

**FORENSIC ACCOUNTING AS A TOOL FOR FIGHTING CORRUPTION
AND TERRORISM: CASE STUDY OF NIGERIA**

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EXECUTIVE SUMMARY

Nigeria is the richest oil producing country in Africa but in recent time, corruption and terrorism has been a major challenge and it has made Nigeria a major concern to the rest of the world. The consequences and the effects of terrorism and corruption are very grave and needs to be curbed. These problems are in no doubt solvable within the ambit of forensic accounting.

The objective of this literature review is to identify, and evaluate the existing evidence about forensic accounting as a tool of anti-corruption and counter terrorism. This literature review focuses on the relationship between corruption and terrorism and how forensic accounting can be a significant solution.

The key findings of this literature review are as follows

There is an interwoven relationship between corruption and terrorism. Hence, corruption leads to severe political instability, collapse of democracy, religious and ethnic rivalry, degenerating crises situation. The deprivation of the greater Nigerian populace from the proceeds of the nation's natural resources by the few political leaders has created condition for aggression and violence and even terrorism. It was also established that terrorist group involve in corrupt practices for financing.

To stop curb these endemic problems facing Nigeria, the skills and techniques of forensic accounting is required to address these wanton menaces.

1.0 INTRODUCTION

Nigeria is the second most populous nation in Africa after South Africa and the richest oil producing country in Africa, but in recent times corruption and terrorism has been a major challenge and it has made Nigeria a major concern to the rest of the world .According to transparency international (TI), Nigeria was scored 27th on a scale from 0(most corrupt) to 100 (least corrupt) nation in the world, in the 2014 survey. Nigeria ranks among the 38 most corrupt countries in the world. Likewise, according to Global Terrorism Index (GTI) Survey 2014, Nigeria ranked 4th most dangerous nation in the world due to the recent rise in terrorism spearheaded by the birth of an Islamic extremist group in 2002. The dramatic increase in terrorism in Nigeria can be attributed to the rise of Boko Haram translated to mean 'western education is forbidden'.

According to Global Witness (2012) it is widely accepted that the misappropriation of public funds and assets by corrupt elites has been a major cause of Nigeria's underdevelopment. The Transparency International index scores countries according to the perception of public sector corruption. This ranking is based on certain criteria which include bribery of public servants, cuts in public procurement, embezzlement of public funds, money laundering and the effectiveness of the public sector's anti-corruption efforts. Findings from surveys has shown that there is a lack of

accountability from public officials, making unprincipled acts more attractive and easier to get away with, within the Nigeria's public sector.

corruption today has grown wild, the detection or minimization of these crimes are made more difficult while committing these crimes are made much easier with the aid of computer software coupled with the advent of internet facilities. Thus these have compounded the problem of curbing financial crimes. The magnitude of corruption in the public sector services and the involvement of politics present very visible and poor show towards the fight against corruption and terrorism in Nigeria. While various financial crimes in public organizations take different dimensions, some basic and common financial crimes have raised issues pertaining to payroll frauds, money laundering, fraudulent billing systems, bribery, Management theft, corporate frauds, and insurance fraud, among others.

Akpan et al (2012) revealed that, there is a relationship between terrorist activities and economic development considering the extent of damages and ills of terrorist activities in Nigeria economic environment. There is a danger signal to severe political instability, collapse of democracy, religious and ethnic rivalry, degenerating crises situation. . The consequences and the effects of terrorism and corruption are very grave hence the need to be curbed these menaces. The promotion of better anti-corruption and anti-terrorism polices are no doubt within the ambit of forensic accounting. It is on this foundation that forensic accounting in the public sector management domain surfaces. It responds simply to the growing complexity and cognizance of these crimes as forensic accounting can be used as a tool to fight terrorism and corruption in Nigeria.

2. LITERATURE REVIEW

Methodology to conceptualise the literature review

The objective of this literature is to recognise, study and evaluate the existing evidence on the use of forensic accounting, in particular its impact on financial crimes in public sector as it relates to terrorism. This report contributes to the forensic accounting literature in three major ways. Firstly, it attempts to provide a comprehensive overview of forensic accounting and discussing the main stipulations. Secondly, it emphasises the lack of prior evidences in various areas, proposes vital avenues for future research so as to allow for more thorough understanding of forensic accounting and the impact it has on financial crimes and terrorism in public sector. The final recommendations also proposes policy formulation.

