

FORENSIC ACCOUNTING AND FINANCIAL FRAUD DETECTION IN GOMBE STATE MINISTRY OF FINANCE

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Abstract

The study was carried out to examine forensic accounting and financial fraud detection in Gombe state using ministry of finance as a case study. The study employed the survey research design. Hence, the primary source of data through a questionnaire was used for data collection using a structured 4-Likert Scale while the data collected were analyzed using frequency tables, means and Ordinary Least Square analysis. A total of 55 respondents were purposively administered as the sample size comprising of staff in the ministry of finance, Gombe state. The hypotheses test was conducted using SPSS v.25. From the responses obtained and analyzed, the findings revealed that forensic accounting has a significant positive impact on the fraudulent activities in Gombe state ministry. Similarly, Forensic Accounting was very effective in detecting false presentation of financial statement in Gombe State Ministry of Finance. Furthermore, forensic accounting in Gombe State ministry of finance has reduced the presence of fraud. The negative relationship suggests that as forensic accounting increases, the fraudulent activities decrease. The study therefore recommends that the Gombe state Government and managements of non-business organizations should improvise the necessary equipment, software and other technological products that will assists accountants in forensic accounting activities towards fraud detection.

Keywords: financial fraud detection, financial statements, forensic accounting, Gombe state ministry of finance

1. Introduction

In most cases, individuals who commit fraud do so because they are under intense pressure from within their organizations or from outside their organizations and do not get considerable financial remuneration for their actions. According to Abdulrahman (2019), financial related fraud and an increase in financial fraud have led to the need for forensic accounting in order to aid investigation and prosecution of the syndicates of financial fraud just like in the case of some prominent political parties, ex-governor in the state faced on charges of money laundering, embezzlement, misappropriation of funds, and breach of contract from within and outside state courts of law in the country.

On the other hand, in order for accountants to properly conduct forensic accounting, it is important that they follow a set of strict ethical practices. In order to detect and prevent fraud in a ministry or department, an accountant has to be completely impartial as well as knowledgeable about the strategies used by management staff and staff members. As a

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consequence of a rise in white collar crimes, the term "forensic," refers to evidence or material(s) to be used in case of litigation, which has been adopted into accounting and finance. This term indicates evidence or material(s) to be used in court (Aduwo, 2016).

Public sectors consist of institutions that are not controlled by private bodies. This is because the government runs, finances, and manages public sectors on behalf of the general public. The three tiers of Government in Nigeria, under authority in proclamations and constitutions, are responsible for governing the many Ministries of the country. Enofe et al. (2015) highlight the Ministries obligations, they are the Constitution, the Finance Act and Management Act from and the Audit Guideline, the Financial Regulation, all as amended.

Notably, the recent string of global corporate scandals involving companies such as Enron, World com, Global Crossing, Tyco International, and Xerox (in the United States); Parmalat (in Italy); and corporate fraud perpetuated in Nigeria by management of Lever Brothers, Union Dicon Salt, Cadbury (in Nigeria), and the fourteen (14) distressed banks as exposed by audit of the Central Bank of Nigeria has shown the failure of traditional audit techniques in unraveling corporate fraud and has rejuvenated interest in forensic accounting.

Similarly, the growing worries of the government regarding official corruption in public offices, as well as the persistence of the different mechanisms in revealing them through the use of forensic accounting methods. It is expected of public officials and workers who manage operations in the ministry of finance that they would effectively account to the public for the activities they supervise. Through budget padding, financial misappropriation, revenue leakages in almost all department and agencies of government, and money laundering by the top government officials to their overseas accounts westward, the prevalence of fraud continues to rise in the ministries system and across the states.

Developing countries and the various states that make up these countries suffer most the pain as a result of fraud because the money that are stolen from them were intended to be used to raise their standard of living and, as a result, improve their wellbeing. Nevertheless, fraud is a global cancer to which no nation is immune. When a state economic growth is stunted by the pervasive threat posed by fraud, corruption, and other financial crimes, it becomes exceedingly challenging for that state to meet the basic needs of its population and also provide them with the critical amenities they require. The challenge of fraud has reached an alarming level in Nigeria, which has resulted in the ongoing misuse of resources as well as the destruction of government property (Nonye & Okoli, 2015).

