**FORENSIC ACCOUNTING TECHNIQUES AND PERFORMANCE OF LISTED DEPOSIT MONEY BANKS IN NIGERIA: AN INVESTIGATIVE APPROACH**

**Abstract**

Fundamentally, deposit money banks derive their operations based on degree of integrity in their accounts, correctness and clear reporting that aids in boosting confidence of investors and the general public. This study looks at the apparent influence of forensic accounting techniques on the performance of the publicly listed Deposit Money Banks (DMBs) in Nigeria, and it applies the mixed methodological approach where survey and ex post facto strategies are applied. Data were gathered by administering structured questionnaires to 50 professional accountants working in banks in the capitals of Ondo and Ekiti States employing the stratified and census sampling methods. Regression analysis was employed to investigate the relationship between forensic accounting measures comprising forensic accounting procedures, reliability of reporting, detection of fraud, and forensic accounting methodologies and the performance of banks. The results show that forensic accounting practices have a substantial positive effect on bank performance (p = 0.0390), while other variables produced positive but statistically insignificant effects. The outcome of this study shows that the forensic accounting methods largely positively enhance bank performance. Banks should consider investing in forensic tools and training, infuse forensic processes into their operations, while regulatory agencies in the banking sector should encourage and support the development of forensic capacities in the rest of the industry for increased financial performance and fraud deterrence.

**Keywords:** Forensic accounting technique,bank performance, forensic accounting practices, reporting reliability, and fraud detection.

**1.0 Introduction**

For worldwide phenomena, bank operations have been yearned for scrutiny because of an upsurge in financial misconduct, corporate fraud, and impromptu mismanagement of funds. The global banking crisis and the successive revelations concerning deficient risk assessment and fraudulent financial reporting brought to line far-reaching structural weaknesses in the financial sector (Tabot et al., 2025). In principle, deposit-money banks must indeed be run with due regard to honesty in account procedures. Proper and open reporting should indeed build up the trust of investors and the public. Stakeholders are therefore demanding increased transparency and accountability together with ethical financial practices, while forensic accounting methods serve as the medium for detecting fraud and attesting financial statements (Apalowowa et al., 2025a). This were compounded by unwholesome regulatory frameworks, bribery, and inefficient enforcement of accounting rules in Africa. Financial records of banks in African are very unreliable, as they are typified by misstatement and fraud concealment (Chukwuekwu, 2024). Nigeria's Deposit Money Banks had to contend with issues such as non-performing loans, insider abuses, and fraudulent financial reporting. Recently, some highly publicized cases have proved that traditional auditing is largely inadequate for detecting and uncovering fraud. Forensic accounting methods such as digital evidence gathering and examination, fraud risk assessment, and investigative auditing have gone a long way in enhancing transparency of financial reporting (Ayeni-Agbaje & Abdulkadir, 2025). These techniques help uncover manipulation, improve internal control mechanisms, and enhance stakeholder confidence, thereby improving the performance of DMBs. Forensic accounting practices play a crucial role in enhancing this reliability by systematically identifying and addressing irregularities or manipulations in financial records. Through effective fraud detection, forensic accounting not only safeguards the integrity of financial information but also strengthens institutional performance and accountability within the banking sector.

**1.2 Statement of the Problem**

Irregularities, inaccuracies, and a lack of transparency permeate financial statements of deposit money banks, thereby destroying stakeholder confidence in Nigeria. Literature proposes that the usual audit practice does not present a deterrent to financial fraud. According to Apalowowa et al. (2025b), due to statutory audits to detect financial and accounting anomalies, a vacuum has thus been created that forensic accounting is to fill. However, the application of forensic accounting and its resultant effectiveness remain scarcely explored in the Nigerian banking sector. To remedy these flaws, attempts have been made to embrace the International Financial Reporting Standards (IFRS) and strengthen the regulatory supervision of the banks through their respective agencies: CBN and NDIC, who ensure the application of whistle-blowing policies, while forensic accounting is also applied during investigations by EFCC and ICPC. Thus, this study seeks to investigate the relationship between forensic accounting techniques and the performance of listed deposit money banks in Nigeria. While addressing the following questions.

