

# **F**ORENSIC ACCOUNTING AS A PANACEA FOR COMBATING FRAUD IN NIGERIA LISTED HEALTH CARE SECTOR

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## **ABSTRACT**

*Forensic accounting has becoming a focus for management of establishments due to incessant increase in fraudulent malpractices which had resulted into scandal and collapsing of some quoted companies. This had necessitated the need for this study which investigated the impact of forensic accounting in combating fraudulent activities in health care sector in Nigeria. The study adopted survey research design using ten listed health care companies in Nigeria Stock Exchange in 2019. The study population consisted of all staff working in Account Sections, Internal Audit Sections and those working as management staff in sampled companies. The sample size is 100 while stratified and purposive sampling techniques were adopted in chosen respondents of the instrument. Descriptive statistics of percentages, mean and standard deviation were used to analyze respondents' opinions to the questionnaire while regression analysis*

## **Introduction:**

Business enterprises and individuals had been struggling with the menace of fraud over the years. Fraud can be defined as intentional deception to secure unfair or unlawful gain or to deprive innocent person of his legal right. Fraud practice takes different dimension ranging from cash theft, putting ghost workers in payroll, fraudulent billing systems, stock pilfering, management theft, etc. There has been incessant increase in fraud practices which had resulted into scandal and collapsing of some quoted companies. In 2018, Nigeria was ranked 144<sup>th</sup> among 180 countries

*was used for testing formulated hypotheses. The studied discovered that forensic accounting has significant role to play in detection of fraudulent practices and has positive and significant relationship with combating of fraudulent activities. The study recommends that government should mandate every corporation to have Forensic Accounting Section which will aid quick detection of fraud in every transaction that is embedded with fraudulent activities and that service of forensic accountants be engaged in order to serve as means of protecting their resources from being drain off by fraudsters.*

***Keywords:*** *Forensic accounting, panacea, fraud, combat, health care sector.*

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Listed in Transparency Corruption Index as part of highly corrupt nations and still in 2019, remain part of the corrupt nations. Fraud has grown to a point where its perpetration poses a threat not only to the concerned organization but also the entire economy (Okoye & Ndah 2019). Fraud may be perpetrated internally and to forestall this, management should be sensitively concern in every organization (Madumere & Onumah, 2016). Also, shareholders or owners feel pinch of the fraud activities in their establishments as they lose their investment into the hands of fraudsters. This had called for actions which will prevent shareholders from losing their investment to the fraudsters. Osho (2017) noted that forensic accounting is the application of a specialized knowledge and specific skills to unravel misappropriation of funds and discover evidence of such transactions. Forensic accounting involves three major areas which are investigation, dispute resolution and litigation support (Izedonmi & Ibadin, 2012).

According to Ibidunni, Ibidunni, Okere & Aro (2018), there is need for experts referred to as Forensic Accountants who would use accounting, auditing, investigative skills and litigation support in removing fraudulent activities and corruption in Nigeria. Aigienohuwa, Okoye, & Uniamikogbo (2017) opined that forensic accountants can draw management's attention to various weaknesses which may be existing in the internal control system

that will aid fraud and/or identify material misstatements in the books of accounts. Also, Gbegi & Adebisi, (2014) as cited in Ibidunni et al (2018) discovered that forensic accounting has contributed to uncovering and reducing of fraud and corruption in countries such as Britain, Canada, Germany and even the United States where forensic accounting is in use. Application of forensic accounting can mitigate accounting irregularities, improves internal control system, promote corporate governance, and ensure shareholders'/investors' trust (Aigienohuwa et al 2017).

Various research efforts made by previous scholars had been focused on forensic accounting and fraudulent activities in banks and other financial institutions; and ministries and government establishments. The researcher has identified this gap in forensic accounting researches especially in the health care sector where very few researches had been made on the subject. This study is set to evaluate the relationship between forensic accounting practices and combating of fraudulent activities in health care companies in Nigeria.

