Research Article

Forensic Accounting and Money Laundering

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Abstract: This study was carried out to investigate forensic Accounting and money laundering in some selected federal ministries in Anambra State in Nigeria. Two research questions and two hypotheses were formulated in line with the purpose of the study. A research survey design was used for the purpose of this study with a sample size of three hundred and thirty-four (334) respondents which comprises of accountants and auditors of three (3) federal ministries selected from Anambra State in Nigeria. The statistical tool used to answer research question were mean and standard deviations while Analysis of variance, (ANOVA) was used to test the hypotheses. From the findings of the study, it was revealed that forensic accounting are used for detecting and preventing money laundering in selected federal ministries from Anambra State. Therefore, it was recommended that government should develop more interest in forensic accounting for monitoring and investigation of suspected corruption cases like money laundering among others.
Keywords: forensic accounting, money laundering, corruption.

Introduction

Fraud, corruption and other financial and economic fraud and crimes has made it difficult for Nigerian's to meet her welfare and social responsibilities to citizenry. These evil have assumed alarming proportions and pervasive mismanagement of resources have become the order of the day in federal ministries (Okunbor & Obaretin, 2010). According to Akenbor and Ironkwe (2014), "forensic accounting means belonging to, used in or suitable to court Judication or public discussion, debate and ultimately displace resolution". Forensic accounting is the integration of accounting, auditing and investigative skills (Zysman, 2004). Dhar and Sarkar (2010) defined "forensic accounting as the application of accounting concepts and techniques to legal problems". It demands reporting, where accountability of the fraud is established and the report is considered as evidence in the court of law or in administrative proceedings. Baird and Zelin (2009) stated that, "forensic accounting is important investigative tool for detection of fraud". Gray (2008) opined that, "forensic accounting assist in disputing effective internal control and prevention of fraud in organization".

Gray also, "analyzed forensic accounting as the combination of auditing and investigating skills". It is simply the process of interpreting, summarizing and presenting complex financial issues, clearly, succinctly and factually often in a court of law as an expert witness. Degboro and Olofinsola (2007) noted that, "forensic investigation is about the determination and establishment of fact in support of legal case". That is, to use forensic techniques to detect and investigate a crime is to expose all its attending features and identify the culprits. In the

view of Howard and Sheetz (2006), "forensic accounting is the process of interpreting, summarizing and presenting complex financial issues clearly, succinctly and factually often in a court of law as an expert". It is concerned with the use of accounting discipline to help determine issues of facts in business litigation (Okunbor & Obaretin, 2010).

Money laundering is called so because it adequately describes what takes place since illegal, or dirty money is put through a cycle of transactions, or washed so that it comes out the other end as legal or clean money. Money laundering appears in three phases which according to Hopwood, Young and Leiner (2013) are placement phase, where the money launderer introduces illegally obtained profits into the financial system with the objective of getting the money in a way that it cannot be traced to its illegal sources. In the layering phase, the money launderer adopts complicated set of transactions to move the money around the financial system and further distance it from its original illegal source with the aim to carefully destroy any audit trait that could trace the money back to its original placement in the financial system. In the integration phase, the launderer pushes the money a final time into accounts under his legal control to make it appear to have come from a legitimate source.

In litigation support, the forensic accountant presents factual evidence of economic issues that are related to any pending or existing litigation. The forensic accountant quantifies damages that could be sustained by all parties to a dispute. The implication is that any value arrived at in any damages must meet the satisfaction of parties to any legal dispute. Issues of dispute during courtroom proceedings can be resolved by the forensic accountant. Forensic accountant does play the role of an expert witness when testifies in court. In financial crimes scenarios, the forensic accountant must appreciate the seriousness of a situation and look beyond the game of numbers. It must go beyond being a detective or regular accounting. The field of forensic accounting is the product of forensic science and accounting. Crumbley (2003) described forensic scientists as the examiners and interpreters of evidence and facts in legal matters.