**1.3. Research Questions**

1. How do forensic accounting techniques influence the performance of DMBs in Nigeria?
2. To what extent does forensic accounting enhance the reliability of financial statements in DMBs in Nigeria?
3. What is the relationship between forensic accounting practices and fraud detection in DMBs in Nigeria?

**1.4 Objectives of the Study**

**The broad objective of this study was to investigate the relationship between** forensic accounting techniques and performance of deposit money banks in Nigeria. The study specifically;

1. assess the impact of forensic accounting techniques on the performance of DMBs in Nigeria;
2. examine the extent to which forensic accounting improves the reliability of financial statements of DMBs; and
3. evaluate the relationship between forensic accounting practices and fraud detection in DMBs in Nigeria.

**1.5 Hypothesis Statement**

**H01:** Forensic accounting techniques have no significant impact on the performance of DMBs in Nigeria.

**H02:** Forensic accounting does not significantly enhance the reliability of financial statements in DMBs in Nigeria.

**H03:** There is no significant relationship between forensic accounting practices and fraud detection in DMBs in Nigeria.

**1.6 Significance of the Study**

This study will help the government come up with good rules that will make banking more open. The results would help regulators make forensic audits more thorough. Investors will be better off because the quality of financial reporting will go up and the danger of fraud will go down. The study adds to the body of academic work on forensic accounting in emerging countries and gives bank managers useful information on how to improve internal controls. This research is on deposit money banks in Nigeria, especially how forensic accounting methods affect how well they do their jobs.

**2.0 Literature Review**

**2.1 Conceptual Review**

**2.1.1 Performance of DMBs**

The performances of DMBs refer to a measurement of how well a company uses its assets and operates to actually make income; usual financial ratios that are used include Return on Assets (ROA), Return on Equity (ROE), and Profit Margin (Obizue & Eme, 2025). According to Olumoh (2025), financial performance of an organization in simple terms means the revenue generation capability, cost incurred, and profit-making ability, which is important for sustenance and investor assurance at the very least. The performances of DMBs act as a grade of the health of an organization and its competitiveness in the market, with ROA showing how effectively the assets of an organization are transformed into income (Ekankumo, 2025). ROE measures returns to shareholders' equity, revealing the efficiency of financial leverage, and Profit Margin discloses cost control and pricing strategy, which assist stakeholders in making decisions useful for benchmarking against competitors (Diarua, 2025).

**2.1.2 Forensic Accounting Techniques**

Forensic accounting techniques are a series of specialized investigative approaches employed in the examination of financial documents to unearth evidence of fraud, embezzlement, or any kind of financial misconduct in both civil and criminal spheres (Adejumo & Ogburie, 2025). Forensic accounting techniques can be applied in a more analytical sense by professionals to fish out financial irregularities and present litigation support through objective findings supported by evidence (Apalowowa et al., 2025b). Apalowowa et al. (2025a) assert that courts rely on forensic accountants for expert testimony as financial crimes become more sophisticated, and forensic accounting becomes increasingly vital as organizations use proactive measures to strengthen internal controls. Thus, it serves both preventive and detective roles in financial management.

**2.1.3 Fraud Detection**

Fraud detection is the process of identifying suspicious or unauthorized financial activities that indicate potential deception or manipulation using analytical tools and internal control mechanisms. Odufisan et al. (2025) posit that raud detection is a strategies, systems, and processes designed to recognize, monitor, and timely report fraudulent activities. Effective fraud detection helps protect organizations from financial losses and reputational damage. Okonta and Nnamdi (2025) assert that it relies on techniques like transaction monitoring, anomaly detection, and whistleblower reporting. Commonly analyzed red flags include inconsistent data, unexplained losses, or abnormal account behaviors. Fraud detection is not just reactive; it is part of a broader risk management framework, as internal audits and forensic analysis are critical components (Paramole, 2025). In banking, early fraud detection safeguards depositor funds and enhances public trust, while robust fraud detection systems deter misconduct and ensure operational integrity.