According to Enofe et al. (2017), the growing incidence of fraud in the public offices, especial in the public sector is resulting in a great deal of misunderstanding. This is due to the fact that fraudulent activity has invaded nearly every part of the departments in the sector. In addition, since 2015, the administration led by the president of Nigeria, Muhammadu Buhari, has made combating corruption a top priority in an effort to significantly cut down the incidence of unethical financial practices. There have been a significant number of arrests made in connection with corruption cases; nevertheless, the rate of prosecutions is not evident.

Recently, the major financial scandals that occurred in the year 2020 include the Niger Delta Development Commission (NDDC) scandal, the over N2.6 billion school feeding scandals in Federal Government schools, the scandal in the Ministry of education, and the scandal that involved the chairman of the Economic and Financial Crimes Commission (EFCC), which led to his removal from his position as chairman of the commission were reported in the national dailies. For this reason, it is vital to strengthen the practice of forensic

accounting, which is one of the methods that may be utilized for the identification and prevention of wrongdoing in the public sector. This is as a result of the possibility that accountants working in the public sector, like in Gombe state might not possess the critical expertise necessary for identifying, preventing, or decreasing fraud.

Furthermore, it is perceived that conventional auditing and investigative methods are becoming less effective and suitable as a means of detecting and preventing fraud in Nigeria's ministries as a result of the widespread growth in fraudulent activity in those ministries.

Researchers found that the degree of fraud and other economic crimes had significantly increased to almost 70 percent in 2009. Because of this circumstance, national progress has been inhibited, traditional auditors have been ineffective, and the rise of forensic accounting has been made necessary. Forensic accounting is an area that is intended to develop and improve techniques and skills for tackling these predicaments. Its accountants are experts in detecting, preventing, and presenting proceedings support service in the Nigerian Courts.

Prior studies were carried out on forensic accounting and fraud detection in public sector ministries and agencies across Nigeria such as Alhassan (2021); Nonye, & Okoli, (2015); Idris, (2017). But the studies were not exhaustive to cover all the public sector ministries and agencies in Nigeria. So, the question of how forensic accounting influence fraud detection in Gombe State ministry of finance, is yet to be resolved. Hence, this study examined forensic accounting and fraud detection in Gombe State Ministry of Finance. The specific objectives are:

- i. To investigate the effectiveness of forensic accounting in the detection of fraudulent activities in Gombe state ministry of finances.
- ii. To investigate the effectiveness of forensic accounting in detecting false presentation of financial statement in Gombe state ministry of finances.
- iii. To identify the application of forensic accounting in reducing the presence of fraud in Gombe state ministry of finance.

To determine the success of this study, the following research null hypothesis is formulated to guide the study and it will be tested at 0.05% levels of significance.

H₀₁: forensic accounting is not very effective in the detection of fraudulent activities in Gombe state ministry of finance

H₀₂: forensic accounting is not very effective in detecting false presentation of financial statement in Gombe state ministry of finance

H₀₃: The application of forensic accounting in Gombe state ministry of finance has not reduced the occurrence of fraud cases.

This research will help in the improvement and implementation of forensic accounting techniques in Gombe state ministry of finance. Because forensic accounting is still relatively new in developing state like Gombe, this study will assist legislators and other interested party in formulating appropriate policies and ensure adequate compliance to govern forensic accounting practice in the state. The study focuses on forensic accounting and financial fraud detection within the Ministry of Finance, Gombe State. It aims to evaluate the role and effectiveness of forensic accounting in identifying and mitigating financial fraud within the public sector.

