has a negative and significant effect on the financial reporting quality of listed DMBS in Nigeria. This research concludes that forensic accounting assist DMBs improve financial reporting quality. It was recommended that DMBs priorities the adoption and implementation of forensic accounting practices. This can be achieved by creating a dedicated forensic accounting unit within the bank to handle all fraud detection and prevention activities, implementing a robust internal control and investing in forensic accountants' training and continuous professional development, as well as providing financial professionals with the necessary skills and tools.

Keywords: Forensic Accounting Practices, Investigative Accounting, Litigation Support Service, Financial Reporting Quality

INTRODUCTION

Accurate and transparent financial reporting is vital to the integrity and efficiency of financial markets in Nigeria and around the globe (Wilson, 2024). It provides stakeholders with critical information about a company's financial health, enabling them to make informed choices (Ede et al., 2024). High-profile corporate scandals, such as those involving Enron and WorldCom, highlighted fundamental flaws in typical auditing systems, underscoring the need for more effective tools to detect and address fraudulent activities (Naz & Khan, 2024). Furthermore, the

2008 global financial crisis emphasized the need for increased scrutiny and accountability in financial reporting, leading to major legislative revisions and stricter financial supervisory systems (Aliyu et al., 2024). Additionally, the scandals of Oceanic Bank and Intercontinental Bank, a prominent Nigerian bank in 2009 emphasized the need for increased scrutiny and accountability. These scandals involved massive financial fraud and mismanagement which led to the prosecution of top executives and reinforced the role of forensic accounting in safeguarding the integrity of financial systems (Esonwune & Ogiri, 2024). In same vein, the catastrophic of 2006 Cadbury Nigeria Plc case where financial misstatements were uncovered, leading to the restatement of its financial statements led to financial losses for investors, damaged reputations, and public trust in the financial system (Đukić et al., 2023). In Nigeria, inadequate regulatory monitoring, inability to comply with international rules, and lack of resources for comprehensive audits contribute to long-term concerns (Fabian & Onuora, 2022).

Forensic accounting has gained significant importance in Nigeria, particularly in the wake of global financial crises and specific corporate scandals. The need for enhanced scrutiny and accountability has driven the demand for forensic accounting practices to mitigate financial irregularities and restore trust in financial reporting. The global financial crisis exposed significant weaknesses in financial regulations and corporate governance (Oranefo & Ufaroh, 2024). Banks and financial institutions worldwide, including those in Nigeria, faced unprecedented scrutiny. The crisis highlighted the need for forensic accounting to detect and prevent fraudulent activities and financial misstatements (Kinyua, 2024). Similarly, the notable Cadbury Nigeria corporate scandals Instigated the role of forensic accounting in investigating the fraudulent activities, identifying inflated earnings, and providing evidence for legal proceedings (Offia & Ajuonu, 2024). This scandal underscored the necessity for robust forensic accounting practices to ensure the accuracy and reliability of financial information. Consequently, Offia and Ajuonu, (2024) stated that aspect of forensic accounting such as investigative accounting and litigation support helps to discovers flaws and irregularities in financial data that could otherwise go unnoticed.

LITERATURE REVIEW

Conceptual Review

Forensic Accounting Practices

Smith and Brown (2020) define forensic accounting as the practice of applying accounting, auditing, and investigative talents to detect and explore fraud and other financial misrepresentations in court proceedings. According to Adams and Suleiman (2021), forensic accounting is a specialization of accounting that focuses on scrutinizing financial data to find evidence of financial crimes such as fraud, embezzlement, or corruption. According to Jones and Patel (2023), forensic accounting is the use of accounting skills to evaluate financial statements and transactions for irregularities in order to provide evidence in legal and regulatory investigations. According to Obi and Nwankwo (2022), forensic accounting is the application of accounting principles and methods to legal concerns such as litigation support, fraud investigation, and dispute resolution.

It can be seen from various definitions that forensic accounting is a specialized field that combines accounting, auditing, and investigative skills to detect, analyze, and report financial misrepresentations and fraud. It involves scrutinizing financial data and transactions to uncover irregularities and provide evidence for legal and regulatory proceedings.