This literature review includes both published work and unpublished work, including working papers and articles in order to provide a complete picture of the existing research evidence. The considered prior work includes empirical and descriptive studies. This review is primarily focused on the impact of forensic accounting on public sector.

2.1 Definition of Terrorism

Despite the problems of defining terrorism, certain scholars have presented definitions that are casted in a more severe and objective perspective .The United State Department of defence defines terrorism as “the calculated use of unlawful violence or threat of unlawful violence to inculcate fear; intended to coerce or to intimidate government or societies in the pursuits of goal that are generally political, religious, or ideological”. Terrorism is not unique to the modern era. The terms ‘terrorism’ and ‘terrorists’ date back to the eighteenth century Laster and Erez (2015). The United States Department of Defence defines terrorism as “the calculated use of unlawful violence or threat of unlawful violence to inculcate fear; intended to coerce or to intimidate Governments or Societies in the pursuit of goals that are generally political, religious, or ideological”. Within this definition, there are three key elements- violence, fear, and intimidation-and each element produces terror in its victims. The FBI uses this: “Terrorism is the unlawful use of force and violence against persons or property to intimidate or coerce a government, the civilian population or any segment thereof, in furtherance of political or social objectives.” The United Nations produced this definition in 1992; “An anxiety-inspiring method of repeated violent action, employed by (semi-) clandestine individuals, group or state actors, for idiosyncratic, criminal or political reasons, whereby-in contrast to assassination, the direct targets of violence are not the main targets”.

2.2 Definition of corruption

Drawing on the postulations of Esangbedo (1997), corruption can be described as the modern term for fraudulent practices, a social malady, which has eaten deep into the fabric of our national solidarity. It has the potential to ruin an economy if not properly checked .it is committed in various ways, such as over-invoicing and inflation of bills, payment for services not rendered, inclusion of ghost workers in payroll, under supply of materials fully paid for, supply of inferior quality and outdated materials, and non-performance of contract or jobs for which payments have been claimed. The World Bank (1997) describes corruption as “the abuse of public office for private gains. Public office is abused for private gains when an official accepts, solicits or extorts a bribe. It is also abused when private agents actively offer bribes to circumvent public policies and processes for competitive advantage and profit. Public offices can also be abused for personal benefit even if no bribery occurs, through patronage and nepotism, the theft of state assets or the diversion of state revenue.”

According to Transparency International (2015), corruption can be defined as the abuse of entrusted power for private gain. It can however be classified as grand, petty, and political, depending on the amounts of money lost and the sector where it occurs.

- **Grand corruption:** consists of acts committed at a high level of government that distort policies or the central functioning of the state, enabling leaders to benefit at the expense of the public good.
- **Petty corruption:** refers to everyday abuse of entrusted power by low and mid-level public officials in their interaction with ordinary citizens, who often are trying to access basic goods or services in places like hospital schools police department and other agencies.
- **Political corruption:** this is the manipulation of policies, institutions and rules of procedures in the allocation of resources and financing by political decision makers, who abuse their position to sustain their power, status and wealth.

2.3 Causes of corruption in Nigeria

For corruption to be curbed in Nigeria the root causes must be known and duly addressed.

Mukoro (2013) stated that financial fraud in Nigeria is majorly caused as a result of obsession with materialism, compulsion for a shortcut to affluence glorification and approbation of ill-gotten wealth by the general public. These reasons, among others, account for the prevalence of corruption in Nigeria. Okolie (2014) stressed these point further by theorising that perpetrators of corrupt practices get away with the act. This is to say that it is only in few instances that nefarious acts are uncovered on time, investigated and prosecuted .consequently. Many of those involved are left free and hence there is no deterrent for future acts.

Paolo (1998) listed three principal causes of corruption, government restriction and intervention, which lead to excessive profits .These include trade restrictions , preferences industrial policies (subsidies and tax deduction), price controls , multiple exchange rate practices, foreign exchange allocation schemes , government –controlled credit; Where civil are paid low wages and have to resort to collect bribe in order for sustenance. Nonetheless, practices such as lack of adequate and sustainable retirement benefits, under which serving officials would want to provide for their future through corruption and fraudulent practices are also thriving proponents of corruption.