The role of forensic accounting cannot be under estimated in detecting fraud in Nigerian's public sector. Owojori and Asaolu (2009) stated that the role of forensic accountant is different from that of traditional auditor and it is suitable to an organization. Owojori and Asaolu also stated that forensic accountant utilizes accounting, auditing and investigating skills while conducting investigation and are trained to look beyond dispute in numbers of ways. They analyze, interpret, summarize and present complex issues in understandable and probably supported which provide litigation support service in the court of law.

Forensic accounting often involves and in-exhaustive detail effort to penetrate concealment tactics (Krell, 2002). Forensic accountant specialize in fraud detection, documenting the exact evidence required for successful criminal prosecution, give preliminary advice as an appraisal of the pleading and evidence available at the start of proceedings, review and identify key documents which should be available as evidence, prepare a detail balance on quantum evidence which is understandable, review expert accounting report and legal counsel on financial and accounting issues.

The need for forensic accounting arouse as a result of failure of audit system in organization to detect fraud and other fraudulent activities. Professionals in the field have observed that intense economic pressure has led so many into fraudulent activities in most organization. These great challenges have led to hindrances in National developments which result to the introduction of forensic accounting and its programme. Forensic accounting programme was

designed to help Accountant develop an investigative eye toward both internal and external fraud and provide crucial information to cope with it when discovered. Forensic accounting is a new and rapid growing area in accounting which is like a bridge connecting accounting system to legal system (Mayungbe, 2012).

Money laundering among other forms of economic and financial crime requires existing and financial operation. Money is laundered through ministries, currency exchange houses, stock brokerage houses, casinos, automobile dealership, politicians and trading companies. These institutions are capable of masking proceeds from illegal criminal activities. This illicit trade has pervaded both national and international business, ministries and banking industry with unabated vigor. Money laundering has been a critical problem that affects the socio-economic structure of a society. One researcher Akpabio 2014 noted that, "The economic health of a nation has the capacity to be endangered by money laundering because of the inflow and outflow of cash in the society (as cited in Amahalu, Abiahu, Okika & Obi, 2016).

According to Karwai 2002 opined that, "the increase wave of fraud is causing a lot of havoc in the Nigeria federal ministries" (as cited in Amake & Ikhatua, 2015). This is because fraud has penetrated into every aspect of Nigeria federal ministries. Okunbor and Obaretin (2010) reported, "that the spates of corporate failure have placed greater responsibilities and functions on accountant to equip themselves with skills to identify and act upon indicators of poor corporate governance, mismanagement, frauds, money laundering and wrong doing". The failure of auditor to prevent, detect and reduce modern frauds like white collar crimes such as security fraud, embezzlement, bankruptcies, contract disparate, money laundering and other financial crime in the Nigeria federal ministries has put pressure on professional accountant and legal practitioners to find better ways of exposing fraud in public sector (Owojori & Asaolu, 2009). It has now become pertinent to introduce and practice forensic accounting which is one of the approaches that can be used for the prevention and detection of money laundering in federal ministries in Anambra State since external auditor do not or may not have the required knowledge to be able to detect, prevent or reduce fraud in Nigeria's federal ministries and Anambra State in particular. From the above problems stated, this study sought to investigate forensic accounting and money laundering in selected federal ministries in Anambra State, Nigeria.

Statement of the Problem
Ojaide (2000) submits that, "there is an alarming increase in the number of fraud and fraudulent activities such as money laundering in federal ministries in Nigeria emphasizing the visibility of forensic accounting services". Izedomin and Mgbame (2011) acknowledged: the increasing incidence of fraud and fraudulent such as money laundering in federal ministries in Nigeria and these studies have argued that in Nigeria, financial fraud such as money laundering is gradually becoming a normal way of life.

As Kasum (2009) noted, "the perpetuation of financial irregularities are becoming the specialty of both private and public sector in Nigeria as individual perpetrates fraud and corrupt practice according to the capacity of their office". Consequently, there is a general expectation that forensic accounting may be able to stem the tide of financial malfeasance witnessed in most sectors of the Nigerian economy.