Investigative Accounting

Investigative accounting is a method that uses accounting knowledge and investigation skills to identify fraudulent activities and financial wrongdoing. It combines basic accounting skills with investigative methodologies, making it crucial for detecting financial misconduct. Investigative accountants are essential in analysing financial accounts and transactions to detect fraudulent conduct and provide evidence in court (Williams & Green, 2020). They also examine financial records using accounting and investigative skills to detect, analyze, and report fraudulent activities. Robinson and Khatib (2024) emphasize the integration of accounting and forensic investigation methodologies in investigative accounting, emphasizing the proactive role of investigative accountants in detecting and combating financial wrongdoing.

Litigation Support Services

According to Jackson and Miller (2020), litigation support services are professional services provided by accountants, financial experts, and consultants to assist legal teams in litigation proceedings. They help in examining, understanding, and presenting financial data during court procedures. Okafor and Nwankwo (2024) describe that these services include financial document preparation, analysis, asset evaluation, and expert witness evidence. They also combine accounting, auditing, and financial analysis to provide aid in legal disputes, ensuring accurate and trustworthy financial evidence. The merging of different accounting disciplines in litigation support services emphasizes the importance of accurate and trustworthy financial information in legal matters for fair and just solutions.

Financial Reporting Quality

Financial reporting quality relates to how properly financial statements depict a company's financial status, performance, and cash flows, enabling stakeholders to make informed economic decisions (Brown & Kaplan, 2020). Chukwu and Adeola (2021) define financial reporting quality as the degree to which financial reports offer clear, relevant, and verifiable information that correctly portrays the business's economic reality. Chukwu and Adeola (2021) highlight the clarity, utility, and verifiability of financial disclosures. Their idea highlights the necessity of financial statements correctly Eze and Nwankwo (2023) characterize financial reporting quality as the accuracy, consistency, and timeliness of financial information given in financial statements, enabling users to make choices based on the information. Johnson and White (2024) highlight a genuine and fair appraisal of the company's financial position.

Theoretical Review

Positive Accounting Theory (PAT)

PAT is an accounting theory that predicts businesses' reactions to innovative accounting rules based on their policy decisions. It seeks to explain the factors that influenced these decisions and anticipate their future based on facts rather than assumptions. PAT analyzes specific repercussions and reasons for spending, comparing revenue to expenditures to assess profitability. It is a departure from normative accounting, which is theory-based and allows daily practices to change while maintaining economic theories (Ball and Brown, 1968; Watts and Zimmerman, 1986). PAT analyzes accounting policy choices by studying relationships between organizations, owners, managers, and debt holders, aiming to maximize wealth rationally.

Positive Accounting Theory (PAT) and forensic accounting are interconnected through their shared focus on understanding and addressing financial behavior and reporting practices. PAT aims to explain and predict accounting choices by firms, often highlighting how management's incentives and economic consequences influence financial reporting. This theoretical framework helps forensic accountants identify patterns and motivations behind financial manipulations, making it easier to detect and investigate fraudulent activities. By applying PAT, forensic accountants can better anticipate potential areas of financial misrepresentation and devise more effective investigative strategies, thus enhancing the accuracy and reliability of their findings in legal and regulatory contexts.

Empirical Review

Akinadewo et al. (2024) conducted a longitudinal study on the impact of board qualifications on forensic accounting processes in publicly listed Nigerian Deposit Money Banks (DMBs). The study included fifteen DMBs listed on the Nigerian Exchange Group as of December 31, 2022. The results showed that board composition and skill significantly influence forensic accounting adoption, with board independence being positive but not statistically significant.

Almubaydeen et al. (2024) examined the effect of forensic accounting techniques on revealing income smoothing practices in Jordanian commercial banks. The study population consisted of all 13 Jordanian commercial banks listed on the Amman Stock Exchange from 2017 to 2021. The study found that applying proportions analysis technique had a statistically significant effect on revealing income smoothing practices in Jordanian commercial banks.

Daas and Zaid (2024) examined the impact of reactive and proactive audit methods on the quality of accounting information, with corporate governance as a moderating variable. The results indicated that reactive audit had a positive effect on all variables of the quality of accounting information, while proactive audit affected only the comparability feature.

Okorafor et al. (2024) investigated the influence of forensic accounting skills on fraud investigation in Nigerian electricity distribution firms, focusing on the Enugu Electricity Distribution Company. A descriptive survey research approach was used, with a sample size of 52. Multiple regression analysis was used to test hypotheses at a significance level of 5%.

Alaoubi and Almomani (2021) studied the influence of forensic accounting on the link between corporate governance and the quality of accounting information in Jordanian publicly listed firms. The study included certified accountants who were not associated with the organization.