Abdullahi and Mansor (2014) stated that fraud and other fraudulent activities are the detrimental forces that hinder democracy to step into progressive stage in many countries throughout the world. Financial fraud in Nigeria is caused by many factors including: low salary and wages in public service, lack of accountability, inequality in distribution of resources, favouring ethnicity and lack of nationalism, lack of social and government enforcement agencies, lack of proper taxing system and proper policy formulation. Maduagwu (1982) has blamed the rising tide of corruption in the Nigerian public service on the prevailing culture that condones and even encourages corruption. In his words:

Corruption thrives in Nigeria because society approves it. No Nigerian official would be ashamed, let alone condemned by his people because he or she is accused of being corrupt. The same applies to outright stealing of government or public money or property. Rather than applying punitive sanctions, the official will be hailed as being smart. He would be adored as having ‘made it’; he is a ‘successful man.’ And any government official or politician who is in a position to enrich himself corruptly but failed to do so will, in fact, be ostracized by his people upon leaving office. He would be regarded as a fool, or selfish, or both.

2.4 Relationship between Terrorism and Corruption

According to Ahmad (2013) an estimate of \$129 billion Dollars equivalent to N21 trillion Naira was illicitly transferred out of Nigeria in the last ten years (2003-2013).the sources of the funds are often illegal mining activities, drugs and human trafficking. The Nigerian Financial Intelligence unit domiciled with the EFCC, estimated that between 2009 and 2013 about \$25.4 billion Dollars were moved out of the country through cross border physical movement of cash and financial instruments .Daily trust (2013)

Farouk (2012) stated that Terrorism and Corruption are similar in the damage they do to our people and society; one kills immediately while the other kills by perpetuating poverty and committing ethical genocide for generations to come. Agbiboa (2012) the incidence of deprivation in Nigeria which produces poverty, illiteracy and unemployment is a direct outcome of corruption and bad leadership. Virtually all institutions in the Nigeria society is indisputably corrupt. Ejibunu (2007) duly holds that the deprivation of the greater Nigerian populace from the proceeds of the nation’s natural resources by the few political leaders has created condition for aggression and violence. Zunwe et al (2013) examined the interconnections between endemic poverty created by official corruption, state neglect of the needs of the masses and terrorism in Nigeria. It was asserted that economic deprivation, frustration and desperation are the underlying causes of terrorism in Nigeria; that official corruption and mismanagement of state funds have breed and institutionalized a legacy of propensity to engage in violent crime for a large proportion of Nigerian youth. The snowball effects are reflected in acts of terrorism and other social vice prevalent among the youth.

Shelley (2008) established that the globalization of crime and terrorism enhances the intersection of crime, terrorism and corruption. In recent times, criminals received huge profits from dealing in drugs and many terrorist group use drug trafficking as an important source of funding. Both criminal and terrorist have subsequently benefitted financially from the increase in arms trafficking, money laundering and financial fraud. Zumve et al (2013) postulated that corruption can be viewed as the deliberate or inadvertent violation of ethnics and codes that are supposed to govern the behaviour of a particular profession, public service operations, private transaction, private and corporate contract agreements that amounts to selfish dishonest personal gains which

makes another person, the system or the society to suffer any form of disadvantage therein. If this conclusion on the definition of corruption is anything to go by, poverty and low standard of living in the society is due to societal violation of ethical codes of conduct which results to the misappropriation of societal scarce resources, meant for the well-being of all and sundry. One's failure to perform his supposedly rightly duties also amounts to corruption which easily breeds the crime of terrorism as a means of protest against existing corrupt practices.

2.4 Efforts of the Nigerian Government to eliminate corruption and terrorism

Mbu (2015) stated that it is important to understand the history of Nigerian society and see how it has contributed to these thriving menaces in order to understand the means of eradicating them and restoring trust and predictability in business and politics which will in turn attract economic progress. Several unsuccessful attempts have been made to fight corruption in Nigeria. In 1956 following allegations of corruption, the Foster- Sutton commission was set up to investigate the affairs of the African Continental Bank Ltd (ACB). Also the Justice GBA Coker Commission was set up in 1962. Additionally, the General Aguiyi Ironsi administration instituted a number of commissions of inquiry into the affairs of the civil administration. Similarly, General Yakubu Gowon on assuming power in July 1966 and acting upon the commissions of inquiry reports of misuse of power, favouritism, and embezzlement of funds and inflation of contract price. Decree No 5 of 1966, identifying and seizing corruptly acquired assets of political office holders. Edikan and Emem (2008) In 1975, late General Murtala Mohammed administration launched the 'War Against Indiscipline, and more than 70% officials that served in the 2nd republic were arrested and convicted for looting various sums of money.