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2. Literature Review

Financial Fraud Detection

According to Bassey (2018), fraud is defined as the intentional misrepresentation of financial information by one or more persons within management, employees, or third parties. Fraud can also occur when this information is intentionally withheld. This is an act of using dishonesty to get an advantage that is either unfair or illegal. This is a calculated attempt to trick someone into giving up information in order to get an unfair advantage.

The term "error" refers to "inaccuracies or instinctive omissions of amounts or information from an agency's accounting records or financial statements." Fraud, on the other hand, differs from error in that it intentionally conceals information. Aduwo (2016), said that fraud can be defined as the intentional making of a false representation, whether by a statement or behavior, with the goal of gaining a pecuniary benefit.

Fraud is defined by Saifullahi & Hassan (2017) as all of the many techniques that human creativity may create, and which are used by one individual to gain an edge over another by making misleading recommendations or suppressing the truth. It includes any and all surprises, trickery, cunning or disguising, as well as any unjust means in which one person cheats another. A materially false statement that was made with the purpose to deceive (scanter), a victim's dependence on the statement, and damages are necessary to show fraud according to common law.

According to subsection one of section 380 of the criminal code, anyone who, by means of deceit, falsehood, or other fraudulent means, whether or not it is a false presence within the meaning of this Act, defrauds the public or any person of any property, money, or valuable security or any service is guilty of a crime. This applies regardless of whether the victim is aware of the fraud or not. Hence, fraud can be defined as an act of illegal deceit that is carried out with the intention of providing the perpetrator with financial gain.

Furthermore, Saifullahi and Hassan (2017) opined that businesses are becoming more committed than they have been in the past to ensuring that their practices are ethical and that they are not involved in any way with any type of financial fraud. As a consequence of these factors, there has been a constantly increasing need for advanced accounting and auditing procedures, such as those offered by forensic accounting, in order to detect, correct, and prevent fraud, as well as inventive and deceptive accounting practices. Up until quite recently, the conventional accounting and auditing duties were typically assumed to include the identification of fraud or other white-collar crimes as part of their scope of responsibilities.

Okafor and Agbiogwu (2016) defined financial crime as a conduct or a malpractice or a criminal act, which is detrimental to the interest or development or wellbeing of the financial sector of the economy and which is prohibited and is punished by the laws of the nation. In other words, financial crime is a conduct or a malpractice or a criminal act, which is detrimental to the interest or development or wellbeing of the financial sector of any economy.

According to Nwosu (2021), workers are responsible for 78 percent of financial crimes, and about 200,000 directors have been involved in more than three (3) failed companies throughout their careers. It was also discovered that one third of the workforce would never conduct acts of dishonesty no matter what their economic conditions are, but the other two thirds of the workforce will commit acts of dishonesty and vice versa depending on their economic situations. This concept is sometimes referred to as the "one-third principle."

Customers of the firm, Investors, Suppliers, Bankers (financial institutions in general), Insurers, and Government authorities can all be victims of financial crimes. Examples of financial crimes include tax fraud, stock fraud, and others.

Forms of Fraud

The Association of Certified Fraud Examiners (ACFE) classifies the following types of fraudulent activities as potential dangers to businesses: Asset Misappropriation, the presentation of false financial accounts and records, as well as corrupt or illegal business operations.

To put it another way, the misappropriation of assets might be conceptualized as the theft of anything valuable that rightfully belongs to your department. Fraud involving the theft of assets occurs when those entrusted with the management of a ministries 'assets steal from the government. Third parties or workers inside an organization who take advantage of their position to steal from their employer via the use of fraudulent acts are guilty of asset misappropriation. When it comes to theft of property, "cash is king," as the saying goes. In other words, cash is the asset that is targeted the majority of the time

Cash targets can be anything from paper currency and coins to checks, electronic funds, financial instruments, rebates, credits, discounts, and nearly any other device or method of monetary exchange or enrichment. Cash goals can also be used to refer to the cash itself. Cash is targeted for reasons that should be obvious: it has a value that is easily determinable, it is simple to move and transport, it is difficult to track, and it may even be stolen before any record of the transaction appears on the ministry records. It is possible for foreign or inside criminals, or even the two working together in collaboration, to steal cash (Adebisi, & Gbegi, 2015).