Agboare (2021) explored the effect of forensic accounting on the discovery of financial wrongdoing within listed DMBs in Nigeria. The study found that implementing forensic accounting methods, such as examining financial transactions, conducting investigations, and filling up missing accounting records, considerably boosted the ability to identify financial crimes in Nigeria's listed DMBs.

Gap in Literature

Previous studies have focused on the impact of forensic accounting on financial reporting quality in Nigeria, Pakistan, Tanzania, and Nigeria. These studies used litigation support services, reactive auditing, proactive audit, corporate governance mechanisms, and investigative skills to measure financial reporting quality. However, there is a gap in the

literature, as most studies only examine forensic accounting on corporate governance and accountability. Additionally, primary data collected through surveys and interviews may introduce self-reporting biases and inaccuracies. This study aims to fill this gap by leveraging secondary data sources, such as publicly available financial reports, to analyze the impact of forensic accounting on financial reporting quality in listed deposit money banks in Nigeria. By leveraging secondary data, this study aims to fill this gap and contribute to the understanding of forensic accounting in financial reporting.

Given the above considerations, the null hypotheses will be stated as follows:

H01: Investigative Accounting has no significant effect on Financial Reporting Quality of Listed DMBs in Nigeria.

H02: Litigation Support Services has no significant effect on Financial Reporting Quality of Listed DMBs in Nigeria.

Conceptual Framework

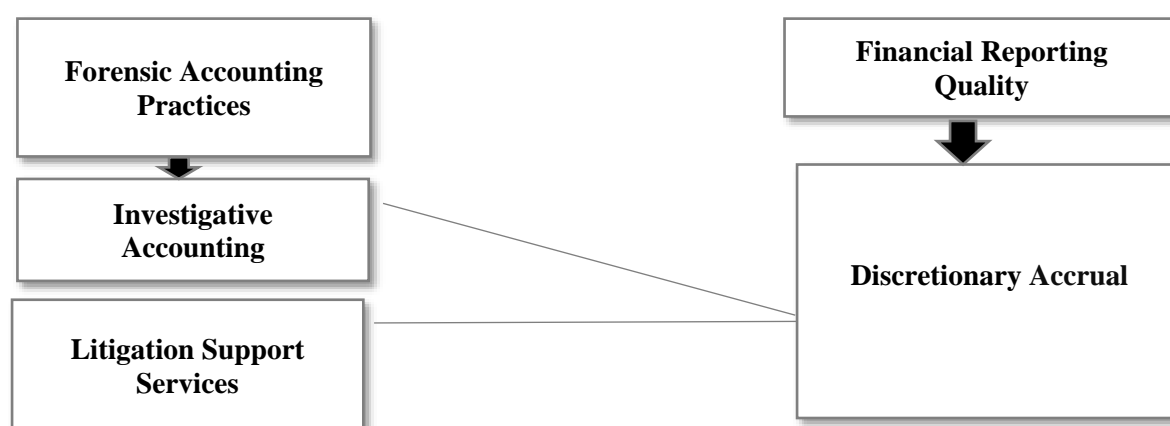


Figure 1. Conceptual framework showing the link between forensic accounting practices and financial reporting quality

Source: Author's design (2024)

METHODOLOGY

The study analyzed data from 2013 to 2022 on 10 out of 15 listed DMBs on the Nigerian Exchange Group (NGX) using an ex post facto research technique. The data was gathered from administrative records, financial accounts, annual reports, and audited financial statements. The sample consisted of 10 registered DMBs in Nigeria. The data analysis included descriptive statistics, correlation analysis, and ordinary least squares regression analysis.

Model Specification

The model specification was adopted from Maec (1968) and subsequently modified to align with the specific objectives of the study as demonstrated by Ogbonna et al. (2020). This modification process is critical to ensure that the model adequately addresses the unique aspects and variables pertinent to the current research. The adoption and modification of Maec's (1968)

model is justified based on its foundational framework, which allows for the inclusion of forensic accounting practices as critical determinants of financial reporting quality.

$$FRQ_{it} = f(FAP) \dots\dots\dots (i)$$

$$FRQ_{it} = f(IA, LSS) \dots\dots\dots (ii)$$

$$FRQ_{it} = \alpha_i + \beta_1 IA_{it} + \beta_2 LSS_{it} + \varepsilon_{it} \dots\dots\dots (iii)$$

Where: FRQ= Financial Reporting Quality, FAP = Forensic Accounting Practices, IA= Investigative Accounting, LSS = Litigation Support Services, $\beta_1 - \beta_4$ = coefficient of independent variables, ε_{it} = error terms of firm i and time t.