**2.1.4. Reporting Reliability**

Reporting reliability refers to the degree to which financial reports accurately represent an entity's financial status, ensuring they are free from material misstatement and can be trusted by users (Babatayo et al., 2025). Reliable financial reporting is essential for informed decision-making, as it provides stakeholders with a true and fair view of an organization’s financial condition and performance. Reliable reporting depends on adherence to accounting standards, internal controls, and audit verification to enhance investor confidence and support sound economic decisions for accuracy, completeness, consistency, and timeliness (Lawal et al., 2025). Unreliable reporting may result from errors, omissions, or intentional manipulation, leading to misinformed stakeholders (Salawu et al., 2025). Auditors and regulatory bodies play a key role in ensuring the reliability of reports is often the starting point in fraud investigations. For financial institutions, reliable reporting also ensures compliance with regulatory requirements to forms the backbone of corporate accountability and transparency (Okoror et al., 2025).

* 1. **Theoretical Review**

**This study reviewed and was grounded on the fraud triangle theory**

* + 1. **Fraud Triangle Theory**

The Fraud Triangle Theory was first introduced by Donald R. Cressey in 1953 based on his analysis of embezzlers, what he calls “trust violators”. This theory suggests that for fraud to be committed three elements Pressure, Opportunity, and Rationalization must exist for occupational fraud to take place. Pressure is financial or personal stress, opportunity is the weak internal controls, and rationalization is the ability for the fraudster to feel justified in their wrongdoing (Enya et al., 2025). The Fraud Triangle Theory has become a common tool in the field of forensic accounting and auditing to identify and combat fraud (Akinninyi et al., 2025). It also makes assumptions about rationality of perpetrators and does not account for emotion or impulsivity at all (Kanu et al 2023). One of the main criticisms of it is that it oversimplifies the psychology and organizations of fraud. Okoror et al. (2025) advocate for even more dynamic models, to include behavior and environment factors; indeed, the model is reactive rather than predictive and doesn’t consider collusion. The fraud triangle theory is not without its limitations, but it remains a core concept in assessments of fraud risk.

* 1. **Empirical Review**

Apalowowa et al. (2025a) investigated the preventive role of the forensic auditor by using forensic auditing. The study used purposive sampling methods with a survey methodology based on a questionnaire. The population of the study comprised 210 staff members from the three state-own government universities in Ondo State working in the Audit Departments (Source: Attendance Register, 2025). The study samples 120 senior staff members with ICAN and ANAN certificates. The results showed that responsive planning strategies are insignificant statistically, while strong internal control and management oversight are statistically significant, having a p-value of 0.0000 and 0.00105, respectively.

Apalowowa et al. (2025b) examined investigative techniques for professional fraud and whistle-blowing in the Federal Ministries Departments and Agencies in Nigeria. The design of the study is a survey, as the information is directly obtained from the respondents; hence, the population of the study consists of two hundred and eighty-three (283) Heads of Department and Accountants in the FMDAs in Ondo State, Nigeria. A Census Sample Technique was used in selecting the whole population of their study. From the study, although the performance of the heads of MDAs and Accountants in the federal MDAs is favourably linked with whistle-blowing, internal controls and corporate governance, none of the components had statistically significant results at conventional levels. Their findings revealed that z-statistic for corporate governance, internal controls, and whistle-blowing, indicating that the perceived correlations were brought about by random variation rather than any real causal effect.

Vutumu et al. (2024) investigated the effect of internal control and fraud prevention in the Nigerian Public Sector using a descriptive cross-sectional survey design with a questionnaire administered to 43 federal ministries and agencies involved in governance oversight. A sample of 385 respondents, comprising accounting and finance managers, internal auditors, and forensic accountants, was analyzed through Partial Least Squares Structural Equation Modeling (PLS-SEM). Their study revealed that risk assessment, information and communication, and monitoring activities significantly positively impact fraud prevention in the Nigerian public sector; while control environment had an insignificant effect.

Tabot et al. (2025) determine the influence of investigative intuitiveness in fraud detection; analyse the influence of Analytical Proficiency in fraud detection and establish the influence of understanding organization behaviour in fraud detection among commercial banks in Cameroon. The study adopted the Fraud Routine Activity Theory, Fraud Triangle theory and the rational theory of choice. This study applied a descriptive research design to establish the influence of forensic accounting knowledge in fraud detection. The target population for this study where 222 commercial banks headquarter and branches that are currently. The study applied convenient sampling technique since it's easy and less costly. Structured questionnaires were applied in data collection since the study seeks to solicit for quantitative data. Data was analysed using descriptive statistics. Analysis of data indicated that there exist a positive and significant association between investigative intuitiveness and fraud detection in commercial banks.