However, there has not been adequate emphasis, especially survey evidence on forensic accounting and money laundering in federal ministries in Anambra State beyond the several anecdotal views that abound.

Purpose of the Study

The main purpose of this study was to investigate forensic accounting and money laundering in selected federal ministries in Anambra State.

The specific purposes of this study are:

1) To examine forensic accounting service in detecting fraud of money laundering in selected federal ministries in Anambra State.
2) To ascertain forensic accounting service in preventing fraud of money laundering in selected federal ministries in Anambra State.

Research Questions

The following research questions were raised in order to achieve the objectives stated:

1) What are forensic accounting services in detecting money laundering in selected federal ministries in Anambra State?
2) What are forensic accounting services in preventing money laundering in selected federal ministries in Anambra State?

Hypotheses

The following hypotheses stated below were formulated and tested for the study:

1) **Ho:** Forensic accounting services do not lead to detecting money laundering in selected federal ministries in Anambra State

2) **Ho:** Forensic accounting services do not lead to preventing money laundering in selected federal ministries in Anambra State

Theoretical Framework

The theory that guides this research work is White Collar Crime Theory.

White Collar Crime Theory

The theory of white-collar crime was as dated back to 1939. Sutherland (1949) (cited in Adebisi & Gbegi, 2012). Sutherland was the first to coin the term, and hypothesis white-collar criminals, attributed different characteristics and motives than typical street criminals. Sutherland originally presented his theory in an address to the American Sociological Society in attempt to study two field, crime and high society which had no previous empirical correlation. Sutherland in Adebisi and Gbegi defined crime committed by a person respectability and high social status in the course of his occupation. Adebisi and Gbegi noted that in time, less than two (2) percent of the persons committed to prison in a year belong to the upper class. Adebisi and Gbegi goal was to prove a relation between money, social status, and likelihood of going to jail for a white-collar crime, compared to more visible, typical crimes, although, the percentage is a bit higher today. Much of Sutherlands work was, "to separate and define the difference in blue collar street crimes, such as arson, burglary, theft, assault, rape and vandalism which are often blamed on psychological, associational and structural factors" (Adebisi & Gbegi, 2012). Instead, white-collar criminals are opportunists, who over time learn they can take advantage of their circumstances to accumulated financial gain. They are educated, intelligent, affluent, individuals who are qualified enough to get a job which allows them the unmonitored access to often large sum of money. But the Federal Bureau of Investigation (FBI) has adopted a narrow approach defining white-collar crime as those illegal acts which are characterized by deceit, concealment, or violation of trust and which are not dependent upon the application or threat of physical force or violence.

The blue collar crime will more often use physical force, whereas, in the corporate world, the identification of a victim is less obvious and the issuer of reporting is complicated by a culture of commercial confidentially. Fredrichs (2007) stated that the only way one crime differs from another is in the backgrounds and characteristics of its perpetrators. Most, if not all white-collar offenders are distinguished by lives of privilege, much of it with origins in class inequality. It is estimated that a great deal of white-collar crimes is undetected or if detected, it is not reported. Because of the high status of the perpetrators of these crimes, a highly trained and experienced examiner or investigator like the Forensic Accountant is needed to forestall the occurrence of such high profile fraud. This study is anchored on while collar crime theory because it expound forensic accounting and money laundering in selected federal ministries in Anambra State.

Conceptual Framework
Forensic Accounting
According to Akenbor and Ironkwe (2014), "forensic accounting means belonging to, used in or suitable to court Judication or public discussion, debate and ultimately displace resolution" (p. 453). Forensic accounting is the integration of accounting, auditing and investigative skills (Zysman, 2004). Dhar and Sarkar (2010) defined "forensic accounting as the application of accounting concepts and techniques to legal problems" (p. 95). It demands reporting, where accountability of the fraud is established and the report is considered as evidence in the court of law or in administrative proceedings. Baird and Zelin (2009) stated that, "forensic accounting is important investigative tool for detection of fraud" (p.15). Gray (2008) opined that, "forensic accounting assist in disputing effective internal control and prevention of fraud in organization" (p. 39). Gray also, "analyzed forensic accounting as the combination of auditing and investigating skills" (p. 40). It is simply the process of interpreting, summarizing and presenting complex financial issues, clearly, succinctly and factually often in a court of law as an expert witness.