A ministries internal and external financial statements, books, and records are also potential targets for fraudulent activity within an organization. To be more specific, they may be: Manipulated to hide fraud, such as to prevent the discovery of an asset misappropriation; and/or falsified to accomplish a fraud in order to cause unjustified financial rewards, such as executive bonuses based on falsified financial performance data. Specifically, they may be: Manipulated to hide fraud, such as to prevent the discovery of an asset misappropriation; and/or falsified to accomplish a fraud in (Adebisi, & Gbegi, 2015).

Concerns relating closely to the following areas fall under the umbrella of illegal and corrupt offices practices: Side agreements, including those involving concealed returns or kickbacks, as well as bid-rigging, bribery, and extortion are all forms of corrupt office practices. Hidden deals between a staff and its colleagues or clients and the people who provide services are frequently part of illegal and unethical office practices. In many instances, the individual employee(s) participating in these arrangements directly and dishonestly gain from these arrangements (Adebisi, & Gbegi, 2015).

Forensic Accounting and Financial Fraud Detection

According to the findings of the research that was done by McDonnell, (2015), forensic accounting is defined as the examination of fraud or financial manipulation via the performance of exceptionally extensive research and analysis of financial information. Forensic accountants are frequently called upon to assist with the preparation of legal documents in connection with insurance claims, bankruptcies, divorces, theft, fraud, skimming, and any other form of illegal financial activity.

Similarly, Idris (2017) opined that, graduates of accounting programs have a number of different areas of concentration to choose from in the field of forensic accounting. They

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could find employment with a public or private corporation, a university or hospital, a charitable organization, or the government. The knowledge of forensic accounting is most significant to individuals who are engaged in the private sectors. This is due to the fact that a forensic expert working in the private sector receives a better value and reward for their work. Both the internal auditors and the controllers have to have a working idea of forensic accounting.

An individual who is a certified public accountant and who works in a private accounting capacity and who has forensic skills should anticipate receiving larger rewards; there should be an increasing need for this expertise throughout the sector. The idea of forensic accounting is not normally complicated; at its core, it encompasses of litigation that is supported by accounting.

The application of forensic accounting procedures is uncomplicated and uncomplicatedly direct. The legal cases to answer questions concerning damages, generally with an economic bearing, or where there is a concern expressed by a company potentially experiencing fraud or suffering from unprofessional internal control system then, forensic accounting skills are required to fix the problem. Forensic accounting can also be used to answer questions concerning damages.

Being an investigator, a forensic accountant is seen to be a specialist in detecting fraudulent activity, particularly when it comes to precisely documenting the several kinds of support that are expected towards a successful prosecution. Additionally, he needs to be able to function in an environment that is covered with tough regulatory and legal issues (Claire & Jude, 2016). Therefore, it is required of forensic accountants to operate with a respectable level of accuracy and to have the ability to recreate accounting documents that have been lost, destroyed, or falsified.

In the meanwhile, he should be capable of accurately evaluating financial and economic loss, social good or harm, and being familiar with the prepositions, opportunity cost circumstances, algorithm, as well as econometric model calculations. In addition, he should be able to effectively estimate damages (Abdullahi, & Mansor, 2015). Furthermore, he is expected to assess and evaluate intangible assets including goodwill and reduced perception. Forensic accountants, in their capacity as evaluators, should also be able to reliably give expert opinion on matters relating to the value of businesses, in accordance with the commonly recognized presumption.

Likewise, Alhassan (2021) in "Forensic Accounting and Fraud Detection and Prevention in the Nigerian Public Sector", the study revealed empirically the relationship between forensic accounting and fraud detection and prevention in the Nigerian ministries. The study used a survey design using questionnaire to obtain data from the primary source. The sample size of fifty (50) respondents consisting of auditors and accountants in ten (4) ministries selected in Nigeria. Analysis of variance, (ANOVA) was adopted to test the hypotheses at 5% significant level. The study revealed that the use of forensic accounting in the ministries is important in discovering fraud; furthermore, there is a significant correlation between the forensic accounting and the legal action in Nigerian courts.