In view of the above problems, this study investigated whether forensic accounting can combat fraudulent activities in Nigeria Health Care Sector. Specifically, the study intends to achieve the following:

- i. To evaluate the significant roles played by forensic accounting practice in detection of fraud in health care delivery companies in Nigeria and
- ii. To evaluate the significant relationship between forensic accounting practice and combating of fraud in health care companies in Nigeria.

### **Formulation of Hypotheses (Null)**

Ho1: Forensic accounting practice does not play significant role in detection of fraud in health care companies in Nigeria.

Ho2: Forensic accounting practice has no significant relationship with combating of fraud in health care companies in Nigeria.

## REVIEW OF RELATED LITERATURE

### CONCEPTUAL FRAMEWORK

#### Concept of Forensic Accounting

Saidu (2015) defined forensic accounting as the application of analytical, arithmetical, auditing and investigative skills acquired by an Accountant in evidence gathering and adjudication for legal matters, without causing harm or molestation to the culprit. Forensic accounting is the application of criminalities methods and integration of the accounting investigative activities and law procedures to detect and investigate financial crimes and related economic misdeeds (Damilola &Olofinsola 2007).

Bhasin (2007) reported that the activities of forensic accountants involve investigating and analyzing financial evidence. He stressed further that their activities include developing computerized applications to assists in the analysis and presentation of financial evidence; communicating their findings in the form of reports, exhibits and collections of documents. They also, assist in legal proceedings, including testifying in courts as an expert witness and preparing visual aids to support trial evidence. Forensic accounting techniques are used to detect and investigate a crime in order to expose all attending features and identifies the culprits (Raymond, Nwakob &Okoye 2016). Therefore, forensic accounting services involve “the application of specialized knowledge and investigative skills possessed by Chartered Professional Accountants”. It utilizes the practitioner’s specialized accounting, auditing, economic, tax, and other skills (AICPA 2010).

#### Concept of Fraud

According to Oxford Advanced Learner’s Dictionary, fraud can be defined as the crime of deceiving somebody in order to get money or goods illegally. It is also defined as any act of deception, carried out for the purpose of unfair, undeserved and or unlawful gain. Fraud is an economic and social menace with multiplier adverse consequences on individuals, organizations and the society at large (Aigienohuwa1 et al. 2017). Fraud includes a known misrepresentation of a fact by one party which includes

another party, to act or fail to act, which in end cause damage to the party relying upon the misrepresentation. (CJS 2016). Saurav (2012) concluded that fraud is not only theft of asset but also an attempt to conceal it. EFCC Act (2004) defines fraud as illegal act that violates existing legislation and these include any form of frauds, narcotic drug, trafficking, money laundering, embezzlement, bribery, looting and any form of corrupt malpractices and child labour, illegal oil bunkering and mining, tax evasion, foreign exchange malpractice including counterfeiting, currency, theft of intellectual property and piracy, open market abuse, dumping of toxic waste and prohibited good etc. International Standard of Auditing (2009) defined fraud as an intentional act by one or more individuals and one charged with governance, employee or third parties which involves use of deception to obtain unjust or illegal advantages. Aigienohuwa1 et al. (2017) opined that there must be concerted efforts to ensure that fraud is eradicated or at least minimized in the industry. Okoye et al 2019 posited that the severity of the likely consequences of fraud makes it very important that firms battle the menace headlong.

### **Categories of Fraud**

Okoye et al 2019 identified Financial statement fraud to comprise deliberate misstatements or omissions of amounts or disclosures of financial statements to deceive financial statement users, particularly investors and creditors, outright falsification, alteration, or manipulation of material financial records, supporting documents, or business transactions, material intentional omissions or misrepresentations of events, transactions, accounts, or other significant information. They postulated that financial statement fraud undermines the reliability, quality, transparency, and integrity of the financial reporting processes.