Measurement of Variables

There were two independent variables and one dependent variable to be used in this study, as defined, and measured below:

Table 1: Measurement of Variables

S/N	Variable	Description	Measurement	Source
1	Financial Reporting Quality	the degree to which financial statements accurately reflect the company's financial position, performance, and cash flows, enabling stakeholders to make informed economic decisions	Accrual Quality (AQ): Profit Before Extra-Ordinary Items – Net Operating cash flow from Statement/Average Total Assets (Modified Dechow & Dichev model,2002)	Ibanichuka et al. (2020)
2	Investigative Accounting	the practice of using accounting expertise and investigative skills to uncover fraudulent activities and financial misconduct	Monetary value of investigated fraud cases by each bank for the period under review (Natural Logarithm used to convert absolute values to real values)	Ibanichuka et al. (2020)
3	Litigation Support Services	specialized accounting and financial services provided to assist legal teams in the analysis, interpretation, and presentation of financial data during legal proceedings	Number of prosecuted cases in the court for or against each bank for the period under review.	Johnson et al. (2021)

RESULTS AND DISCUSSION

Descriptive Statistics

Table 2 presents the study variable's descriptive statistics. The average FRQ of 0.0202 and median of 0.0200 suggest a relatively stable central tendency with minimal deviation, indicating that most observations are clustered around the mean. The standard deviation of 0.0035 reflects minimal variability around the mean, which implies that the FRQ values are closely distributed. This low variability suggests that the data points are consistently aligned with the central trend, potentially indicating a robust measurement of financial reporting quality. The skewness of -0.0154, close to zero, confirms a nearly symmetric distribution. This near symmetry supports the assumption of normality, enhancing the reliability of parametric statistical tests. A kurtosis value of 2.3764 indicates a distribution with a lower peak and thinner tails compared to a normal distribution. This implies fewer extreme values or outliers. While this might enhance the robustness of the analysis by reducing the impact of outliers, it also means that the FRQ data may lack extreme values that could be relevant in certain analyses.

Table 2: Descriptive Statistics

	FRQ	IA	LSS
Mean	0.0202	12.2993	10.1800
Median	0.0200	12.3000	10.0000
Maximum	0.0280	14.1000	17.0000
Minimum	0.0120	10.8500	3.0000
Std. Dev.	0.0035	0.8543	3.1953
Skewness	-0.0154	0.1468	-0.0356
Kurtosis	2.3764	1.8823	2.2035
Jarque-Bera	1.6245	5.5648	2.6645
Probability	0.4439	0.0619	0.2639
Observations	100	100	100

Source: Author's computation (2024)

The average IA of 12.2993 and median of 12.3000 indicate that the data is centred around these values, suggesting consistency in the measurement of investigative accounting practices. The standard deviation of 0.8543 signifies moderate variability. This moderate variation is important as it reflects the diversity in investigative accounting practices among the observations, which could influence the generalizability of the study's findings. The skewness of 0.1468 indicates a slight right skew. This suggests that there might be a small number of higher values, which could be relevant for understanding the distribution of investigative accounting practices. A kurtosis value of 1.8823 denotes a distribution with a flatter peak and thinner tails. This indicates a more uniform spread of data with fewer extreme values. The average LSS cost of

10.1800 and median of 10.0000 show that the central tendency is stable, with costs clustering around these values. The high standard deviation of 3.1953 indicates substantial variability in litigation support costs. This high variability can influence the robustness of the analysis by introducing a broader range of values, which may impact the reliability of any conclusions drawn regarding the effect of LSS. The skewness of -0.0356 reflects a slight left skew, suggesting that there are a few lower values in the dataset. This might indicate that a portion of the data is concentrated at the lower end of the scale. The kurtosis value of 2.2035 shows a flatter distribution with fewer extreme values. This could imply that extreme costs are rare, potentially limiting the impact of high-cost outliers on the overall analysis but also possibly missing significant anomalies.

