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DOES FORENSIC AUDITING PROVIDE THE NECESSARY REQUIREMENTS FOR THE REDUCTION OF FRAUDULENT FINANCIAL PRACTICE IN NIGERIA?

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ABSTRACT

Fraud typically results from the intentional manipulation or misrepresentation of the financial statements by the management of the companies with the intent of benefiting themselves at the expense of the owners. Fraud has a significant negative impact on most businesses because a huge sum of money could be lost to fraudsters. The majority of organisations would experience issues as a result of fraudsters' actions, which made it necessary for the current study to look at how forensic auditors affect the decline in fraudulent financial practises of listed consumer goods businesses in Nigeria. Through the distribution of sixty (60) responders to eighteen (18) structured questionnaires to the accounting, internal audit, and top management employees of fifteen (15) consumer goods companies with main offices in Abuja, data was gathered from primary sources. The 60 respondents who were given the 18 questions completed and returned 45 of them, or 75% of the total. The questionnaire that was completed and returned served as the foundation for testing and delving into the research ideas. To analyse the data, the ordinary least squares (OLS) regression technique was used. The study's findings indicated that the reduction of fraudulent financial practises by listed consumer goods businesses in Nigeria is positively and significantly impacted by the competence, experience, and expertise of forensic auditors. The study comes to the conclusion that forensic audits with the necessary expertise influenced the decrease in illegal financial practises. The study advises that the management of consumer products firms in Nigeria hire forensic auditors in order to find and avoid false assertions in financial statement reports. These professionals have the necessary knowledge, skills, understanding, and technical expertise in forensic auditing.

Keywords: Forensic Audit competence; Forensic audit experience; Forensic audit techniques

1. INTRODUCTION

The traditional auditing profession gave rise to the field of forensic auditing. Due to the traditional auditing profession's failure or incapacity to expose or unravel the frauds and other related financial crimes committed in both the public and private sectors of the Nigerian economy, this profession was introduced into the system globally, including Nigeria. The nature of economic fraud is so complex and is growing daily thanks to information and computer technology (ICT), making it impossible for traditional auditors to stop the scourge. This is due to the fact that in order to combat criminals, a specialist must possess criminal skills, think like a criminal, act like a criminal, and obtain the necessary professional expertise to do so. because they are constantly extending their tentacles to issues connected to fraud and other financial crimes, without which criminals will be in charge. Similarly to how criminals have armed themselves with information and computer technology (ICT), forensic auditors must have the necessary knowledge and versatility. The use of information and computer technology has become essential for the forensic auditing profession because computer technology, which is a branch of science, is used in the majority of fraud-related cases that typically occur in both the public and private sectors, including the consumer goods sector.

Fraud and other related financial crimes that mostly occur in corporations today take place through the knowledge of science, particularly computer science technology, to cause destruction for individuals, groups, organizations, and the government at large. The fraudsters use computers to hack into the accounts of individuals, groups, corporations, and governments, sending fictitious messages to targeted victims, devoid of a means to manipulate transactions, misrepresent financial statements, generate company names that do not exist to secure contracts, and woo people to online transactions in which payment is made but goods are never delivered. The fraudster uses a particular computer to carry out this nervous behaviour for personal benefits, and as such, investigators require the application of forensic investigation and analysis techniques to gather and preserve evidence from a particular computing device used by the criminal in a manner that is suitable for presentation in a court of law. The essence of the application of forensic auditing is to detect and prevent fraud occurrences, and if they occur, to gather, secure, and preserve the evidence for proper presentation, prosecution, and conviction of the accused person in the court proceedings to serve as a deterrent to others.

The consumer goods sector is one of the sub-sectors of the manufacturing sector in Nigeria legally involved in the production and distribution of goods consumed by individuals, groups, corporations, and governments for the purpose of making profits for the firm and shareholders. This sector has been accepted as one of the major driving forces of the modern economy, which engages in the production of various forms of goods mostly consumed by its customers with the motive of satisfying the customers, shareholders, and employees while also contributing to the growth and development of the Nigerian economy. This sector also serves as the vehicle for the production of goods and services, the generation of employment and the enhancement of incomes. Hence, it is described as the heart of the economy (Sola et., 2013). Furthermore, some of the goods produced by this sector improve local technology and would raise the standard of people's lives through the production of high-quality goods, services, and social welfare. However, allowing such a sector to go into bankruptcy or collapse due to fraudulent practises poses a heavy threat to the growth and development of the Nigerian economy. This is because employees would lose their jobs, the services of distributors which earn income will disappear, the federal government will lose tax enjoyed from this sector, the 2.5% TETFund will also disappear, and social responsibility that host communities usually enjoy will be forfeited. It is against this that the study seeks to assess the effect of forensic auditing on fraudulent financial practises in the consumer goods sector in Nigeria.