Izedonmietal (2012) identified the following fraudulent malpractices to be common among individuals and institutions:-

- i. Employee Theft: This fraud may be in form of manipulation of the billing or payroll system, fabrication of expenses, reimbursements and cheque tampering, stolen of cash after

recording (larceny) or theft of cash before it is recorded (skimming), forging of authorized signatures. This is common where there is elaborate cash disbursement, petty cash and demand deposits.

- ii. Management Theft is committed when management over-rides the controls instituted or put in place to forestall thefts which they eventually get involved in. Impact of this misconduct may be severe on companies' financial performance and have negative effect on other set of worker within the organization.
- iii. Payroll fraud: This often occurs in Payroll section or Salary section of organizations. This is carried out by including ghost employees in salary voucher, inflating hours of work and overtime, overstating of expense accounts or inflation of medical bill. This fraud is usually fast tracked by a payroll clerk, internet facility or through the connivance and collusion of another staff.
- iv. Corporate frauds are carried out by senior management of companies in order to benefit the company. Such frauds include financial statement fraud, anti-trust violation; securities frauds, tax evasion, false advertising, environmental crimes, production of unsafe product, window dressing and creation of hidden reserves.
- v. Money Laundering has to do with concealment and illegal flow of funds across the borders which individuals and corporate organizations could be victims. Government is trying to prevent this by promulgating 'The Money Laundering (Prohibition) Act, 2004'. This Act makes various provisions prohibiting the laundering of the proceeds of a crime or of any criminal or illegal activity, and provides for appropriate penalties for money laundering infringements.

### **Motivation for Fraudulent Practices**

Bonny, Goode & Lancey (2015) in their study discovered that gambling, sudden family financial pressure, drug dependency, pressures from co-

workers and being dishonest naturally as motivation factors for individuals to commit fraud. Also, Baker, Cohanier & Leo (2016) identified cultural and ideological differences which weaken internal control; possibility of collusive behaviour among the workers; willful blindness on the part of management towards weak internal control and capabilities of perpetrators in overridden the internal control system as the motivational factors to commit fraud. Furthermore, Shivam & Chadana (2019) identified factors responsible for individuals' involvement in fraud as personal gain, financial difficulties, gambling, drugs or alcohol, personal reputation, living beyond capability, job discomfort and pressure from others, while business factors include financial pressure from investors or analysts, high competitions in market, integrity of perpetrators, achieving aggressive target and obtaining of excessive loan.

### **Theoretical Framework**

This study is anchored on Fraud Triangle Theory and Agency Theory. Fraud Triangle Theory was propounded by Donald Cressey in 1953. It is based on argument that there must be a reason for committing a fraud which he came out with the fact that pressure, opportunities and rationalization are the root cause of violating the trust repose in someone. He asserted that fraud cannot be carried out without these factors. Every fraudster faced some pressure especially financial one, to commit unethical behaviours while perceived opportunity is created by ineffective control or governance system that allows an individuals to commit organizational fraud (Abdullahi & Monsur 2015). Rationalization refers to the justification and excuses for the immoral conduct carried out by fraudsters. This theory is related to this study because it enables us to know the reasons for committing of fraud which can assist management executives to know how to handle cases of fraud and possibly prevent it.

Agency Theory was developed by Jensen and Meckling (1976). The theory believes that companies are managed by professional managers rather than the owners. This theory believes that governance of company used to cause problem between owners, its managers and providers of debt

finance, when managers are unable to satisfy the stakeholders. This theory further explains how to resolve issues in relationship between owners of businesses and their agents. The relationship usually involves shareholders, principals and companies executives as agents. This theory relates to this study because it explains the role and responsibilities of agents (company executives) who are expected to manage the resources of shareholders properly in order to improve financial performance of their companies. This theory if properly followed, will enable agents to guide against any loss occurring in their companies especially prevention of fraud.