Pre-Estimation Test

Pairwise Correlation

Table 3 presents a correlation analysis of three variables: Financial Reporting Quality (FRQ), Investigative Accounting (IA), and Litigation Support Services (LSS). The correlation coefficients show a strong positive relationship between FRQ and IA, with a probability value of 0.0000, indicating statistical significance. The correlation coefficients also show a strong positive relationship between FRQ and LSS, with a probability value of 0.0000, confirming the statistical significance of these relationships. The analysis reveals that as one variable increases, the others tend to increase as well, confirming the statistical significance of these relationships.

Table 3: Correlation Matrix

Correlation			
Probability	FRQ	IA	LSS
FRQ	1.0000		
IA	0.8914	1.0000	
	0.0000	-----	
LSS	0.9005	0.9242	1.0000
	0.0000	0.0000	-----

Source: Author's computation (2024)

The strong positive relationships suggest that investing in investigative accounting practices and litigation support services can significantly enhance financial reporting quality. The high correlation coefficients among FRQ, IA, and LSS raise the potential issue of multicollinearity. Multicollinearity occurs when independent variables in a regression model are highly correlated, which can lead to inflated standard errors and unreliable coefficient estimates. In this case, the strong correlations between IA and LSS, as well as between these variables and FRQ, suggest that multicollinearity might be present. Multicollinearity can affect the stability and interpretability of regression coefficients. It becomes challenging to determine the individual effect of each predictor variable on the dependent variable (FRQ) when the predictors are highly correlated. To diagnose and address multicollinearity, the study carried out a

Variance Inflation Factor (VIF) for each independent variable in the regression model. A VIF value above 10 typically indicates problematic multicollinearity

Unit Root Test

The Augmented Dickey Fuller (ADF) was used to conduct a unit root test on all variables, ensuring that each firm in the panel was treated as different from others. The results showed that all selected data series were stationary at level, rejecting all null-hypotheses, as each series' probability value consistently yielded less than 5%.

Table 4 Unit Root Test

Variable	T-Statistics	P-Value	Order of Integration	Decision
FRQ	-10.1410	0.0000	I(0)	Stationary
IA	-8.29172	0.0000	I(0)	Stationary
LSS	-5.29572	0.0000	I(0)	Stationary

Source: Author's computation (2024)

Multicollinearity Test

The study tested for multicollinearity, affecting model consistency and efficiency. Using variance inflation factor (VIF), all variables had a VIF below 10, indicating no multicollinearity issue.

Table 5. Variance Inflation Factor

Variable	Coefficient	Uncentered	Centered
	Variance	VIF	VIF
IA	1.97E-07	4.4190	6.85688
LSS	1.41E-08	7.1599	6.85688
C	1.91E-05	9.6450	NA

Source: Author's computation (2024)

Model Estimate of The Effect of Forensic Accounting on Financial Reporting Quality in Listed Deposit Money Banks in Nigeria.

The study examines the impact of forensic accounting on financial reporting quality in Nigerian listed deposit money banks. The results show that the explanatory variables jointly explain 85.8% of the total variations in financial reporting quality. The Hausman-specification test, serial correlation, and Panel Cross-section Heteroskedasticity test were used to determine the model's robustness. The results indicate a negative and significant effect between forensic accounting and financial reporting quality in Nigeria. The regression analysis was subjected to an in-depth test using panel corrected standard error (PCSE) regression to address the

heteroskedasticity problem. The results suggest that forensic accounting has a negative impact on financial reporting quality in Nigerian banks. The results reveal a significant negative effect of forensic accounting on financial reporting quality, which contradicts the hypothesis that forensic accounting practices would positively impact financial reporting quality. The negative effect might be due to challenges in the implementation of forensic accounting practices. These practices are poorly executed and there is a lack of integration with the overall financial reporting system which made their intended positive impact on reporting quality to be undermined.

Test of Hypotheses

Hypotheses 1: Investigative Accounting has no significant effect on Financial Reporting Quality of Listed DMBs in Nigeria.

As shown in Table 6, investigative accounting has a significant positive impact on the financial reporting quality of listed Deposit Money Banks (DMBs) in Nigeria. This is in line with theoretical expectations and empirical evidence in forensic accounting literature. Investigative accounting involves a thorough examination of financial records to uncover fraud, mismanagement, or inaccuracies, enhancing the quality and reliability of financial reports. This process identifies fraudulent activities, leading to their rectification and prevention, which enhances the accuracy of financial statements. Investigative accounting often reveals weaknesses in internal controls, prompting banks to strengthen these controls and improve overall financial reporting. Recent studies support the significant impact of investigative accounting on financial reporting quality. Enofe et al. (2022) found that Nigerian banks utilizing investigative accounting techniques experienced a notable reduction in fraud incidents, leading to more reliable financial statements. Akenbor and Ibanichuka (2021) found that banks employing robust investigative accounting practices reported higher financial reporting quality due to the detection and rectification of financial discrepancies.