Investigating cases of fraud and fraudulent financial practises is analogous to investigating cases of malaria fever worldwide. A series of research has been conducted in this specialty area of health (malaria fever), yet cases of malaria fever continue to be on the increase, resulting in several deaths yearly. Likewise, in the case of fraud and fraudulent financial practises, the more research conducted on this specialty area, the higher the cases of fraud and fraudulent financial practices, resulting in the merger, integration, or demise of many corporations in Nigeria. For example, Enofe, Omagbon, and Ehigiator (2015) in their studies were of the view that forensic auditing can help in the detection, prevention, and reduction of incidences of fraud and fraudulent financial practises in businesses. In the same vein, Abdulranhman et al. (2020) in their studies posited that forensic auditing is anticipated to facilitate the reduction and prevention susceptibility of conventional auditing and contribute immensely to financial fraud reduction.

Furthermore, Ezekiel (2021) in his study views forensic auditor skills and techniques as an essential predictor for fraud detection and prevention, which in turn could cause a reduction in fraudulent financial practice. Similarly, Obiora, Onuora, and Amodu (2022) demonstrated in their research that the use of forensic auditing techniques has the potential to reduce the incidence of fraud and fraudulent financial practises in business organizations. Also, John, Ebilite, and Udoye (2022) in their studies indicate that the application of forensic auditing skills and experience has the probability of detecting and preventing the incidence of fraud, thereby resulting in the reduction of fraudulent financial activities in an organization. Burzinji et al. (2022) in their research work opined that the instrumentation of forensic auditing techniques such as skills, competence, experience, and technical would impact on fraud detection and prevention, which could result in the reduction of fraudulent financial practice. In spite of all the diverse research carried out with different findings and recommendations put forward to either eliminate or reduce fraud and fraudulent financial accounting practices, cases of fraud and financial crimes are still on the increase on a daily basis. Therefore, this study seeks to address three questions:

First, can forensic auditing competence have the probability of detecting fraud in companies? Secondly, can forensic auditing techniques influence the prevention of fraudulent financial practises in companies? Third, can forensic auditing be used to reduce corporate fraud? In light of this, the current study believes it is necessary to investigate in order to propose a solution to the problem(s) of fraudulent financial practises in Nigeria's listed consumer goods sector.

The main objective of this study is to examine the effect of forensic auditing on fraudulent financial practises in the listed consumer goods sector in Nigeria. The study's specific objectives are to determine whether forensic auditing competence has the capability of detecting fraud in the listed consumer goods sector in Nigeria; assess whether forensic auditing techniques have an influence in preventing fraudulent financial practises in the listed consumer goods sector in Nigeria; and investigate whether forensic auditing experience has the capability of reducing fraud in the listed consumer goods sector in Nigeria.

Based on the specific objectives listed above, the following hypotheses are formulated to test the model:

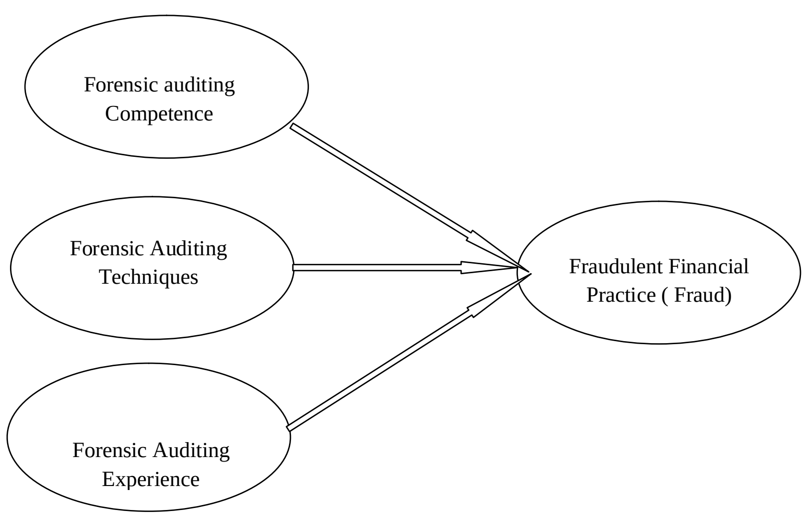
H01: Forensic auditing competence has no significant effect on the detection of fraudulent financial practises in the listed consumer goods sector in Nigeria;

H02: Forensic auditing techniques have no significant effect on the prevention of fraudulent financial practises in the listed consumer goods sector in Nigeria; and

H03: Forensic auditing experience has no significant effect on the reduction of fraudulent financial practises in the listed consumer goods sector in Nigeria.

2. CONCEPTUAL FRAMEWORK AND LITERATURE REVIEW

The study created a conceptual framework with the identification, prevention, and mitigation of fraudulent financial practises that constitute fraud in Nigeria's listed consumer goods sector as a primary identifying purpose. Forensic auditing (independent variable) proxies by expertise, techniques, and experience is another variable of importance. In the listed consumer goods sector in Nigeria, the study aims to investigate the extent to which these variables affect fraud detection, prevention, and reduction. The framework would make it easier to comprehend the fundamental factors and how they affect Nigeria's fraudulent financial practises. The conceptual framework for this study is presented in Table 1 below and was created using the knowledge gathered from the literature review:



Source: Conceptual Framework base on Literature

Table 1 shows the conceptual framework built to assess the effect of forensic auditing on fraudulent financial practice in Nigeria. Forensic auditing and fraudulent financial practice are independent and dependent variables.