### **Empirical Review**

Many scholars had endeavored to investigate the consequence of forensic accounting on fraud detection and combating for example Okoye, & Ndah (2019) evaluated forensic accounting and fraud prevention in manufacturing companies in Nigeria using survey research design. They used primary source to collect data through the issue of fifty (50) structured questionnaires to the accounting staff of ten (10) manufacturing companies. The collected data was analyzed using Ordinary Least Square method of multiple regression analyses. The findings of the study indicated that there is a positive and statistically significant relationship between fraud investigation practices and the prevention of fraud in manufacturing companies. The findings also showed that there is a positive and statistically significant relationship between fraud litigation practices and the prevention of fraud in manufacturing companies. The study recommended that manufacturing companies retain the services of qualified forensic accountants who are versed in the use of appropriate fraud deterrence methods in order to prevent fraud before it occurs.

Ibidunni et al (2018) reviewed effect of forensic accounting in curbing corruption in Nigeria. They opined that corruption brings about bad governance, poor public policy, misappropriation of public resources and an impairment of the public and private sectors development. They also believed that failure of various anti-corruption agencies in Nigeria and civil



service reform and laws has given rise to the need for a profession with high level of competence to proffer solution to the curbing of corruption in Nigeria. They recommend that a law must be promulgated in order to mandates public entities and government financial statements to be examined by the forensic auditors before being published.

Aigienohuwa, Okoye, & Uniamikogbo (2017) reviewed the effectiveness of forensic accounting as a corporate governance tool for fraud reduction and improving internal control systems in the Banking Industry. Stratified and purposive sampling techniques were adopted in chosen respondents for 120 questionnaires administered to staff of fifteen banks in Benin City. Binomial test was used for analyzing two hypotheses formulated for the study. Their findings revealed that forensic accounting had significantly reduced fraud in the banking industry and helped to improve considerably the internal control systems of banks. Among the recommendations are that the regulatory agencies and shareholders to strictly enforce forensic accounting practice in banks and their staff be duly sensitized on the dangers inherent in fraud and the imperative of morals.

Osho (2017) investigated the impact of forensic accounting on University financial system in Nigeria. Ex-post factor research design was used while data extracted from audited Financial Statement for the years 2005 to 2014 were analysed. For a concrete conclusion to be arrived at, stratified and purposive random sampling techniques were adopted. The study used simple and multiple regression analysis to test the hypotheses at 5% significant level by means of both t-statistics and f-statistics. The result showed that positive relationship existed between the variables being examined which are university financial system, core financial system, procurement, research financial administration and resource management. The study then concluded that greater percentage of changes in the University Financial System are attributed to the combined effect of core financial system, procurement, research financial administration and resource management policies of the University while the remaining percent is accounted for by other exogenous variables not included in this study. The findings revealed that University Financial System in Nigeria is

significantly affected by the combine effect of all the exogenous variables. It is recommended that University management and the stakeholders should utilize the findings of the study in taking decisions with respect to efficient management of all the components of Forensic Accounting in order to progress their University.

Raymond, Nwakob & Okoye (2016) examined impact of forensic accounting on combating fraudulent activities in Nigerian banking sector. They adopted survey method with use of questionnaire for data collection. The population was commercial banks in Awka, Anambra state. Their sample size was 55 staff of eleven banks chosen in their area of study. Using t-test statistical techniques with aid of SPSS version 20.0, two hypotheses formulated were tested. The study discovered that forensic accounting is an effective tool for addressing financial crimes in the banking system and that forensic audit is necessary in ensuring corporate governance in companies. The study then recommended that apex bank should engage the service of forensic accountants to complement efforts of other professionals in reducing fraudulent activities and to ensure good corporate governance in financial sector.