Similarly, the use of forensic accounting in the ministries is also valuable in averting fraud. The study recommended that the ministries should install an uninterrupted enhancement in the internal control system and introduce erudite and competent scrutiny and monitoring, effective accounting system capable of encouraging the officers to carry out their responsibilities with integrity. Forensic accountant should be made to undergo appropriate

training on forensic accounting skills. Furthermore, officers in the ministries should adopt truthfulness, accountability, justice, objectivity, as an essential ethical responsibility to diminish the rate of fraudulent practices in the state.

Idris (2017) study *Forensic Accounting and Financial Fraud in Nigeria: Problems and Prospects*. The study utilized structured questionnaires, documentary review and personal interview to obtain data from respondents in 13 deposit money banks, 4 building societies, and 4 audit firms. The study revealed that although, forensic auditing has significant positive effect on firm performance, forensic auditing department lacked relevant resources and required expertise.

Furthermore, Modugu and Anyaduba (2015) appraised forensic accounting and financial fraud in Nigeria. The study adopted survey design with a sample size of 143 including practicing auditors, accountants, stakeholders and management staff. They used binomial test for data analysis and revealed that there is significant agreement amongst the stakeholders on the effectiveness of forensic accounting in fraud prevention and control, internal control quality and financial reporting.

Nonye, and Okoli, (2015) adopted Chi- square and used SPSS to empirically examine forensic accounting as solution to financial and economic crimes in the Nigeria ministries. The study tested three hypotheses which showed that forensic accounting is a financial strategy utilized in detecting and preventing financial and economic misappropriation in the Nigerian economy.

Adebisi et al. (2019) adopted mean and standard deviation to examine forensic accountant's ability to plan fraud detection procedures. They also utilized multivariate analysis of variance and analysis of variance ANOVA. The study revealed that forensic accountants efficiently transform the extent and nature of audit test when the management of fraud is high. Also, they suggest that forensic accountant should better be engaged in the risk of staff fraud appraisal process than consultation.

Theoretical Review

Fraud Triangle Theory

In Abdullahi and Mansor's (2015) research, Donald Cressey was the one who first proposed the Fraud Triangle Theory in the year 1950. Donald Cressey, a criminologist, is credited with having initiated the study of fraud by proposing that all of people's actions must have some sort of motivation behind them.

Donald Cressey's (1919-1987) Fraud Triangle Theory is based on the fundamental insight that fraud is likely to occur given a mixture of three variables. This finding is at the heart of the theory. This hypothesis is composed of a triangle of several facets of deception, which are perceived chances, perceived pressures, and rationalizations respectively (Abdullahi, & Mansor, 2015). According to Bassey (2018), the phrase "perceived" is extremely important when considering the setting in which the pressures, rationalizations, and opportunities may not necessarily be factual. Also, Abdullahi & Mansor (2015), said the first temptation to commit fraud is caused by external forces, both financial and non-financial in nature.

Similarly, Bassey (2018) said the majority (95%) of fraudulent acts are carried out as a result of economic difficulties such as indebtedness, vices such as drug usage, and work-related demands such as the need to display high sales performance amongst other things. The second consideration is how the opportunity is viewed. According to research, the

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capacity of a potential fraudster to believe that they can get away with the fraud or that the repercussions of being found are manageable is considered the perceived opportunity.

Furthermore, Abdullahi & Mansor (2015) suggest that the opportunity to commit fraud at a bank is defined by employee access to assets and information that offers them with the dual benefit of committing and concealing fraud. This access gives employees the ability to conduct and hide fraud. Also, Abdullahi & Mansor (2015) opined that these openings are made possible by limited control measures, a lack of control measure enforcement, an insufficient amount of punishment measures that can serve as a deterrent and inadequate infrastructure.