2.1. Financial practice

This occurs when an individual, group or corporation deprives someone or entity of their legitimate income or otherwise halts or causes a temporary impairment in the entity's financial health through misleading, manipulation, misrepresentation, deceptive, or other illegal ways. That means for fraudulent financial practise to take place, there would be an illegal alteration of an entity's financial statements to be manipulated in a company's apparent health to hide profits or losses by overstating revenue or failing to record expenses and misstating assets and liabilities. In other words, fraudulent financial practise is an intentional manipulation of financial statements to create a false appearance of a company's financial health. This could occur when both employees and the entity provide misleading information to investors, creditors, and shareholders in order to take advantage of them.

2.2. Forensic auditing competence

Competence is a situation whereby an individual, group, or corporate body acquires knowledge, skills, abilities, and work behaviours that could contribute to a person's or organization's performance. That suggests competence is knowledge gained by information developed or learned through training, studying, experience, or investigation, while skills are the result of repeatedly applying knowledge or ability that could yield a good product. Forensic audit competence, according to Astro, Taufiq, and Tertiarto (2019), is the expertise of an auditor obtained through knowledge, training, and studying. That implies forensic investigators, through training and studying, gained knowledge and should have strong analytical and investigative abilities , as well as a thorough understanding of accounting and legal knowledge. For a forensic auditor to be competent, he or she must possess the following qualities: deductive analysis, critical thinking, unstructured problem solving, investigative flexibility, analytical proficiency, oral communication, written communication, specific legal knowledge, and composure.

2.3. Forensic auditing techniques

It is the method of auditing skills adopted scientifically using instruments like fingerprint machines, CCT cameras, and digital cameras, among others, for the purpose of examining relevant documents to establish, protect, and preserve evidence. Technique is the manner in which an auditor employs the technical skills of his or her profession to achieve a desired result. That implies an audit technique is a method used by an auditor to select a representative transaction out of the whole accounting records or information to draw a conclusion about all items. For example, computer-assisted audit techniques involve computer software programmes that can be used to identify fraud. As a result, forensic auditing is a method of carrying out auditing assignments, particularly investigations into fraudulent accounting practices in an organization, that employs scientific procedures such as skill or ability to uncover the perpetrators of a crime. That is, audit technique entails a skillful or efficient method of carrying out specific instructions or tasks in order to achieve a desired result.

2.4. Forensic auditing experience

Experience is not a product seen physically and purchased in the market place. Thus, auditors gain experience by the number of cases treated in the course of auditing the financial statements of a client's firm, which improves the quality of audit reports generated in making audit judgments and hence reduces fraudulent financial practice. Also, experience is a learning process from both formal and informal education that transforms the potential development behaviour of a person (Astro et al., 2019). That means experience can take someone to a high pattern of behaviour, can mould a person's personality, and make someone intelligent both in thinking and action. Therefore, forensic audit experience is the state of having been affected by or gained knowledge through direct observations or participation, practical knowledge, skill, or practise derived from direct observation of or participation in an event or involved in auditing financial statements of the clients' firms over and over for a long period.

2.5. Theories

There are numerous theories underpinning forensic auditing and fraudulent financial practice. This study, however, considered the reasoned action theory (RAT) or theory of planned behaviour (TPB) because the two were linked one behind the other. It is a theory that combines two psychological theories of healthy behaviour. Fishbein and Aizen (1975) composed a reasoned action theory to explain and predict human behaviour. The reason is that action theory reveals an individual's intention to engage in an attitude at a specific time and place in which such a person has the ability to exercise self-control over action. The reasoned action theory is a mathematical model that allows scientists to predict behavioural intention as a function of attitudes and subjective norms. From the reason action theory, three components are established: beliefs, attitudes, and intentions. These three components (beliefs, attitudes, and intentions) make the reasoned action theory relevant to the study of forensic auditing and fraudulent financial practice.

Beliefs usually explain the likelihood that a person thinks some action will result in an outcome. Attitude is whether or not a person perceives the outcome as favourable or unfavourable. While intention refers to how a person intends to act in response to beliefs and attitudes, The theory is significant to the study in two ways. First, the company's management believes in manipulating and issuing fraudulent financial statements for personal benefit. This belief can only be successful (favourably) if supported by accountants and not detected or discovered by forensic investigators. These beliefs influenced their attitudes and the intention they achieved in response, which could increase the fraudulent financial practise by companies' management. Secondly, if the forensic auditors' beliefs about having the capacity, skills, ability, competence, expertise, and experience to uncover the anomaly perpetrated by companies' management and supported by accountants, Then, the outcome will be positive for the firm and shareholders, thereby reducing the fraudulent financial practises perpetrated by the company's management.