Adejumo and Ogburie (2025) explored current trends and challenges in forensic accounting, highlighting its increasing significance in financial crime prevention. Used cross-border transactions and sophisticated concealment tactics. Their findings revealed that growing volume of financial data requires professionals to continuously upgrade their technical skills and adapt to evolving fraud schemes. Legal and regulatory inconsistencies across jurisdictions further complicate fraud investigations, making enforcement difficult

Chukwuekwu (2024) demonstrated a study on the influence of fraud on the performance Deposit Money Bank in Nigeria. Used correlational and expo facto research design, utilizing secondary data pooled out from the Nigerian Deposit Insurance Commission (NDIC) and published financial reporting of the DMBs. Their study targeted all the 29 DMBs (comprising of, 5 Merchant Banks and 2 Non-Interest Banks and 22 Commercial Banks) as at 2019 as published by NDIC for ten years period of (2010-2019). Multiple regression methods were deployed. Their finding demonstrated that fraud triangle and diamond theories (measured by expected loss from loss from fraud, number of fraud cases and staff participation in deception scheme) have negative and significant effect on performance (measured by ROA) of DMBs in Nigeria.

In a study done by Apalowowa et al. (2023) on the influence of forensic accounting procedures on fraud examination, prevention and detection of fraudulent activities in the State Pension Board in Nigeria. This study adopted the survey research design through the primary source of data. The population of the study consisted of 186 senior staff in the State Pension Board in the three selected state (Staff Register Book, 2023). Their study used Census Sampling Techniques together with Stratified Sampling Techniques. Their data were analyzed using the Ordinary Least Squares Regression method. Findings from the study revealed that forensic accounting has statistically significant influence on fraud examination, prevention, and detection. The findings further revealed that internal audit technique, accountability technique, and transparency technique has statistically significant influence on fraud prevention and detection

**2.4. Knowledge Gap**

The statement highlights a significant gap in existing research on how specific forensic accounting techniques affect the performance of listed deposit money banks in Nigeria. While forensic accounting is widely recognized for fraud detection, limited empirical evidence connects its techniques like data mining, digital forensics, and litigation support, to bank performance indicators. Additionally, most studies neglect practical challenges such as regulatory inefficiencies, lack of expertise, and technological limitations. This gap calls for a thorough investigation into how forensic accounting can be strategically applied to enhance financial integrity and operational efficiency in Nigerian banks.

**3.0 Methodology**

The study used a mixed research design (survey research and Ex post facto research design) were adopted for this study. A structured questionnaire was distributed to the targeted respondents are staff who are professional accountants in the banking sector in the State capital of Ondo and Ekiti States. The study population consisted of 50 professional accountants, and the study sample was the whole population using Census Sampling Techniques and Stratified Sampling Techniques to select two States, from 36 states in Nigeria. Using four scales of strongly agree (SA), agree (A), disagree (D) and strongly disagree (SD). The measurement of variables for forensic accounting techniques is measured by fraud detection, reporting reliability, and forensic accounting practices as Independent Variable (IV). Meanwhile, the dependent variable (DV) is performance of DMBs measured by Return on Assets.

**Table 1: Summary of Measurement of Variables**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S/No.** | **Variables** | **Variable Types** | **Description** | **Measurements** | **Source** |
| 1 | Performance of DMBs | Dependent | Performance of DMBs refers to how well an organization uses its assets from its primary mode of business to generate revenues and profits. | ROA = Net Income divided by Average Total Assets | Tabot et al. (2025) |
| 2 | Forensic Accounting Techniques | Independent | A specialized method used by forensic accountants to investigate financial discrepancies, fraud, and economic crimes | Respondents' information was graded on a scale 4-1 for Q1-5 | Apalowowa et al. (2025). |
| 3 | Reporting Reliability | It indicates the extent to which the data presented can be trusted to reflect the true state of affairs and produce the same results under consistent conditions. | Respondents' information was graded on a scale 4-1 for Q6-10 | Chukwuekwu (2024). |
| 4 | Fraud Detection | The use of **techniques, tools, and systems** to uncover activities that are dishonest or illegal within an organization or system | Respondents' information was graded on a scale 4-1 for Q11-15 | Apalowowa et al. (2023). |
| 5 | Forensic Accounting Practices | Techniques in uncovering hidden assets, fraudulent transactions, embezzlement, and other forms of financial misconduct in corporate, banking, and legal environments | Respondents' information was graded on a scale 4-1 for Q16-20 | Ayeni-Agbaje and Abdulkadir (2025) |