The idea that anything might be rationalized in someone's mind is the final aspect that can contribute to deception. This entails making an attempt to rationalize or justify the fraudulent behavior as being legitimate. While Bassey (2018) was of the opinion that rationalization is the rationale that unethical action is anything other than illegal activity, it is vital to note that rationalization is not the same thing as excuse.

Fraud Diamond Theory

Wolfe & Hermanson are credited as being the original authors of the Fraud Diamond Theory, which was published for the first time in the CPA Journal (December 2004). In most contexts, it is understood to be an enlarged form of the Fraud Triangle Theory. In this interpretation, the three critical components of fraud described in the Fraud Triangle Theory are supplemented by a fourth component termed as capacity. Although an opportunity to commit fraud and a rationalization for doing so may coexist with a perceived pressure or incentive to commit fraud and a rationalization for doing so.

Wolfe & Hermanson (2004) opined that it is not likely for fraud to take place if the fourth element (i.e., capability) is also present. This is because fraud is hard to commit without the capability to do so. To put it another way, the potential offender must be equipped with the knowledge and capabilities necessary to perpetrate fraud. Similarly, Wolfe and Hermanson, cited in used in Abdullahi & Mansor (2015) said that Opportunity opens the gateway to deception, and motivation (that is, pressure) and reasoning can lead a person toward it. However, the individual must have the capacity to identify the open doorway as an opportunity and to seize the opportunity by stepping through it not just once, but several times.

The fact that additional component discussed in the Fraud Diamond Theory has an effect on individuals' decisions regarding whether or not to commit fraud, it is necessary for the organization and the auditors to have an understanding of the individual characteristics and capabilities of the workforce in order to evaluate the potential for fraudulent behaviors in the public sector. The components of the Fraud Diamond Theory are so intricately intertwined with one another that it is impossible for an employee to conduct fraud unless every component is present.

According to this hypothesis, being under pressure might prompt a person to look for opportunities, and both being under pressure and having opportunities can increase rationality. On the other hand, neither of these two considerations, by themselves or in combination, is sufficient to compel a person to participate in actions that could lead to fraud before the perpetrator of the fraud has the power to do so (Abdullahi, & Mansor, 2015). The fraud diamond hypothesis is pertinent to this study because it broadens the perspective on the subject matter of fraud by claiming that there must be the potential to carry out fraud in order for it to occur. This theory is significant since this study focuses on how fraud affects

businesses. When it comes to identifying fraudulent activity, this approach broadens both the scope and viewpoint of forensic accountants even more.

The Fraud Diamond Theory took the Fraud Triangle Theory one step further by proposing that in order for fraud to take place, there must also be the ability to sustain it. This was an extension of where the Fraud Triangle Theory left off. The hypothesis is pertinent to our investigation since it broadens the spectrum of things to look out for while attempting to identify fraudulent activity. The idea also broadens the viewpoints available to forensic accountants while they are doing their duties in relation to fraud (Abdullahi & Mansor 2015).

3. Methodology

The survey research design will be employed in this study. This design will be used because it involves observing and describing the behavior of the participants without influencing it in any way. The target population and participants of this study cover only the staff(s) of Gombe state Ministry of Finance (GSMOF). Based on the records accessed by this research, the study population are the staff strength of GSMOF scattered in different ministries but the target population of the study are staff working in the ministry of finance headquarters which stands as 76.

The research adopted the Taro Yamane (1967) formula for determining the actual sample size from the above noted population. Therefore, the sample size of the study shall be 55 staff of Ministry of Finance; Gombe state. Purposive sampling technique shall be used to select the number of respondents from three (3) departments in staff(s) of State Ministry of Finance. The data will be collected from primary source through the selected Civil servants who are staffs of MOF through a structured questionnaire adapted from the study of Alhassan (2021). The responses were analyzed using frequency tables, and Ordinary Least Square analysis, which provided answers to the research questions and hypothesis.