2.6. Empirical review

The effect of forensic auditing on fraudulent financial practises has attracted many studies. However, empirical findings regarding the effect of forensic auditing on the reduction of fraudulent financial practise are inconclusive. The findings of some studies have a significant positive effect, others have a significant negative effect, while some find no significant effect. Therefore, the findings of this study will determine the extent to which forensic auditing affects fraudulent financial practises of the listed consumer goods sector in Nigeria.

Akenbor (2014) investigated the connection between forensic auditing and fraudulent activity in Nigerian public organisations. The general managers, internal auditors, and accountants of 12 governmental institutions in Port-Harcourt, Nigeria, made up the research population. A questionnaire given to the managers, internal auditors, and accountants of the chosen 12 public institutions in Nigeria's Rivers State served as the study's major source of data. The data was analysed using the Pearson Product Moment Correlation

Coefficient. The results indicated a negative and significant correlation between fraud and forensic auditing methods. The impact of auditing expertise and experience on fraud detection in Indonesia was evaluated by Langga and Supriyati (2015). For the year 2014, 58 auditors employed by 12 public accounting companies in Surabaya were sampled for the study. Fraud detection is the dependent variable, while competence, experience, independence, and professionalism are the independent variables. A questionnaire given to the respondents served as the source of the data on which the analysis was built. Multiple regression techniques were used for the data analysis. The outcome showed a successful and significant level of fraud detection experience.

Okoye, Adeniyi, and James (2019) evaluated how forensic accounting affected Nigerian fraud management. For the study in Aba, Abia State, 190 respondents were chosen from four companies (Nigerian Breweries, Cadbury Nigeria plc, Nigerian Bottling Company, and Duril Forma Nigeria Ltd.). A questionnaire that was sent to the whole accounting staff of the four companies was used to gather the data. The data was analysed using the ordinary least squares (OLS) method. The results showed that forensic accounting has a good and considerable impact on fraud identification and prevention. In Indonesia, Kevin and Yenni (2019) conducted research, analysis, and examination on the impact of auditor competency on the identification of fraudulent financial reporting. All public accounting firms' certified auditors who had signed up as members of the Indonesia Public Accountant Institute (IAPI) for the 2019 calendar year made up the study's population. The dependent variable was the identification of false financial reporting, while the independent variable was the auditor's skill. A questionnaire was given to the respondents in order to gather information from the primary sources. The partial least squares method of structural equation modelling (SEM-PLS) was utilised to analyse the data. The outcome demonstrated a favourable and significant relationship between auditor skill and the detection of fraudulent financial reporting.

The variables of audit quality and their connections to fraud detection in Indonesia were researched by Umar et al. (2019**).** The independent variable that was represented by independence and competency was forensic auditing. The dependent variable was fraud detection. The key sources of data were adopted through the distribution of a questionnaire to the 12 respondents, and it was on this data that the analysis was based. Data analysis methods, including multiple regression, were used. The results demonstrated that auditor competency had little to no impact on fraud detection.

Tapang and Ihendinihu (2020) investigated the impact of forensic accounting services on unethical behaviour in Nigeria.The study's main concern was the Chief Financial Officers' (CFOs') decision-making procedures for the twenty-one (21) Nigerian banks listed on the Nigerian Stock Exchange in 2019. The dependent variable used to measure forensic accounting was litigation support and investigation. Credit fraud, bank check fraud, mortgage fraud, and tax fraud served as proxies for unethical practises, which were the independent variables. The respondents (CFOs) in the Nigerian banks were administered a questionnaire as part of the study's cross-sectional survey design. The data was analysed using the ordinary least squares (OLS) statistical method. The results showed a direct and strong correlation between forensic accounting services and unethical financial behaviour.

Dewi and Anisykurlillah (2021) conducted research on the Indonesian audit committee as a moderating variable while analysing the impact of fraud pentagon variables on false financial statements. 52 out of the 156 firms that were listed on the Indonesia Stock Exchange for the years 2016–2018 were included in the study's sample. The independent variable was CEO dualism, which was proxied by CEO effectiveness, quality, and experience. Fraudulent financial statements served as the dependent variable, with the audit committee acting as the moderating factor. The data was examined using techniques for logistic regression. The outcome demonstrated that experience has little bearing on false financial statements.

3. METHODOLOGY

The ex-post facto research design was used in this study. Because the researcher cannot change or control activities or behaviours that have already taken place, the design is appropriate for this study. Additionally, it aids in the gathering of comprehensive data on forensic audits and the decrease of fraudulent financial practises in Nigeria's listed consumer products firms. 21 consumer goods businesses with Abuja headquarters that are listed on the Nigerian Stock Exchange made up the study's sample. Given that nearly all consumer goods corporations have their headquarters in Abuja, the capital of Nigeria, this decision was made. The decision to select Abuja was also informed by the fact that the majority of senior management personnel from businesses that possess competence, experience, and technical abilities work at the headquarters where crucial choices are made for the improvement of the businesses. Companies that manufacture consumer items but do not have their main operations in Abuja have annex offices.