During the third republic the administration General Olusegun Obasanjo established Economic and Financial Crimes Commission (EFCC), EFCC is a law enforcement agency that investigates financial crimes such as advance fee fraud and money laundering the Independent Corrupt Practices and other related Commission in 2000, and the due process office. The mission statement of this commission is to rid Nigeria of economic and financial crimes and to effectively coordinate the domestic effort of the global fight against money laundering and terrorist financing. The Independent Corrupt Practices and other related offences Commission (ICPC) established under the ICPC Act 2000 brought a fresh and decisive perspective to the fight against corruption in the form of a holistic approach encompassing enforcement, prevention and education measures. The Act brings under its purview all Nigerians, in the private and public sector and even those public officers with constitutional immunity.

Ladan (2013) listed the following regulations such as Central Bank of Nigeria (anti-money laundering and combating of financing of terrorism in banks and other financial institutions in Nigeria); National Insurance Commission (Anti- money laundering and countering the financing of terrorism); Securities and Exchange Commission and Nigerian Financial Intelligence Unit .

These regulations were established to fight against and sanction money laundering, terrorism financing.

Ladan (2013) concluded that in spite of the elaborate legal and regulatory framework in combating corruption and financing of terrorism in Nigeria, little can be said to have been achieved. Statistics have shown that very few politically exposed persons have so far been tried because of such trials were stalled by mirage of preliminary objections which run up to the highest court of the land.

From the foregoing discussion of unsuccessful strives towards achieving a corrupt-free and secured Nigeria, there is an urgent need to develop and integrate Forensic accounting practices into the Nigeria Public sector .The relationship between Forensic accounting and counter terrorism reclines on the suppression and blockage of fund available to terrorist network. Hence, according to Federal Bureau of Investigation (2014), Forensic accountants contribute heavily to the intelligence cycle employed by the FBI. Terrorism takes money because these criminals need training, equipment and weapons. Someone has to finance this activities. Forensic accountants receive specific training to help them piece together financial activity details. They audit and pull information from banks, investment companies, airline companies, ATM and phone records, and questionable charitable organizations. They help track down terrorists by reviewing the financial records of individuals or businesses suspected of an involvement with terrorism. They complete financial analysis of business and personal records to develop profiles that identify people or businesses as suspected terrorists or terrorism supporters.

By reviewing financial records, tracking financial activity, deposits, and withdrawals into or out of various accounts -- as designated by the FBI or another law-enforcement agency -- forensic accountants gather the financial evidence that can be used to anticipate and track suspected terrorist activity or prosecute known terrorists. In the early days of the FBI, accountants helped catch such notable criminals. Forensic accountants can also rebuild activity by piecing together information from multiple sources. After compiling the financial evidence, forensic accounts report their findings in investigative.

Terrorism activity starts with finding the businesses or people who fund these criminals. A forensic accountant spends a lot of time tracing funding sources and interrelated transactions to determine terrorist activity. In 2009, the FBI developed the forensic accountant position as an investigative-support function for both terrorism and other illegal financial crimes. Since 9/11, the FBI has forensic accountants track a variety of financial transactions that could involve large money transfers, sleeper cells and terrorist training.

Some forensic accountants testify in court on their findings. They meet with prosecutors to build the case against terrorists. They discuss strategies and proceedings before a case goes to trial. Once a judicial case begins, some forensic accountants may testify on behalf of law-enforcement

agencies, such as the FBI, as expert witnesses. Forensic accountants must be familiar with accounting principles and practices, law-enforcement policies and procedures, as well as federal rules of evidence, security protocols on a national level, and courtroom proceedings.

2.5 CONCEPT OF FORENSIC ACCOUNTING

Gray and Moussalli (2006) stated that the unrelenting series of embarrassing audit failures over the last years has prompted a paradigm shift in accounting. Interestingly, in the mid-20th century, when the flight from fraud detection was at its height, a few observers predicted that in the future there will be acceptance of the general responsibility of the auditor to perform tests to detect material defalcations and errors if they exist. These events led to the hiring of fraud detection experts called forensic accountants.

Okolie (2014) Forensic accounting is different from the old debit and credit accounting as it provides an accounting analysis that is suitable to the organization in resolving any dispute that may arise in such firms .Joshi(2003) ascribed the origination of forensic accounting to kutilya, the first economics to openly recognize the need for the forensic accountant whom he said, mentioned 40 ways of embezzlement centuries ago .In the view of Howard and Sheetz (2006), forensic accounting is the process of interpreting, summarizing and presenting complex financial issues clearly, succinctly and factually often in a court of law as an expert.