### **Source: Author Compilation (2025)**

**3.1 Model Specification**

The study adopted Apalowowa et al. (2023) model. The model stated thus:

*FRPD = ƒ(INAUDITT, ACCTYT, TRPT) ……………………………………………… (i)*

*FRPD =* β0+β1INAUDITT+β2ACCTYT+β3TRPT+*μ1 ………………….…………. (ii)*

*Where:*

β*0 = Unknown Constant term to be estimated*

*FRPD = Fraud Prevention/Detection*

*INAUDITT = Internal Audit Technique*

*ACCTYT = Accountability Technique*

*TRPT = Transparency Technique*

*μ1 = Stochastic error term*

However, this study captures fraud detection and reporting reliability as an essential variable of forensic accounting techniques. The model re-modified as follows;

FP = *f*(β0+β1FAT+β2FRD+β3FAP+β4RRT+*μ1 ) ……………………………………….(iii)*

Econometrically, the study model is defined thus:

FP = Performance of DMBs

FAT = Forensic Accounting Techniques

FRD = Fraud Detection

FAP = Forensic Accounting Practices

RRT = Reporting Reliability

*μ1 = error term*

β1 – β4 = Unknown

A Priori Expectation This is a theoretical statement that expresses what a probable result analysis would be. In this study, it is assumed forensic accounting as a technique, fraud detection, forensic accounting practices and reporting reliability are positively related to fraud prevention and detection for bank performance. The coefficients of estimated β0, β1, β2, β3, β4 > *0.* The Cronbach’s Alpha test conducted ensures that all study variables obtain high levels of reliability and therefore high internal consistency with all measurement items for each construct measuring reliably. In particular, the Performance of Deposit Money Banks (DMBs) achieved the highest Cronbach’s Alpha with a value of 0.839, which indicates a very high level of internal consistency among the items that make up the measure of bank performance. The scales measuring Forensic Accounting Techniques and Forensic Accounting Practices were also reliable with Cronbach’s alpha of 0.821 and 0.834 respectively, further indicating a strong scale. In the same line, Reporting Reliability and Fraud Detection had values of 0.818 and 0.814 which are above the acceptable range of .70. These results show that the data collection instrument is reliable and thus appropriate for further statistical analysis boosting the findings of forensic accounting and its influence on DMB performance as valid.

**Table 2:** **Reliability and Validity Test**

|  |  |  |  |
| --- | --- | --- | --- |
| **S/No.** | **Variable** | **Items** | **Cronbach’s Alpha** |
| 1 | Performance of DMBs | 10 | .839 |
| 2 | Forensic Accounting Techniques | 8 | .821 |
| 3 | Reporting Reliability | 9 | .818 |
| 4 | Fraud Detection | 10 | .814 |
| 5 | Forensic Accounting Practices | 10 | .834 |

### **Source: Author Computation (2025)**

**Data Analysis**

Data collected from both sources were analyzed using descriptive and inferential statistics using Correlation analysis and multiple regression analysis were performed using EViews Version 9.