Filters were used to select some companies and exclude others in order to get a sizable sample or quantity. The filter removes all the firms that were no longer listed on the NSE's trading schedule as of December 31, 2020. As a result, three companies were eliminated. The filter also excludes manufacturers of consumer goods with no headquarters in Abuja. Three businesses were removed as a result of this. Finally, 15 consumer goods companies make up the study's sample size since they satisfied the requirements. A questionnaire would then be sent to the respondents based on all the study's factors for the time period under consideration. As a result, only those having proficiency in, familiarity with, and technical proficiency in the field being studied were selected. Consequently, sixty (60) employees from the accounting unit, the internal audit unit, and certain management employees were chosen. These sixty (60) individuals received a questionnaire, of which forty-five (45) were fully completed and returned, representing 75% of the data used for analysis. With the aid of the Statistical Package for Social Sciences (SPSS) version 20.00, the ordinary least squares method was used to analyse the data.

The model specification for the study was = Fraudulent Financial Practice = f(Forensic Auditing)……(1)

Where Forensic Auditing are proxies as Forensic Auditing Competence (FACO); Forensic Auditing Experience (FAEX); and Forensic Auditing Technique (FATC), equation 1 is restated as:

FFPR = B0 + B1FACO +B2FAEX +B3FATC + U …… (2)

Where:

FFPR	=	Fraudulent Financial Practice Reduction
FACO	=	Forensic Auditing Competence
FAEX	=	Forensic Auditing Experience
FATC	=	Forensic Auditing Technique
B0	=	Constant Terms
B1, B2, B3	=	Coefficients of the Predictable Variables
U	=	Error Term

3.1. A priori expectation

For hypothesis one:

$\beta_0, \beta_1 <$ which means as the forensic auditor competence increase, the level of fraudulent financial practise is minimized. Hence, there is a positive relationship between forensic auditing competence and fraudulent financial practise reduction. Accept Ho (Null hypothesis) if P > 0.05, reject if otherwise.

For hypothesis two:

$\beta_{0,}\ \beta_{1}$ < which means as the forensic auditor experience increase, the level of fraudulent financial practise to some extent are brought under controlled . Hence, there is a positive relationship between forensic auditing experience and fraudulent financial practise reduction. Accept Ho (Null hypothesis) if P > 0.05, reject if otherwise.

For hypothesis three:

$_{0,\ 1,}$ which means as the knowledge, skills, and expertise of forensic auditors rise, the perpetrators of these crimes go into hibernation, thereby minimising fraudulent financial practise . Hence, there is a positive relationship between forensic auditing experience and fraudulent financial practise reduction. Accept Ho (Null hypothesis) if P > 0.05, reject if otherwise.

4. RESULTS AND DISCUSSION

Table 2: Respondents' Status

Demographic Variables	*Characteristics*	*Frequency*	*Percentage*
Gender	Male	30	66.67
	Female	15	33.33
Age	18 - 30	15	33.33
	31 - 40	19	42.22
	41 - 50	4	8.89
	51 - 60	7	15.56
	61 above	0	0.00
Marital	Single	13	28.88
	Married	25	55.56
	Widow	4	8.89
	Widower	3	6.67
Educational Level	O'LEVEL	0	0.0
	NCE/ND	12	26.67
	HND/B.SC	22	48.88
	MASTERS	6	13.34
	ICAN/ANAN	3	6.67
	PhD	2	4.44
Questionnaire Issued	Returned	45	75.00
	Unreturned	15	25.00

Source: Field Data (2021)

Table 2 reveals that 15 (33.33%) were female and 30 (66.67%) were male. As a result, men made up the majority of the responders. This is due to the majority of male employees in upper management, internal audit staff, and accounting positions for consumer goods corporations with head offices in Abuja. The survey results in Table 2 also showed that 15 (33.33%) of the respondents were between the ages of 18 and 30 years, 19 (42.22%) were between the ages of 31 and 40 years, 4 (8.89%) were between the ages of 41 and 50 years, 7 (15.56%) were between the ages of 51 and 60 years, and 0 (%) were over the age of 61. This suggests that the majority of respondents were between the ages of 31 and 40. Accordingly, it may be inferred that the majority of respondents are young and belong to the labour force. In a similar vein, Table 2 shows that 13 respondents (28.88%), 25 (55.56%) of the respondents were married, 4 (8.89%) of the respondents were widowed, and 3 of the respondents (6.67%) were widowers. This suggests that the majority of respondents who work in the consumer goods companies' Abuja headquarters are married.