Forensic accounting is a discipline that has its own models and methodologies of investigative procedures that search for assurance, attestation and advisory perspective to produce legal evidence. It is concerned with the evidentiary nature of accounting data, and as a practical field concerned with accounting fraud and forensic auditing; compliance, due diligence and risk assessment; detection of financial misrepresentation and financial statement fraud (Akenbor & Ironkwe, 2014, p. 453); tax evasion; bankruptcy and valuation studies; violation of accounting regulation (Dhar & Sarkar, 2010, p. 96). Damilola and Olafinsola (2007) viewed, "forensic accounting as the application of criminal method and integration of accounting investigative activities and law procedures to detect and investigate financial crimes and related economic misdeeds" (p.50). Zysma (2004) put, forensic accounting as the integration of accounting, auditing and investigative skills.

Fraud Detection
According to The Electoral and Financial Crime Commission (EFCC) (2004) noted that, "fraud can be said to be a non-violent crime and illicit activity committed with the aim of getting illegal wealth either individually, in a group or an organised manner" (as cited in Okafor, 2004). This violates existing legislation governing the economic activities of government and its administration. Akenbor and Ironkwe (2014) defined, "fraud as wrongful or criminal deception intended to result in financial or personal gain" (p.457). Ojaide (2000) stated that, "frauds are acts deceit, dishonesty, falsifications and manipulations done to get either monetary or non-monetary benefits". In the opinion of Ranaswany (2005), Fraud is a human behaviour that involves deceit, purposeful intention, risk of being cut, rationalization,

strong desire and violating trust. But, Wang, Liao, Tsai and Hung (2006) and Nwaze (2012) share a similar view on Fraud. They see fraud as a planned tricky process or device usually undertaken by a person or group of persons with the full intention of cheating another person or organisation to gain ill-gotten benefits. It is therefore imperative to know that to catch a thief one must think like a thief. From the point of view of the behavioural scientist, there are psychological factors that could influence the behavior of fraud perpetrators. So it is necessary for the forensic accountant to think like a crook who secures wealth or power through illegal means. Any form of unethical behavior including bribery, nepotism, kickbacks, political donations, artificial pricing, fraudulent practices, embezzlement, favoritism and other sharp practices that gives advantage to people in authority or their relations, efforts to secure wealth or power through illegal means can be summarized as corruption, which is in line with Williams (2005) who corroborates that corruption is a financial crime.

Financial fraud has been variously described in literature. No one description suffices. Wikipedia dictionary described Fraud as crimes against property, involving the unlawful conversion of property belonging to another to one's own. Williams (2005) incorporates corruptions to his description of financial crimes. Other components of fraud cited in Williams (2005) description include bribes cronyism, nepotism, political donation, kickbacks, artificial pricing and frauds of all kinds. The array of components of financial crimes, some of which are highlighted above, is not exhaustive.

The EFCC Act (2004) attempts to capture the variety of economic and financial crimes found either within or outside the organization. The salient issues in EFCC Act (2004) definition include "violent, criminal and illicit activities committed with the objective of earning wealth illegally… in a manner that violates existing legislation… and these include any form of fraud, narcotic drug, trafficking, money laundering, embezzlement, bribery, looting and any form of corrupt malpractices and child labour, illegal oil bunkering and illegal mining, tax evasion, foreign exchange malpractice including counterfeiting, currency, theft of intellectual property and piracy, open market abuse, dumping of toxic waste and prohibited goods, etc. This definition is all-embracing and conceivably includes financial crimes in corporate organization and those discussed by provision authors (William, 2005 and Khan, 2005). At the level of corporate organizations, financial crimes were known to have led to the collapse of such organizations.