**4.0 RESULT and DISCUSSION**

* 1. **Descriptive Statistics**

Descriptive statistical analysis indicates moderate to high variable perception levels where means start at 3. 19 to 3. 31, indicating a generally positive assessment among respondents. All variables show mean and median values that are closely aligned, with medians remaining consistently at 3.4, with the exception of DMB's performance metrics (FIN\_PERF, 3.29). The distributions exhibit symmetry around their central values yet retain elements of skewness. The standard deviations range from 0. 37 to 0. The number 43 exhibits a moderate degree of response variability. The effectiveness assessments of fraud detection (FRA\_DEC) and forensic accounting technique (FOR\_ACC\_TECT) show greater variability, which indicates broader opinion ranges about these methods. All variables exhibit negative skewness and kurtosis which suggests that most responses cluster at the upper scale range. The kurtosis values for reporting reliability (REP\_RELIAB) and fraud detection (FRA\_DEC) exceed 3 which indicates distributions with pronounced peaks and response concentrations near mean. The Jarque-Bera statistics indicate REP\_RELIAB and FRA\_DEC exhibit greater deviations from normality due to their elevated values of 6.06 and 8.31 respectively. The data suggests potential outliers exist alongside more extreme divergent opinions regarding these constructs. Respondents indicate a perceived robust connection between forensic accounting methods and DMB performance while expressing particularly positive opinions on reporting reliability and fraud detection effectiveness.

**Table 3**: **Descriptive Statistics**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | FIN\_PERF | FOR\_ACC\_PRAC | REP\_RELIAB | FRA\_DEC | FOR\_ACC\_TECT |
| Mean | 3.189369 | 3.293023 | 3.255814 | 3.306977 | 3.279070 |
| Median | 3.285714 | 3.400000 | 3.400000 | 3.400000 | 3.400000 |
| Maximum | 3.714286 | 4.000000 | 4.000000 | 4.000000 | 4.000000 |
| Minimum | 2.285714 | 2.400000 | 2.200000 | 2.000000 | 2.200000 |
| Std. Dev. | 0.380170 | 0.368650 | 0.365997 | 0.410224 | 0.427929 |
| Skewness | -0.623819 | -0.521021 | -0.820387 | -0.913257 | -0.687928 |
| Kurtosis | 2.655619 | 2.687675 | 3.832013 | 4.140014 | 3.200712 |
| Jarque-Bera | 3.001398 | 2.120252 | 6.063691 | 8.305781 | 3.463762 |
| Probability | 0.222974 | 0.346412 | 0.048227 | 0.015719 | 0.176951 |
| Sum | 137.1429 | 141.6000 | 140.0000 | 142.2000 | 141.0000 |
| Sum Sq. Dev. | 6.070242 | 5.707907 | 5.626047 | 7.067907 | 7.691163 |
| Observations | 43 | 43 | 43 | 43 | 43 |

**Source: Author Computation (2025)**

* 1. **Regression Analysis on the Relationship between Forensic Accounting Techniques and Performance of Listed Deposit Money Banks**

The regression test examines the relationship between forensic accounting practices and the performance of deposit money institutions. Whereas the independent variables consist of Forensic Accounting Practices (FOR\_ACC\_PRAC), Reporting Reliability (REP\_RELIAB), Fraud Detection (FRA\_DEC), and Forensic Accounting Techniques (FOR\_ACC\_TECT); and the dependent variable is the performance of deposit money banks. An R-square value of 0.3987 means that almost 39.87 percent of the variance in the performances of deposit money institutions can be explained by the various forensic accounting techniques used in the study model. Adjusted R-square value of 0.3354 is a good fit when considered for the number of predictors, suggesting that the forensic accounting techniques model possesses an acceptable explanatory power, which was increased by the inclusion of additional variables. An F-statistic value of 6.30, with a p-value of 0.000544, indicates that the regression model is statistically significant at the 5% level. This confirms that the independent variable set strongly impacts the performance of Deposit Money Banks (DMBs). The Durbin-Watson statistic is estimated at 1.9645. Since the statistic lies nearly close to two, it indicates that there may be no much autocorrelation existing in the residuals and thus confirms the independence of the data. The intercept (C) = 0.8567, p = 0.0914, is not statistically relevant at a 5% level of significance (p > 0.05), although it is almost significant at the 10% level, showing that when all predictors se