Furthermore, Table 2 shows that none of the respondents representing 0% was a holder of a secondary school certificate (O'Level), 12 (26.67%) of the respondents were NCE/ND holders, 22 respondents representing 48.88% were HND/B.Sc. holders, 6 of the respondents representing 13.34%, 3 respondents representing 10.53% were ICAN/ANAN holders, while 2 respondents representing 4.44% were PhD holders. The result as displayed in the table indicates that the majority of the respondents were HND/B.Sc. holders. Based on the information displayed on the table, only a few of the respondents obtained PhD and professional qualifications, and as such, the information cannot be adequate or sufficient to detect fraud in the financial statement. Table 1 above also shows that 45 (75.00%) of the questionnaires administered were returned. While 15 (25.00%) of the questionnaires administered were not returned, That implies 45 were duly completed and returned, representing 75.00% of the total questionnaires administered, upon which the analysis was based.

Table 3: Descriptive Statistics

Variable	*N*	*Min*	*Max*	*Mean*	*Std. Dev*
FACO	45	2.00	4.50	3.382	.5805
FAEX	45	2.25	4.75	3.684	.6332
FATC	45	2.40	4.40	3.353	.5082
FFPR	45	2.25	5.00	3.382	.6360
Valid N (listwise)					

Source: SPSS 23 Output Results

Table 3 displayed the details of the descriptive statistics for the outcome and predictive variables. FFPR = Fraudulent financial practice, FACO = Forensic auditing competence, FAEX = Forensic auditing experience, FATC = Forensic auditing techniques. The most prominent among the results in the descriptive statistics is the higher standard deviations of FFPR (0.6360) and lower standard deviation of FATC (0.5082) relative to the standard deviations of other predictable variables used in the model, which range from 0.6 to 5.1. The higher standard deviation of FFPR is an indication that our sample firms are relatively influenced by forensic auditing. Similarly, the mean value of fraudulent financial practise (FFPR), which is a ratio that measures the extent to which fraudulent financial crimes are detected and prevented in respect to consumer goods companies, is 3.382 with a standard deviation of 0.6360. That suggests a high dispersion from the mean value of FFPR recorded within the period of study. The outcome displays 45 firm-year observations with a mean of 3.382, a standard deviation of 0.6360, a minimum value of 0.225, and a maximum value of 0.500. The average value of 338.2% suggests that the level of forensic auditing acquired, when used, will help in identifying and avoiding fraudulent financial practises, hence lowering financial crimes in Nigerian consumer products companies.

The result of the descriptive analysis in respect to forensic auditing competence (FACO) further reflects a mean of 3.382, a standard deviation of 0.5805, a mean of 0.200, and a maximum of 0.450. The mean value of 338.2% and a standard deviation of 58.05% indicate that there is a high dispersion from the mean value of FACO recorded because the standard deviation is lower than the mean value within the period of study. The high average value indicates that the knowledge, ability, composure, and understanding gained from forensic auditing when put to practise would reduce the occurrence of fraudulent financial reporting in Nigerian consumer goods companies. Forensic auditing experience (FAEX), which utilises higher levels of skills and many years of industry practise and expertise, reveals a mean of 3.684 with a fluctuation of 0.6332. This shows that there is a high dispersion from the mean value of FAEX recorded within the period of study. This result implies that forensic auditors are using an appreciable level of experience based on the number of years spent in a particular consumer goods company to understand the method of accounting practises during the period under study. The highest FAEX recorded within the study period is 0.475, with a minimum value of 0.225. Also, the result reveals a mean of 3.353 in respect to forensic auditing techniques (FATC) with a fluctuation of 0.5082. According to the standard deviation, there is little variation from the mean FATC value observed over the study period.

This suggests that forensic auditors of consumer goods companies devote a larger portion of their technical knowledge, experience, expertise, and necessary knowledge to aid the forensic audit investigator in identifying and preventing fraudulent financial practises in the Nigerian consumer goods companies, which may reduce financial crimes.

Table 4: Correlation Matrix

VAR		*FACO*	*FAEX*	*FATC*	*FFPR*
FACO	Pearson Corr	1	.040	.150	.231
	Sig. (2-tailed)		.811	.369	.016
FAEX	Pearson Corr	.040	1	.091	.244
	Sig. (2-tailed)	.811		.588	.014
FATC	Pearson Corr	.150	.091	1	.049
	Sig. (2-tailed)	.369	.588		.037
FFPR	Pearson Corr	.231	.244	.049	1
	Sig. (2-tailed)	.016	.014	.037	

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Source: SPSS 23.00 Output Results

The link between explanatory and outcome factors as well as between predictable variables themselves is determined using the correlation matrix in Table 4 The Pearson's coefficient of correlation was used because the goal was to describe the strength of the relationship between the variables. The correlation analysis was carried out by obtaining the average replies for each of the variables employed in this study. The table demonstrates a positive association between each independent variable and the dependent variable, which is deceptive financial behaviour.