Fraud may be classified into two broad ways: nature of fraudsters and method employed in carrying out the fraud. On the basis of the nature of the fraudsters, fraud may be categorized into three groups, namely; internal, external and mixed frauds. Internal fraud relates to those committed by members of staff and directors of the organizations while external fraud is committed by persons not connected with the organization and mixed fraud involves outsiders colluding with the staff and directors of the organization.

Ajie and Ezi (2000) are of the view that studies have shown that on the average out of every 10 staff would look for ways to steal if given the opportunity and thus only 4 could be normally honest. Adeniji (2014) and others summaries the types of fraud on the basis of methods of perpetration, include the following but not exhaustive as the methods are devised day in day out; defalcation, suppression, outstripped, theft and embezzlement, tampering with reserves, insider abuses and forgeries, fraudulent substitutions, unauthorized lending, lending to ghost borrowers, kite flying and cross firing, fake payment, fraudulent use of firms documents, fictitious contracts and lot more.

According to Adeniji (2012), there are two types of fraud committed in business. These are: Personal use of business resources and drawing up of financial statement of business falsely. Research has shown that the amount of loss in public sector as a result of employees' fraudulent activities is far greater than that suffers as a result of citizens' negligence. About 50 % of employees are determined to commit fraud while 80 % of employee might be inclined to commit fraud under a suitable condition (Owolabi, 2007). Researchers also observed that high rate of fraud committed in public sector are committed by married men is higher than unmarried with high level of education and higher IQ level of age 28 and above, under a suitable working environment who is entrusted with responsibility of taking care of fraud or their collaborators and occupies lucrative positions in the organization. The wide spread of fraud in Nigeria public sector have made traditional auditing and investigation ineffective in detection and prevention of fraud. In 2009, researcher observed that fraud and economic crime rate has increased to about 80% which have threatened national development and made traditional auditors handicap which brought about the existences of forensic accounting, a specialty that have developed improved skills and techniques to tackle these challenges with its accountant who is knowledgeable in detection, prevention of fraud and provide litigation support service in Nigerian's Court (Jenfa in Adeniji, 2012).

Recently, Nigerian's public sector have realized that fraud, corruption and money laundry were becoming the greatest challenge and major hindrance to National development and decided to introduce forensic accounting to detect, reduce and prevent fraud. This became possible by introduction of forensic accounting training. Forensic accountant are trained to look beyond mere members and deal with business realities of situations (Bhasin, 2007). They analyze, summaries, interpret, and Present complex financial business related issues and also develop computerize application skills to assist in analyzing financial evidence.

Money Laundering

Money laundering is called so because it adequately describes what takes place since illegal, or dirty money is put through a cycle of transactions, or washed so that it comes out the other end as legal, or clean money. In other words, the source of illegally obtained funds is obscured through a succession of transfers and deals so that those same funds can finally appear as legitimate income (Ananto, 2016). Ananto further discussed that money laundering has an effect on national income as well as affecting the foreign direct investment. Billy & Steel suggested that government can help in stopping the money laundering activities through tax saving, efficient banking record system and develop awareness in the nation by the media. Money laundering appears in three phases which according to Hopwood *et al.,* (2013) are placement phase, where the money launderer introduces illegally obtained profits into the financial system with the objective of getting the money in a way that it cannot be traced to its illegal sources.

In the layering phase, the money launderer adopts complicated set of transactions to move the money around the financial system and further distance it from its original illegal source with the aim to carefully destroy any audit trait that could trace the money back to its original placement in the financial system. In the integration phase, the launderer pushes the money a final time into accounts under his legal control to make it appear to have come from a legitimate source. Money laundering refers to the activities and financial transactions that are undertaken with the specific aim of hiding the true source of income. Money laundering activities all the perpetrators of the crime to hide or obscure the actual origin of the funds or money on the outcome of criminal acts committed. To combat money laundering crime, anti-money laundering approach was built in order to trace the money derived from criminal acts.