Adebisi, Okike and Yoko (2016) investigated forensic accounting and fraud detection and prevention of fraud in Nigeria using the survey research method. They used primary source to collect data with the aid of questionnaire administered to a sample of 92 professional accountants in the Nigerian public sector. Chi-square was employed for analysis. The findings of the study indicated that forensic accounting have a significant role to play in fraud detection and prevention in Nigeria. They recommended that there should be more forensic accountants' involvement in fraud detection in order to reduce the rate of financial crime in Nigeria.

Ehioghiren & Atu (2016) examined forensic accounting and fraud management: evidence from Nigeria. Their population of the study comprised of four diverse groups which were auditors (Internal and External), those involved in financial statement compilation, users, and academics. They adopted survey research design with use of simple random sampling technique for chosen samples. 572 questionnaires were administered to the public and private companies' accountants, internal

and external auditors, top management staff, shareholder and academician in Edo and Delta States. They used SPSS 21 to test the hypothesis to determine the F-value. They discovered that forensic accounting significantly influences fraud detection and control, and that there is significant difference between the duties of professional Forensic Accountants and that of traditional External Auditors. The researchers recommended that trained experts like the Professional Forensic Accountants should conduct the investigation, where there is evidence of fraud and appropriate disciplinary action should be taken.

Dada (2014) evaluated forensic accounting technique: a means of successful eradication of corruption through fraud prevention, bribery prevention and embezzlement prevention in Nigeria. The study adopted survey research design with questionnaire as instrument for data collection. It used multiple regression analysis to test the formulated hypotheses. The findings indicated that prevention of fraud, bribery and embezzlement will not significantly ensure effective prevention of corruption through the application of forensic accounting technique. Also, the study discovered that forensic accounting technique can be applied to investigate and detect cases of corruption in Nigeria. It is recommended that EFCC should have a forensic accounting unit and that professional accountants be involved in their investigations.

Izedonmi, & Ibadin (2012) adopted the inference, relevance and logic solution on approach to review forensic accounting and financial crimes. On their paper, they considered some basic and common financial crimes in corporate organizations, making Nigeria a focus, and by extension to the developing world. They concluded that motivations for financial crimes are built around some risk factors, which include the incentive (or pressure), opportunity and rationalization surrounding the financial criminals. Their paper appeals for adoption of inference, relevance and logic solution approach (IRLS) to solve vexed problems of financial crimes in corporate organizations by forensic accountants.

### **GAP IN THE LITERATURE**

It was observed that majority of extant literature on similar topic by previous scholars focused on banking industries (Ogundana et al 2018; Aigienohuwa et al 2017; & Raymond et al 2016, ) while some other few scholars based their studies on government ministries and establishments (Ibidunni et al 2018; Osho 2017). To the best of my knowledge, negligible

study had been made on health care sector. Based on this discovery, the study intends to fill the gap.

## METHODOLOGY

The survey research design is adopted for this study and ten health care companies listed in Nigeria Stock Exchange comprise the population of the study (Appendix 1 refers). All companies were involved in the study because they are just few. The study used quantitative data in line with Okoye & Ndah (2019) and Aigienohuwa et al (2017). Questionnaire was the instrument of data collection while stratified and purposive sampling technique was adopted in selecting the respondents to the questionnaire. The respondents were staff of the sampled companies who are in the cadre of directors, chief accountants, chief internal auditors account officers and internal audit officers. These people were chosen because they have better knowledge and understanding of the subject matter.

## DATA PRESENTATION AND ANALYSIS

### Questionnaires Distribution and Collection

100 copies of questionnaires were administered but 93 questionnaires were returned while 2 were defaced and thus rejected. The analysis is based on 91 good ones representing 91% of administered question which is a good rate.