Forensic audit competence (FACO) and fraudulent financial practises in Nigerian consumer goods companies have a favourable and significant association. The correlation coefficient between forensic auditing proficiency and the presence of fraudulent financial practises is 0.231, which is significant at 5%. (p-value 0.016).

As a result, fraudulent financial activity declines as forensic audit competence levels rise, improving the accuracy of financial statement reporting. Additionally, forensic auditing experience (FAEX) and fraudulent financial practises in Nigerian consumer goods companies were found to be positively and significantly correlated. The coefficient of 0.244, which is significant at 5%, served as proof of this (0.014). This suggests that forensic auditing expertise may boost the elimination of illicit financial practises. In a similar vein, the use of forensic auditing procedures (FATC) is associated favourably with a decline in fraudulent financial practises in Nigerian consumer products firms. The results of the Pearson regression demonstrate a substantial positive link between the forensic auditors' techniques and the decline in fraudulent financial practises among Nigerian consumer goods companies.

Table 5: Regression Results and other tests

Variable		*FFPR*	
	Coeff	*T-Value*	*P-value*
CONS	1.026	3.062	0.000
FACO	0.235	1.314	0.041
FAEX	0.239	1.417	0.034
FATC	0.073	0.363	0.024
R2	0.413		
Adj-R2	0.334		

Sources: SPSS 23 Output Results

The results of the computed regression are summarised in Table 5. The coefficient of the intercept (CONST), which is displayed in the table, is 1.026. When any of the predictable variables increases or decreases by one unit while the other variables remain constant, the value of the FFPR is determined by the coefficient of the intercept. At the 5% level of significance, the T-value for the CONST is 0.000, which is statistically significant. At a t-value of 1.314 and a p-value of 0.041, FACO has a coefficient of 0.235.

With a confidence interval of 0.041 to 95%, this suggests that FACO has a favourable effect on FFPR. This shows that a rise in FACO will result in a rise in the FFPR of Nigeria's listed consumer products companies. A t-value of 1.417, a p-value of 0.034, and a coefficient of 0.239 are the values for FAEX. Thus, FAEX significantly and favourably influences FFPR at a level of significance of 0.034 to 95%. This implies that a rise in FAEX will lead to a considerable increase in the FFPR of Nigeria's publicly traded consumer goods companies. Additionally, with a coefficient value of 0.073, t-value of 0.363, and p-value of 0.024, FATC significantly and favourably influences FFPR. This shows that raising the FATC of the Nigerian consumer goods companies listed on the stock exchange will result in a substantial increase in FFPR.

Additionally, Table 5's R2 (0.413), which represents the multiple coefficients of determination, indicates the percentage of the total variance in the dependent variable that can be accounted for by the explanatory variable and its components taken together. It therefore represents 41.3% of the overall variation in fraudulent financial practise reduction of Nigerian listed consumer products businesses brought on by the FACO, FAEX, and FATC. Even after accounting for the degree of freedom, the model could only account for roughly 33.4% of the overall systematic changes in the reduction of fraudulent financial practises, according to the adjusted R-square. This shows that other factors, in addition to the difference in the reduction of fraudulent financial practises among listed consumer products businesses in Nigeria, are also at play.

Table 6: ANOVA Results

Model	*Sum of squares*	*df*	*Mean squares*	*F*	*Sig*
Regression	1.462	4	0.652	1.347	0.000
Residual	10.268	42	0.375		
Total	11.730	46			

Sources: SPSS 23 Output Results

The F-statistics and its probability display that the regression equation was well-formulated to describe the correlation between the variables put together to form forensic auditing and fraudulent financial practise reduction of listed consumer goods companies in Nigeria, which is statistically significant at 5% (F-stat = 1.347; F-prob. = 0.0000). This significant explanatory power of the component of forensic auditing in respect of FFPR suggests a significant statistical effect between the outcome and predictable variables.

4.1. Hypothesis testing

The ability of forensic auditing to identify fraudulent financial practises of listed consumer goods businesses in Nigeria has no appreciable impact. The discovery of fraudulent financial practises in listed consumer goods businesses in Nigeria was found to have a positive and significant impact, according to the regression result provided in Table 6 above. This demonstrates that the alternative, that forensic audit expertise has a chance of influencing the discovery of the fraudulent financial practises of the sampled consumer goods companies in Nigeria throughout the study period, must be accepted in place of the null hypothesis. This result is consistent with that of Langga and Supriyati (2015) and Tapang and Ihendinihu (2020), who discovered that the ability of forensic auditors to detect fraudulent financial practises is significantly positively associated with their competence. This finding, however, conflicts with that of Akenbor (2014), who finds a poor correlation between forensic audit competence and the detection of illicit financial conduct.