One of the known method mentioned by some resources is follow the money trail by rebuilding the scenario from where the money came and what committed crime that create the money. Follow the money trail is a part of forensic accounting (Wechsler in Adeniji, 2012).

Litigation support

In litigation support, the forensic accountant presents factual evidence of economic issues that are related to any pending or existing litigation. The forensic accountant quantifies damages that could be sustained by all parties to a dispute. The implication is that any value arrived at in any damages must meet the satisfaction of parties to any legal dispute. Issues of dispute during courtroom proceedings can be resolved by the forensic accountant. Forensic accountant does play the role of an expert witness when testifies in court. In financial crimes scenarios, the forensic accountant must appreciate the seriousness of a situation and look beyond the game of numbers. It must go beyond being a detective or regular accounting. The field of forensic accounting is the product of forensic science and accounting. Crumbley (2003) described forensic scientists as the examiners and interpreters of evidence and facts in legal matters.

According to Anuolam, Onyema and Ekeke (2017) involve the examination and interpretation of economic information. Forensic accountant provides information that is used as evidence in the court of law. Anuolam, Onyema and Ekeke (2017) investigates, appraises and documents financial fraud and white collar crimes such as embezzlement and frauds- by employees, management and other frauds or crimes in the organization. Anuolam, Onyema and Ekeke (2017) estimates losses, damages and assets misappropriation and any other complex financial transaction.

Anuolam, Onyema and Ekeke (2017) identified the following as litigation support to include forensic accountant does play the role of an expert witness when testifies in court, forensic accounting provide the examiners and interpreters of evidence and facts in legal matters, forensic accounting produces report which is tendered to assist in legal adjudication, litigation support provides assistance of an accounting nature in a matter involving existing or pending litigation, forensic accounting deals primarily with issues related to the quantification of economic damages, forensic accounting provide litigation support assignment that would be use in calculating the economic loss resulting from a breach of contract, assistance in obtaining documentation necessary to support or refute a claim, review of the relevant documentation to form an initial assessment of the case and identify areas of loss, assistance with examination for discovery including the formulation of questions to basked regarding the financial evidence and review of the opposing expert's damages report and reporting on both the strengths and weaknesses of the positions taken, among others.

The role of Forensic Accounting

The role of forensic accounting cannot be under estimated in detecting fraud in Nigerian's public sector. Owojori and Asaolu (2009) stated that the role of forensic accountant is different from that of traditional auditor and it is suitable to an organization. Owojori and Asaolu also stated that forensic accountant utilizes accounting, auditing and investigating skills while conducting investigation and are trained to look beyond dispute in numbers of ways. They analyze, interpret, summarize and present complex issues in understandable and probably supported which provide litigation support service in the court of law. Forensic accounting often involves and in-exhaustive detail effort to penetrate concealment tactics (Krell, 2002).

Forensic accountant specialize in fraud detection, documenting the exact evidence required for successful criminal prosecution, give preliminary advice as an appraisal of the pleading and evidence available at the start of proceedings, review and identify key documents which should be available as evidence, prepare a detail balance on quantum evidence which is understandable, review expert accounting report and legal counsel on financial and accounting issues.

The need for Forensic Accounting

The need for forensic accounting arouse as a result of failure of audit system in organization to detect fraud and other fraudulent activities. Professionals in the field have observed that intense economic pressure has lent so many into fraudulent activities in most organization. These great challenges have led to hindrances in National developments which result to the introduction of forensic accounting and its programme. Forensic accounting programme was designed to help Accountant develop an investigative eye toward both internal and external fraud and provide crucial information to cope with it when discovered. Forensic accounting is a new and rapid growing area in accounting which is like a bridge connecting accounting system to legal system (Mayungbe, 2012).