Hypotheses 2: Litigation Support Services has no significant effect on Financial Reporting Quality of Listed DMBs in Nigeria.

As shown in Table 6, litigation support services significantly improve the financial reporting quality of listed Deposit Money Banks (DMBs) in Nigeria. These services provide financial expertise during legal disputes, identifying and correcting inaccuracies or fraudulent activities in financial statements. This enhances the quality of financial reporting and acts as a deterrent against fraudulent activities. The involvement of forensic accountants in litigation processes increases the accountability of financial managers, who are more likely to adhere to accurate reporting practices to avoid legal consequences. Forensic accountants also provide critical insights during the discovery phase of legal proceedings, presenting expert testimonies that highlight inconsistencies or confirm the integrity of financial information. This process aids in resolving disputes and sets a precedent for stringent financial practices within the organization. Empirical studies have shown that Nigerian banks receiving litigation support services reported higher financial reporting quality due to the thorough examination of financial records during legal proceedings.

Table 6: Panel Corrected Standard Error Regression.

<i>Eq Name:</i>	Pooled OLS	Fixed Effect	Random Effect	PCSE
<i>Method:</i>	LS	LS	LS	LS
<i>Dep. Var:</i>	FRQ	FRQ	FRQ	FRQ
IA	0.0017 [0.0003]	0.0034 [0.0000]	0.0017 [0.0002]	0.0034 [0.0000] *
LSS	0.0006 [0.0000]	0.0007 [0.0000]	0.0006 [0.0000]	0.0007 [0.0000] *
C	-0.0062 [0.1595]	-0.0290 [0.0002]	-0.0062 [0.1485]	-0.0290 [0.0000] *
<i>Observations:</i>	100	100	100	100
<i>R-squared:</i>	0.8349	0.8581	0.8349	0.8581
<i>Adjusted R-Squared</i>	0.8315	0.8404	0.8315	0.8404
<i>F-statistic:</i>	245.3299	48.3893	245.3299	48.3893
<i>Prob(F-stat):</i>	0.0000	0.0000	0.0000	0.0000
<i>Hausman test</i>	14.379312 (p=0.0008)			
<i>Heteroskedasticity LR Test</i>	909.1256 (p=0.0000)			
<i>Autocorrelation test</i>	443.4451 (p=0.0000)			

* Signify significant at 0.05 level, p-value in parenthesis

Source: Author's computation (2024)

CONCLUSION AND RECOMMENDATIONS

This study investigates the impact of forensic accounting on financial reporting quality within listed deposit money banks in Nigeria. The analysis reveals that forensic accounting practices, including investigative accounting and litigation support services, significantly influence financial reporting quality. This finding corroborates earlier research suggesting that forensic accounting is a crucial factor in enhancing financial transparency and accuracy. However, the study also uncovers nuances that warrant further exploration, such as variations in the effectiveness of forensic accounting across different banks and types of financial reports. It was

recommended that management should of large banks with complex operations should focus on advanced forensic accounting measures and technologies, while smaller banks might prioritize basic forensic practices and training. Banks should establish a clear reporting lines and accountability measures can enhance the effectiveness of forensic accounting practices and promote a culture of openness where employees feel empowered to report unethical behaviour can strengthen internal controls. This study has a policy implication to management and policy maker. Findings of this study serve as an insight to management on how to set measures that will improve the accuracy and reliability of financial statement. Management will gain insight on how the implementation of robust internal control and fraud prevention will reduce the likelihood of financial discrepancies and irregularities. For policy makers and government bodies, findings of this study provide an insight to government on how to design an effective compliance framework for all banks and other sector in the economy. Future study on forensic accounting and financial reporting quality can look at how other forensic accounting measures not captured in this study influenced financial reporting quality in the banking sector or other sector of the economy. Additionally, direction for future study can also be centred on the qualitative characteristics of financial reporting as stated by the IASB framework. This study is limited to selected deposit money banks in Nigeria and it only captured two proxy for forensic accounting. However, the results would have been robust and generalized if all firms in the banking sector are captured in the study.

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