H02: States that the experience of forensic auditing has had no significant effect on the reduction of the fraudulent financial practises of the listed consumer goods sector in Nigeria. The results shown in Table six demonstrate that the forensic auditor experience has a positive and significant association with the reduction of fraudulent financial practises in Nigerian consumer goods companies during the study period. It provides evidence of accepting the null hypothesis and rejecting the alternative that FAEX has the probability of increasing the reduction of the fraudulent financial practises of the listed consumer goods companies in Nigeria. This finding is in agreement with Kevin and Yenni (2019), who find a positive and significant relationship between forensic audit experience and the reduction of fraudulent financial practises, but contradicts that of Dewi and Anisykurlillah (2021), whose findings show no significant impact of forensic auditor experience and the reduction of fraudulent financial reporting.

According to H03, the methods used by forensic auditors have little to no impact on preventing fraudulent financial practises in Nigeria's listed consumer goods industry. Prevention of fraudulent financial practises is positively correlated with forensic auditing methods. The avoidance of fraudulent financial practises is thus considerably increased by an increase in forensic auditor skills and vice versa. That demonstrates that forensic audit techniques have the potential to influence the prevention of fraudulent financial practises of listed consumer goods businesses in Nigeria, rejecting the null hypothesis and accepting the alternative. This result is in line with Umar *et al.'s* (2019) findings, which found no connection between the forensic auditor technique and preventing fraudulent financial practises. The outcome is in contrast to Okoye et al.'s (2019) study, which discovered a favourable and substantial correlation between forensic audit approaches and the prevention of fraudulent financial practise.

5. CONCLUSION, LIMITATIONS AND RECOMMENDATIONS

5.1. Conclusions

In line with the findings of the study on the analysis carried out, the study draws the following conclusions:

The ability of forensic auditors to identify fraudulent financial activities in Nigerian consumer goods companies has a favourable and significant effect. This implies that an improvement in forensic auditing expertise will result in a rise in the recognition of fraudulent financial activities of Nigerian listed consumer goods companies.

The elimination of fraudulent financial practises in Nigerian consumer goods companies is positively and significantly impacted by the experience of forensic auditors. That indicates that an increase in the forensic auditors' experience would result in a decrease in the use of fraudulent financial practises by Nigerian consumer goods companies; and

The methods used by forensic auditors significantly and positively affect the avoidance of fraudulent financial practises in Nigerian consumer goods firms. That implies that increasing the number of forensic auditors with advanced training would have a big impact on preventing fraudulent financial practises in Nigerian consumer goods companies.

Given these conclusions, the study makes the following recommendations:

First, the management of consumer goods firms in Nigeria should support employees in the accounting and internal audit departments who are qualified and possess the necessary expertise as well as creativity and innovation. As it is thought to improve the detection of the fraudulent financial practises of listed consumer goods firms in Nigeria, this could help in identifying inaccuracies in the financial statement reporting for all consumer goods companies operating in Nigeria. This will significantly contribute to preserving, reducing, and improving the identification of dishonest financial practises.

Second, the management of consumer products firms in Nigeria needs to support the team members in the internal audit and accounting departments. As evidenced by the results seen to improve the reduction of the fraudulent financial practises of listed consumer goods companies in Nigeria, those staff members with experience based on the number of years served in practising their profession with the necessary knowledge, understanding, ability, and expertise in forensic auditing. By doing this, they can raise their spirits and inspire the forensic auditors to keep up the pace, which will reduce dishonest financial practises.

And finally, forensic auditors should be supported by Nigerian consumer goods management. The experts with the necessary knowledge, abilities, ingenuity, and creativity to stop fraudulent financial practises for all consumer goods companies operating in Nigeria, with the end result seen to have increased the prevention of fraudulent financial practises of listed consumer goods companies in Nigeria. This would encourage the internal staff members who are forensic experts and accountants to work better, preventing illegal financial practises.

5.2. Limitations of the study

The following limitations apply to the use of primary data and questionnaires to examine how forensic auditing affects the decline in fraudulent financial practises among consumer products companies in Nigeria:

First, because some respondents wanted to keep their opinions on the specific topic issues under wraps out of concern for unanticipated circumstances, it is possible that the respondents' replies regarding the fraudulent financial practises occurring in consumer goods companies are skewed.

Second, some respondents declined to comment or purposefully avoided answering some questions because they felt that some information was confidential. If the respondents had responded, the study would have been better for it.

Last but not least, the statistical programmes used to analyse the data gathered and generate pertinent output do not practically explain the causes and motivations for the behaviour of the variables, leading to the interpretation that some variables are more complex.

5.3. Directions for future research

Given that this study examined the role of forensic auditing in reducing fraudulent financial activities carried out by consumer products companies in Nigeria, the report makes the following recommendations:

A similar study would be conducted in other industries for comparison's sake, such as banking organisations, insurance firms, Nigerian oil and gas corporations, or other specialist businesses. This will aid in the generalisation of conclusions regarding the success of forensic auditing in a Nigerian consumer goods company's dishonest financial reduction. Future studies may potentially include forensic investigation and fraud in financial and non-financial institutions in Nigeria or other industries.

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Conflict of Interest

There is no conflict of interest involved in the publication of this paper.

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