Empirical Review

Amake and Ikhatua (2015) carried out research to empirically examine the significant difference between forensic Accounting and fraud detection in the Nigerian public sector. A research survey design was used for the purpose of this paper with a sample size of one hundred (100) respondents which comprises of auditors and accountants of four (4) ministries selected from Edo state in Nigeria. The statistical tool used to test the hypotheses was Analysis of variance, (ANOVA).

From our findings we found out that the application of forensic accounting in Nigeria's public sector is effective in detecting fraud, there is a significant relationship between forensic accounting and litigation support service in Nigeria's court and lastly the application of forensic accounting in the public sector is effective in preventing fraud. It was therefore recommended that the public sector should build a continuous improvement in the internal control system and initiate effective and efficient internal check, they should adopt a sound accounting system in principal and effective practices, forensic accountant should acquire proper training on forensic accounting skills and procedures and officials in the public sector should embrace integrity, objectivity, fairness, accountability as a moral duty to reduce the level of fraud.

Adebisi and Gbegi (2012) conducted a research to examine fraud and the Nigerian public sector performance: The need for forensic accounting. The general objective of this study is to assess fraud and the Nigerian public sector performance: The need for forensic accounting. The research design for this study was based on non-experimental descriptive/survey design of collecting and analyzing data.

The population of this study comprised of 190 senior staff of the three Anti-Corruption Agencies in Nigeria (EFCC, ICPC, and CCB) with the sample size of 129. The data generated for this study were analyzed using simple percentages and presented in tabular form while the hypotheses were tested using Analysis of variance (ANOVA) and regression analysis with the aid of SPSS version 20.0. The findings show that, first, Public sector fraud has significant effect on economic growth in Nigeria, and second, there is positive and significant influence between the use of forensic accounting and the performance of the

Nigerian public sector. The research recommends that, it is obvious that public sector fraud affects economic growth in Nigeria and as such appropriate sanctions should be applied when fraud is discovered or detected.

Okolie (2014) conducted a research to examine the relevance of forensic accounting in curbing financial crimes and corruption in developing countries such as Nigeria: An empirical analysis. The objective of the study was to examine the persistent widespread of corporate failures and economic crimes resulting from audit failure and the emergence of creative accounting. Empirical and descriptive research methods were adopted in the collection and analysis of data.

Findings revealed that the application of forensic accounting is still at a very low level due to high cost of forensic accounting equipment and the time and resources required in training the forensic accountant. The paper concluded that there is need to employ the services of forensic accountants in order to reduce economic crimes and corruption so as to enhance economic growth and development in developing economies. It was recommended among others, that the various agencies fighting corruption worldwide will need to engage the services of forensic accountant to compliment efforts of other professionals in reducing fraudulent activities and installing fraud proof internal control system in corporate organizations.

Anuolam, Onyema, and Ussim (2016) conducted a research to examined the significance of forensic accounting in the face of increasing fraudulent practices in Nigeria with a view to advancing some solution. A sample of 98 respondents was selected from a population of 140 using the Taro Yemen formular. 90 questionnaires were returned fully and correctly completed by the respondents. Regression analysis, correlation coefficient, Ordinary Least Squares (OLS) and E-view 7 Geometric software were used to analyze the data.

The findings of the study show that forensic accounting is significant in the face of the increasing fraudulent practices in Nigeria. Based on the findings, it is recommended that the government should make forensic accounting compulsory for all accounting majors in the University and create enabling environment for the practice of forensic accounting in the country.

Method
Descriptive survey design was adopted for the study. The researchers considered this design appropriate for this study since it intended to collect data from practicing accountants and auditors regarding forensic accounting and money laundering in selected ministries in Anambra State, Nigeria. The population comprised of 2102 accountants and auditors (accountants 1368 and auditors 734) in 3 ministries at Anambra State of Nigeria.

The researchers used proportionate sampling technique whereby a percentage of the sample to be drawn from each stratum was calculated and the proportion of 16 percentages was calculated arriving at the sample size of 334.