* 1. **Discussion**

The question posed here was: How do forensic accounting practices affect deposit money bank performance? The model explains about 39.87% of the deposit money bank performance, having moderate explanatory power. Given forensic accounting practices, the adjusted R-square of 0.3354 implies that the model is strong enough; yet, there is still space for enhancement with the incorporation of other relevant variables. The model's significance was indicated by an F-statistic of 6.30 and a p-value less than 0.05; this means that the set of forensic accounting variables has a significant impact on the bank performance. Forensic accounting techniques have been identified as a variable that, in theory, should positively influence bank performance. This implies that banks which engage in well-planned forensic accounting techniques would largely experience enhanced levels of financial performance. However, variables such as Forensic Accounting Practices, Reporting Reliability, and Fraud Detection, though having positive coefficients, did not establish statistical significance. The findings of the study under observation agree with the findings of Apalowowa et al. (2025b) that reviewed investigative techniques wrapping around professional fraud and whistle-blowing in the Federal Ministries Departments, and Agencies of Nigeria. From the study, whereas the performance of MDAs Heads and Accountants within federal MDAs is positively related with whistle-blowing, internal controls, and corporate governance relationships were positive, none of the individual components reached statistically significant levels.

**Table 4: Regression of Forensic Practices and Fraud Detection**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
| C | 0.856674 | 0.494584 | 1.732111 | 0.0914 |
| FOR\_ACC\_PRAC | 0.205393 | 0.172891 | 1.187988 | 0.2422 |
| REP\_RELIAB | 0.022754 | 0.201648 | 0.112839 | 0.9108 |
| FRA\_DEC | 0.165388 | 0.169210 | 0.977415 | 0.3345 |
| FOR\_ACC\_TECT | 0.315734 | 0.147666 | 2.138167 | 0.0390 |
| R-squared | 0.398718 | Mean dependent var | | 3.189369 |
| Adjusted R-squared | 0.335425 | S.D. dependent var | | 0.380170 |
| S.E. of regression | 0.309920 | Akaike info criterion | | 0.603942 |
| Sum squared resid | 3.649926 | Schwarz criterion | | 0.808733 |
| Log likelihood | -7.984752 | Hannan-Quinn criter. | | 0.679462 |
| F-statistic | 6.299581 | Durbin-Watson stat | | 1.964522 |
| Prob(F-statistic) | 0.000544 |  |  |  |
|  |  |  |  |  |

**Source: Author Computation (2025)**

* 1. **Conclusion and Recommendations**

Based on the findings of this study forensic accounting techniques have a moderate but statistically significant impact on the performance of deposit money banks. Among the variables studied, only Forensic Accounting Techniques (FOR\_ACC\_TECT) showed a statistically significant and positive effect on bank performance, suggesting its crucial role in enhancing financial outcomes. Although other variables such as Forensic Accounting Practices, Reporting Reliability, and Fraud Detection also displayed positive coefficients, their effects were not statistically significant, indicating limited or inconsistent contributions. **The study recommended that: technology and training in forensic accounting should be provided to the banks to better detect and prevent offenses; measure enhancements in data reliability and practice integration of forensic accounting practices with reporting reliability be duty bound for banks to work on improving integration of forensic insights into daily reporting and auditing routines; and regulatory bodies should enhance capacity-building in forensic accounting in the banking sector to standardize techniques and to enhance their effect on the performance of deposit money banks in Nigeria.**

**Study Implication**

The important practical and policy implications for Nigeria's banking industry employs forensic accounting techniques and bank performance shows that fraud detection, proper installation of financial reporting, and application of structured methodologies contribute to Deposit Money Banks' (DMBs) financial performance as investment in forensic accounting hardware and staff training would reap better economic transparency, operations efficiency, and fraud avoidance. The study findings push stronger regulatory towards institutionalization of forensic accounting practices in the Nigerian banking sector. Regulators and policymakers such as the Central Bank of Nigeria (CBN) and the Economic and Financial Crimes Commission (EFCC) develop frameworks for integrating forensic accounting into all categories of banking institutions rebuild public trust in the financial system and the improvement in the quality of financial reporting across the industry.

**Limitations of the Study**

In spite of its findings, this study has some limitations which is limited to the views of professional accountants and exclude the viewpoints of regulators, internal investigators, executive management, and auditors, who also have critical roles in forensic accounting use. Future research ought to employ larger and more diverse samples in various states or geo-political zone, longitudinal designs, and multi-stakeholder views for a comprehensive understanding of the influence of forensic accounting on bank performance.

**Disclaimer (Artificial intelligence)**

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc.) and text-to-image generators have been used during the writing or editing of this manuscript.

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