Skousen and Wright (2007) gave the definition as, Forensic accounting is a discipline that has its own models and methodologies of investigative procedures that search for assurance, attestation and advisory perspective to produce legal evidence. It is concerned with the evidentiary nature of accounting data, and as a practical field concerned with accounting fraud and forensic auditing; compliance , due diligence and risk assessment; detection of financial misrepresentation and financial statement fraud.

Chariri (2009) stated that as an investigator, a forensic accountant can be seen as those who are specialist in fraud detection, and particularly in documenting exactly the kind of evidence required for successful criminal prosecution; able to work in complex regulatory and litigation environments; and with reasonable accuracy, can reconstruct missing, destroyed, or deceptive accounting records. According to the Federal Bureau of investigation, the responsibilities of forensic accountant include Conducting thorough forensic financial analysis of business and personal records and developing financial profiles of individuals or groups identified as participating in suspicious or illegal activity, Participating in gathering evidence and preparing search warrants/affidavits associated with financial analysis, Accompanying case agents on interviews of subjects and key witnesses in secure and non-confrontational settings, Identifying and tracing funding sources and interrelated transactions; Compiling findings and conclusion

s into financial investigative reports, and Meeting with prosecuting attorneys to discuss strategies and other litigation support functions and testifying when needed as fact or expert witnesses in judicial proceedings.

Brooks et al (2005) Forensic accountants play an important role in government, they look for signs of suspicious financial activity and fraud by individuals and businesses. In addition, forensic accountants have assumed a more visible role in helping government evaluate accounting and banking records of suspected terrorists. This is also useful to Nigeria as it can help trace money laundering and terrorism financing.

2.6 Skills and techniques of Forensic Accountant

Being an effective accountant does not necessarily translate into being an effective forensic accountant. Peterson (2015) Although there appears to be a weak consensus on the skill-set of the forensic investigator, the importance of each skill at a particular time or fraud event will depend on the type of fraud event and the depth of investigation required. To be an effective forensic accountant requires the professional to possess a broad spectrum of skills and knowledge. The American Institute of Certified Public Accountants (AICPA) revealed that communication skills, the ability to simplify the complex, and the ability to present opinions in a legal setting are critical to the effectiveness of the forensic accountant. There is also a need for the forensic accountant to be able to look beyond the analytical details and see the big picture to start with the goal in mind. In consensus, Davis et al (2010) stated characterises and skill of forensic accountant identifies perception of the core skills needed to be an ideal forensic accountant and how to build these skills, Core skills are key to the effectiveness of the forensic accountant and should be emphasized. Enhanced skills: the need to be analytical in a forensic accounting engagement maybe the most important overall, without which other traits and abilities would be difficult to develop. Messmer (2004) in support of this, stated that strong analytical abilities in writing and verbal communication, creative mind- set and business acumen

In contrast to this Mukoro et al (2013) holds that to be successful as a forensic accounting professional, one must be detail oriented, persistent, ambitious and highly organized. Forensic accountant requires great deal of creativity since you must often explain complex financial concepts to an audience that lacks basic accounting knowledge.

Durkin and Ueltzen (2009) emphasized that forensic investigator should possess the knowledge of professional responsibilities and practice management; laws and dispute resolution; planning and preparation; information gathering and preservation such as interviews, phone calls, interrogation and electronic data.

2.7 Challenges of Forensic Accounting Application

Degboro and Olofinsola (2007) noted that an important challenge to the application of forensic accounting in financial fraud control in Nigeria is that the law is not always up to date with the latest advancement in technology. Okoye and Akamobi (2009) identify the challenges facing the application of forensic accounting to include following; failure of law enforcements agencies in prosecuting offenders ,constitutional constraint, attitude of defence lawyers in seeking for adjournments, inadequacy of existing procedural laws , congestion and slow pace of court proceedings ,jurisdiction problem and cost of investigation and prosecution.

Grippio and Ibex (2003) noted the following challenges confronting the application of forensic accounting. It was mentioned that the admissibility of evidence in compliance with the laws of evidence is crucial to successful prosecutions of criminal and civil claims. The task of gathering information that is admissible in the court of law.