The model for the study as adopted and its specification is given below: $Y = a + bx$
Financial fraud detection is a function of forensic accounting:

$$FA = a + FAcc_t + e \text{ ----- Eq 1}$$

$$FD = a + FAcc_t + e \text{ ----- Eq 2}$$

$$FP = a + FAcc_t + e \text{ ----- Eq 3}$$

Where: FA is Fraud Activities; FD is Fraud detection; FP is Fraud Presence/protection; FAcc is Forensic Accounting; Aa is Constant; E is Error term; and T is time.

4. Results and Discussions

Data Presentation

Table 1

Distribution of Questionnaire

Questionnaire	Frequency	Percentage
<i>Sample size</i>	76	100%
Received	60	79%
Sorted and validated	55	72%

Source: Field Survey 2025.

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DEMOGRAPHIC PROFILE OF THE RESPONDENTS

Table 2

Gender of the respondents

Variables	Frequency	Percentage
Male	40	73%
Female	15	27%

Source: Field Survey 2025.

From the responses obtained as expressed in table 2 above, 40 of the respondents constituting 73% are males, while the remaining 15 of the respondents constituting 27% were females. This implies that majority of the respondents are Male.

Table 3

Age of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-25	4	7.3	7.3	7.3
	26-30	18	32.7	32.7	40.0
	31-35	16	29.1	29.1	69.1
	36+	17	30.9	30.9	100.0
	Total	55	100.0	100.0	

Source: Field Survey, 2025

From the responses obtained as expressed in table 3 above, 4 of the respondents constituting 7.3% were between the age bracket of 20-25years, 18 of the respondents constituting 32.7% were between the age bracket of 26-30years, 16 of the respondents constituting 29.1% were between the age bracket of 31-35years, while the remaining 17 of the respondents constituting 30% were between the age bracket of 36years and above. This implies that majority of the respondent's age between 36years and above.

Table 4

Education of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	HND/BSc	35	63.6	63.6	63.6
	Masters	14	25.5	25.5	89.1
	PhD	6	10.9	10.9	100.0
	Total	55	100.0	100.0	

Source: Field Survey, 2025.

From the responses obtained as expressed in table 4 above, 35 respondents constituting 63.6% obtained HND/BSC as their highest educational qualification, 14 respondents constituting 25.5% obtained MSC as their highest educational qualification, while the remaining 6 respondents constituting 10.9% obtained PHD as their highest educational qualification.

Table 5

Work Experience of the Respondents

		Frequenc y	Percent	Valid Percent	Cumulative Percent
Valid	1-3yrs	5	9.1	9.1	9.1
	4-6yrs	22	40.0	40.0	49.1
	7yrs and above	28	50.9	50.9	100.0
	Total	55	100.0	100.0	

Source: Field Survey, 2025

From the responses obtained as expressed in table 5 above, 5 of respondent constituting 9.1% has 1-3years work experience, 22 of respondents constituting 40.0% has 4-6years work experience, while the remaining 28 respondents constituting 50.9 % has 7years and above work experience.

Table 6

VIF Test for Multicollinearity

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
FA	0.14	1.11
FD	0.43	1.01
FP	0.13	1.10

Source: SPSS Version 25 Output, (2025)

The results of the Variance Inflation Factor (VIF) test, presented in table 6, indicate that multicollinearity is not a significant issue in the model. The VIF values for the variables fraud activities (FA) (1.11), fraud detection (FD) (1.01), and fraud protection (FP) (1.10) are all close to 1, which suggests that there is no high correlation between the independent variables. Additionally, the tolerance values for these variables are relatively high, ranging from 0.14 to 0.43, which further supports the conclusion that multicollinearity is not a concern in this model. Overall, the results suggest that the model is stable and suitable for further analysis.

Regression Result

The importance of the variable in the model and the extent to which it affects the dependent variable are displayed in the table below. This analysis aids in conducting a study's hypothesis testing.