**Table 4.1: Analysis of Responses on whether Forensic accounting practice plays a significant role in detection of fraud in health care companies in Nigeria.**

S/N	STATEMENT	N	MEAN	SD
1	Forensic accounting can be used to discover misappropriated fund in health care sector.	91	4.05	1.31
2	Forensic accounting reduces perpetration of fraud in the health care sector.	91	4.11	1.19
3	Forensic accounting can identify misappropriated assets and identify reversible insider transactions.	91	3.99	1.22
4	Forensic accounting can be used to report any form of fraud perpetrated in health care sector in Nigeria.	91	4.05	1.09
5	Forensic Accounting play significant role in detection of fraud in the health care sector in Nigeria.	91	4.02	1.09

Total	4.04
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Source: Researcher's Computation 2019

Table 4.1 above shows that all the items have mean responses of above 3.5. Also, the grand mean of the respondents which is the averages score for the total set of items is 4.04 indicating that forensic accounting practice plays a significant role in detection of fraudulent activities in health care companies in Nigeria.

### Analysis of Responses on Forensic accounting practice and its significant relationship with combating of fraud in health care companies in Nigeria.

S/N	STATEMENT	N	MEAN	SD
1	Forensic accounting practice helps to alleviate fraudulent activities in health care sector in Nigeria.	91	3.69	1.24
2	Forensic accounting /investigations deals directly with fraud investigation and thus can check fraudulent activities	91	3.82	1.25
3	Forensic Accounting can prevent suspicious or fraudulent transactions in health care sector in Nigeria	91	3.78	1.44
4	Forensic accounting involves investigation and which has ability of combating fraudulent activities and ensures sanity in corporate organization.	91	4.08	1.17
5	Forensic accounting has cogent relationship with combating of fraud in health care sector in Nigeria.	91	3.91	1.24
	Total		3.89	

Source: Researcher's Computation 2019

Table 4.2 above shows that all the items have mean responses of above 3.5. Also, the grand mean of the respondents which is the averages score for the total set of items is 3.89 indicating that respondents agreed that forensic accounting has significant relationship with combating of fraudulent malpractices in health care companies in Nigeria.

### TEST OF HYPOTHESES

Ho1: Forensic accounting practice does not play a significant role in detection of fraud in health care companies in Nigeria.

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**Table 4.3 – Modal Summary for Forensic Accounting and significant role in detection of fraud**

Model	R	R Square	Adjusted R Square	Std. Error of Estimate
1	0.978a	0.956	0.954	.259

a. Dependent variable: five

b. Predictor: (Constant), one, two, three, four

**Source: Regression Output Version 20 (2019)**

Model summary in Table 4.3 above show that coefficient of correlation (R) for Forensic accounting and significant role in detection of fraud in health care companies gave a value of 0.978 indicating that the strength of the relationship between fraud detection and forensic accounting practices in health care companies is about 97.8%. Table 4.3 further showed that the coefficient of determination ( $R^2$ ) gave a value of 0.956 implying that as much as 95.6% of the changes in fraud detection is attributable to forensic accounting practices of health care companies in Nigeria

**Table 4.4 – Coefficients 'a'**

Model	Unstandardized Coefficient		Standardized Coefficient	T	Sig.
	B	Std. Error	Beta		
(Constant)	.007	.116		.064	.949
Forensic accounting can be used to discover misappropriated fund in health care sector.	.275	.099	.300	2.774	.003
Forensic accounting reduces perpetration of fraud in the health care sector tool.	.071	.109	.071	.656	.514
Forensic accounting can identify misappropriated assets and identify reversible insider transactions.	.320	.110	.324	2.924	.004

<b>Forensic accounting can be used to report any form of fraud perpetrated in health care sector in Nigeria.</b>	.339	.074	.307	4.549	.000
<b>a. Dependent Variable: Forensic Accounting play significant role in detection of fraud in the health care sector in Nigeria.</b>					

a. Dependent variable: five

b. Predictor: (Constant), one, two, three, four

Source: Regression Output Version 20 (2019)

Decision Rule: If the t-value is greater than 5%, accept the null hypothesis otherwise reject and accept the alternative hypothesis. considering that the t-stat for forensic accounting can be used to discover misappropriated fund in health care sector; forensic accounting can identify misappropriated assets and identify reversible insider transactions; and forensic accounting can be used to report any form of fraud perpetrated in health care sector in Nigeria gave a value 2.774; 2.924 and 4,549 with a probability of t-stat of 0.003; 0.004 and <0.001 respectively. Based on these, null hypothesis is rejected while alternative hypothesis which state that forensic accounting practice plays significant role in detection of fraudulent activities in health care companies in Nigeria is accepted.