Gitau (2014) established that one of the challenges facing the development of forensic accounting, is the fact that most companies, educational institutional and individual myopically believe that forensic accounting, hence they give very little or no attention to it. A grave mistake occurs when auditors provide investigative services and end up providing an opinion rather than evidence and admissible in a court of law.

forensic accountant does not have access to collect evidence which needs to be done in order to present evidence that the fraud actually occurred, management of public sector does not disclose information to forensic accountant so it's difficult to identify the fraud which has taken place in the company .so the forensic accountant needs to seek further information which some employees would not be willing to disclose.

Ukpai (2006) stated the following causes of fraudulent practices in public institutions and functions: absence of political maturity to counter balance the temptation of fraudulent practices; lack of systematic planning and organization; rapid increase in civil service workforce; resulting in chronic low pay and the search for alternative income; wrong and poor value system; prevalence of private interests to public interest; and lack of a practical distinction between politics and economics.

3.0 IMPACT OF FORENSIC ACCOUNTING IN NIGERIAN PUBLIC SECTOR

There exists a well-structured body of empirical studies that draws attention to the impact of public sector. According to Adegbe and Fakile (2012) introduction of forensic accounting as financial strategy to curb economic and financial crime as it will provide litigation support service with appropriate provision of professional services in the law courts, financial accounting will institute good corporate governance in the public sector which will instil public confidence in the government and the entire system, the traditional auditing has limitation in detecting fraudulent practices which the forensic accounting will effectively fill. They have the

professional ability backed up by law to break into the organisation system and examine the books, make discoveries and present the documentary evidences in law courts.

Modugu and Anyaduba (2013) found that there is significant agreement amongst stakeholders on the effectiveness of accounting in fraud control, improving financial reporting and internal control. Dada et al (2013) stated that forensic accounting is positively related to the investigation and detection of corruption, especially by the major anti-corruption agency in Nigeria EFCC .there is low awareness of forensic accounting technique as an effective tool for investigating and detecting fraud cases presently in Nigeria and at the time of this study EFCC does not have forensic accounting unit.

Faboyede (2014) highlighted the role of the forensic accounting expert in bringing about a lasting solution to the endemic/socio-economic malaise of corruption still bedevilling the Nigerian institutional reforms process. He argues that the incentive structure is the most critical determinant of the involvement of individuals in corruption and that the attempt to deal effectively with corruption in Nigeria must begin with institutional reforms which aim at altering the existing incentive structure. It recommends the use of public choice and governmental intervention in the economy achieved through constitutional provisions as tools for surmounting corruption in Nigeria through the crafting of effective rules and institutions. These, it posits, will avert the futility of the variety of traditional anti-corruption techniques already in use.

4.0 CONCLUSION

In this review, several issues were examined: the concept of terrorism, the concept of corruption. The relationship between corruption and terrorism was established, causes of corruption in Nigerian and the efforts of the Nigerian government to eliminate corruption and terrorism, forensic accounting, core and enhanced skills of the forensic investigators.

This review discussed some practical issues. In conclusion, it is important to note that while forensic accounting is gaining significant research interests among academics, empirical and other descriptive research has so far concentrated on the investigative procedures that search for assurance, attestation and advisory perspective to produce legal evidence in financial fraud cases, Forensic accounting should be seen as a mechanism that is embedded in a broader context and should not therefore be considered in only financial crime cases, it should also be considered as it has been in use in the United States of America. Forensic accountants contribute heavily to the intelligence cycle as they help track down terrorists by reviewing the financial records of individuals or businesses suspected of an involvement with terrorism. They complete financial analysis of business and personal records to develop profiles that identify people or businesses as suspected terrorists or terrorism supporters.

5.0 POLICY RECOMMENDATION

The Economic and Financial Crime Commission (EFCC) of Nigeria should also be consider a unit of independent Forensic accountants to contribute heavily to the intelligence cycle as they can help track down terrorists by reviewing the financial records of individuals or businesses suspected of an involvement with terrorism. They would complete financial analysis of business and personal records to develop profiles that identify people or businesses as suspected terrorists or terrorism supporters.

By reviewing financial records, tracking financial activity, deposits, and withdrawals into or out of various accounts .forensic accountants gather the financial evidence that can be used to anticipate and track suspected terrorist activity or prosecute known terrorists. Forensic accountants can also rebuild activity by piecing together information from multiple sources. After compiling the financial evidence, forensic accounts report their findings in investigative.

Forensic accountant spends a lot of time tracing funding sources and interrelated transactions to determine terrorist activity. In 2009, the FBI developed the forensic accountant position as an investigative-support function for corruption, terrorism, and financing of terrorism. Forensic accountants testify in court on their findings.

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