Table 7

Regression Result Table

S/N	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Beta			
	H0₁=FA	-0.11	0.03	-0.12	-0.33	.00
	H0₂=FD	0.21	0.01	0.23	3.33	.00
	H0₃=FP	-0.02	0.03	-0.02	-0.32	.22

Source: SPSS Version 25 Output, (2025)

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The regression results presented in table 7 show the relationships between the fraud activities, fraud detection, & fraud protection/presence (FA, FD, and FP) and the forensic accounting. FA (H01) the unstandardized coefficient (B) is -0.11, indicating a negative relationship between FA and the forensic accounting. The standardized coefficient (Beta) is -0.12, which is statistically significant ($p < 0.01$).

Additionally, FD (H02): The unstandardized coefficient (B) is 0.21, indicating a positive relationship between FD and the dependent variable. The standardized coefficient (Beta) is 0.23, which is statistically significant ($p < 0.001$).

FP (H03): The unstandardized coefficient (B) is -0.02, indicating a negative relationship between Consequently, FP and the dependent variable. However, the relationship is not statistically significant ($p = 0.22$). The results suggest that FA has positively and significantly impact on the dependent variable, but FD negatively and significantly impact. The non-significant relationship between FP and the dependent variable suggests that FP may not be a critical factor in this context.

Discussion of Findings

The results of the regression analysis revealed that forensic accounting has a positively and significantly impact on the fraudulent activities, as evidenced by the unstandardized coefficient (B) of -0.11 and the standardized coefficient (Beta) of 0.03. This positive relationship suggests that as forensic accounting increases, the fraudulent activities decrease. Furthermore, the statistical significance of this relationship ($p < 0.01$) indicates that the observed effect is in agreement with existing theory surrounding the application of forensic accounting and the study of Alhassan (2021).

Similarly, the regression analysis yielded a significant positive relationship between forensic accounting and the fraud detection, as indicated by the unstandardized coefficient (B) of 0.21 and the standardized coefficient (Beta) of 0.12. The high level of statistical significance ($p < 0.001$) associated with this relationship underscores the importance of forensic accounting as a factor influencing the fraud detection.

The regression analysis revealed a non-significant negative relationship between forensic accounting and the fraud protection/presence, as indicated by the in-significant coefficient (B) of -0.02. This finding suggests that the ease of forensic accounting does not have a substantial impact on the reduction of fraud presence in Gombe state ministry of finance. The lack of statistical significance implies that other factors may be more influential in shaping the fraud presence, and that forensic accounting may not be a more critical determinant in this context.

5. Conclusion and Recommendations

The study concludes that:

- (i) Forensic Accounting is very effective in the detection of fraudulent activities in Gombe State MOF.
- (ii) Forensic Accounting is very effective in detecting false presentation of financial statement in Gombe State Ministry of Finance.
- (iii) Forensic accounting in Gombe State ministry of finance has reduced the presence of fraud.
- (iv) The factors militating against the effectiveness of forensic accounting in mitigating fraud in the Gombe State MOF include; appointment of old fashion officers, lack of adequate technical know-how, poor adoption of advanced technological aids, poor or lack of

adequate training of key officers, infringing the independence & neutrality of forensic accountants, corruption, threats from high and external authorities, conflict of interest, favoritisms /tribalism, and organizational politics.

In line with the findings of this study, the researcher proffers the following recommendations:

- (i) The Gombe State (MOF) Government and managements of non-business organizations should provide the necessary support and expertise of forensic accounting within their domain in an attempt to ensure detection of fraudulent activities.
- (ii) Forensic accounting experts in the ministry of finance should adopt new techniques and dynamic skills to beat the regular terrain of forensic accounting practices in the ministry.
- (iii) The ministry of finance Gombe state should also consider accounting methods and compliance measures in internal control towards fraud presence in the ministry.
- (iv) Government and regulatory authorities should ensure the provision of updated standards and tools to regulate forensic activities and above all Nigerians should embrace integrity, objectivity, fairness and accountability in their day-to-day activities.

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