**Ho2: Forensic accounting practice has no significant relationship with combating of fraud in health care companies in Nigeria.**

**Table 4.5– Modal Summary for Forensic Accounting and significant relationship with combat fraud**

<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of Estimate</b>
<b>1</b>	0.979a	0.958	0.956	.261

a. Dependent variable: five

b. Predictor: (Constant), one, two, three, four

Source: Regression Output Version 20 (2109)

Model summary in Table 4.5 above show that coefficient of correlation (R) for Forensic accounting and significant relationship with combat of

fraudulent activities in health care companies gave a value of 0.979 indicating that the strength 97.9%. Table 4.5 further showed that the coefficient of determination ( $R^2$ ) gave a value of 0.958 implying that as much as 95.8% of combat of fraudulent activities is attributable to use of forensic accounting practices in health care companies in Nigeria.

**Table 4.6 – Coefficients ‘a’**

Model	Unstandardized Coefficient		Standardized Coefficient	T	Sig.
	B	Std. Error	Beta		
(constant)	.187	.122		1.526	.131
Forensic accounting practice helps to alleviate fraudulent activities in health care sector in Nigeria	.414	.097	.493	4.256	.000
Forensic accounting deals directly with fraud investigation and thus can check fraud.	.434	.063	.437	6.902	.000
Forensic accounting can prevent suspicious or fraudulent transactions in health care sector in Nigeria	-.164	.124	-.189	-1.321	.190
Forensic accounting involves investigation which has ability of combating fraudulent activities and ensure sanity in corporate organization	.283	.091	.266	3.124	.002
a. Dependent Variable: b. Forensic accounting has cogent relationship with combating of fraud in health care sector in Nigeria					

a. Dependent variable: five

b. Predictor: (Constant), one, two, three, four

Source: Regression Output Version 20 (2109)

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Decision Rule: If the t-value is greater than 5%, accept the null hypothesis otherwise reject and accept the alternative hypothesis. As evidenced in table 4.6 above, forensic accounting practice can help to alleviate fraudulent activities; forensic accounting deals directly with fraud investigation and thus can check fraud; and has ability of combating fraudulent activities and ensures sanity in corporate organization gave values of 4.256; 6.902 and 3.142 with a probability of t- stat of 0.000; 0.000, and 0.002 respectively. The findings of this research further showed that there is a positive and statistically significant relationship between forensic accounting and combating of fraudulent activities in health care companies. Based on these results, null hypothesis is rejected while alternative hypothesis which state that forensic accounting practice has significant relationship with combating of fraud in health care companies in Nigeria is accepted.

### **Conclusions and recommendations**

The study evaluated forensic accounting as a panacea for combating fraudulent practices in Nigeria Listed Health Care Sector. Fraudulent practices had become order of the day in establishments in Nigeria and had been causing unrest to people who had invested their resources in one business or the other and even preventing foreigners from coming to Nigeria to invest their funds. This menace need to be quickly addressed before it grounds majority of business establishment in the country. The study discovered that forensic accounting can be used to discover misappropriated funds; identify misappropriated assets and identify reversible insider transactions and used to report any form of fraud perpetrated in health care sector in Nigeria. Also, the study revealed that forensic accounting practice can help to alleviate fraudulent practices; deal directly with fraud investigation and thus can check fraudulent practices and has ability of combating fraudulent activities and ensures sanity in corporate organization. It is therefore, concluded that forensic accounting plays significant role in detection of fraudulent practices in line with findings of Aigienohuwa, et al (2017); Adebisi et al (2016) and Nwakoby &

Okoye, (2016) and has significant relationship with combating of fraudulent practices in health care companies in Nigeria which is similar to conclusions of Raymond et al (2016) and Olukowade & Balogun (2015) Based on these discoveries, it is recommended that government should mandate every corporation to have Forensic Accounting Section which will speed fraud detection in every transaction that is embedded with fraudulent activities. Also, establishments should employ the service of forensic accountants in order to serve as means of protecting their resources from being drain off by fraudsters. The agencies responsible for detection of fraud should be given chance to carrying out their duties as stipulated by 'rules and regulations' and whoever is found to be involved in fraudulent malpractices be brought to book and arraigned in Court for prosecution in order to serve as deterrent to others.

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## APPENDICES

### APPENDIX 1- LIST OF OBSERVED COMPANIES IN HEALTH CARE SECTOR

1. Ekocorp PLC
2. Evan Medical PLC
3. Fidson Healthcare PLC
4. GlaxoSmithKline Consumer Nigeria PLC
5. May & Baker Nigeria PL
6. Morison Industries PLC
7. Neimeth International Pharmaceuticals PLC
8. Nigeria-German Chemicals PLC
9. Pharma-Deko Chemicals PLC

## 10. Union Diagnostic &amp; Clinical Services PLC

Source: Extract Nigeria Stock Exchange (2019)

**Appendix II Summary of Responses on Forensic accounting practice does not play a significant role in detection of fraudulent malpractices in health care companies in Nigeria.**

S/N	STATEMENT	SA	A	N	D	SD	TOTAL
1	Forensic accounting can be used to discover misappropriated fund in health care sector.	50 55%	19 21%	6 7%	9 10%	7 7%	91 100%
2	Forensic accounting reduces perpetration of fraud in the health care sector tool.	48 53%	23 25%	5 6%	12 13%	3 3%	91 100%
3	Forensic accounting can Identify misappropriated assets and identify reversible insider transactions.	40 44%	30 33%	7 7%	8 9%	6 7%	91 100%
4	Forensic accounting can be used to report any form of fraud perpetrated in health care sector in Nigeria.	35 38%	42 46%	3 3%	6 7%	5 6%	91 100%
5	Forensic Accounting play significant role in detection of fraud in the health care sector in Nigeria.	43 47%	29 32%	8 9%	4 4%	7 %	91 100%

SA = Strongly Agree; A=Agree; N=Neutral D=Disagree; SD=Strongly Disagree

Source: Researcher's Computation 2019

**Appendix III: Summary of Responses on Forensic accounting practice has no significant relationship with combating of fraudulent malpractices in health care companies in Nigeria.**

S/N	STATEMENT	SA	A	N	D	SD	TOTAL
1	Forensic accounting practice helps to alleviate fraudulent malpractices in health care sector in Nigeria.	40 44%	20 22%	6 7%	13 14%	12 13%	91 100%
2	Forensic accounting /investigations deals directly with fraud investigation and thus can check fraudulent malpractices.	30 33%	40 44%	5 6%	7 7%	9 10%	91 100%
3	Forensic Accounting can prevent suspicious or fraudulent transactions in health care sector in Nigeria	42 46%	19 21%	9 10%	10 11%	11 12%	91 100%
4	Forensic accounting involves investigation and which has ability of combating fraudulent activities and ensures sanity in corporate organization.	45 49%	24 26%	10 11%	8 9%	4 5%	91 100%
5	Forensic accounting has cogent relationship with combating of fraud in health care sector in Nigeria.	38 42%	23 25%	8 9%	11 12%	12 12%	91 100%

SA = Strongly Agree; A=Agree; U=Undecided D=Disagree; SD=Strongly Disagree;

Source: Researcher's Computation 2019