The instrument for data collection was a structured questionnaire titled; Forensic Accounting for Detecting and Preventing Money Laundering in Federal Ministries (FADPMLFM). The statistical technique employed in analyzing the data was mean and standard deviation for research questions and Analysis of Variance (ANOVA) for hypotheses. Decisions on the questionnaire items and the research questions were based on the item and cluster means

relative to the real limits of numbers. With reference to the research questions, the decision was that items with mean ratings of 3.50-4.00 were regarded as "strongly agreed". Mean ratings from 2.50-3.49 were regarded as "agreed". Mean ratings that range from 1.50-2.49 were regarded as "Disagreed", while mean ratings between 1.00-1.49 were regarded as "strongly disagreed".

The null hypothesis was rejected where the calculated p-value was less than the 0.05 level of significance; it meant that there was significant relationship. Conversely, where the calculated p-value was greater than or equal to the level of significance (0.05), it meant that there was no significant relationship and the hypothesis was not rejected.

Data Presentation and Analysis
Research Question 1
What are forensic accounting services in detecting money laundering in selected federal ministries in Anambra State?

Table 1. Means and St. Dev. of forensic accounting service in detecting money laundering (N=334)

S/N	Detecting of money laundering	$\overline{X}$	SD	Remarks
1	The application of forensic accounting services in federal ministries is effective in deterring fraud of money laundering	3.10	0.62	Agree
2	Forensic accounting services on fraud deterrent guarantee the well-being of federal ministries against money laundering	3.54	0.45	Strongly Agree
3	Forensic accounting services help federal ministries in the State in presenting credible and transparent financial reports	2.62	0.74	Agree
4	The application of forensic accounting services enhancing quality of financial reporting in federal ministries in Anambra State	3.39	0.51	Agree
5	The application of forensic accounting services is effective to uncover money laundering activities	2.75	0.70	Agree
	Cluster Mean	**3.08**	**0.60**	**Agree**

Data in Table 1 show that out of the five items listed on forensic accounting service in detecting money laundering in selected federal ministries in Anambra State, one item was rated strongly agree with the mean score of 3.54 and the remaining four items were rated agree with the mean scores ranging from 2.62 to 3.39.

The cluster means score of 3.08 shows that forensic accounting service are used in detecting money laundering in selected federal ministries in Anambra State. The standard deviations for all the items fall within the same range of 0.45 to 0.74, with an overall ranged of 0.60. This shows that the respondents were not wide apart in their mean ratings.

Research Question 2
What are forensic accounting services in preventing money laundering in selected federal ministries in Anambra State?

Table 2. Means and St. Dev. of forensic accounting service in preventing money laundering (N=334)

S/N	Preventing of money laundering	$\overline{X}$	SD	Remarks
1	Forensic accounting services is effective in preventing corporate scandals in federal ministries in Anambra State	3.10	0.74	Agree
2	Money laundering activities can be prevented in federal ministries in Anambra State by the application of forensic accounting services	3.44	0.67	Agree
3	Application of forensic accounting service	3.52	0.54	Strongly Agree
4	Application of forensic accounting service prevent and minimize money laundering	3.52	0.54	Strongly Agree
5	Forensic accounting is effective as a fraud prevention tool	3.39	0.61	Agree
	Cluster Mean	**3.36**	**0.64**	**Agree**

Data in Table 2 show that out of the four items listed of forensic accounting service in preventing money laundering in selected federal ministries in Anambra State, one item was rated strongly agree with the mean score of 3.52 and the remaining three items were rated agree with the mean scores ranging from 3.10 to 3.44. The cluster means score of 3.36 shows that forensic accounting service are used in detecting money laundering in selected federal ministries in Anambra State. The standard deviations for all the items fall within the same range of 0.54 to 0.74, with an overall ranged of 0.64. This shows that the respondents were not wide apart in their mean ratings.

Testing the Hypotheses
Null Hypothesis 1
Forensic accounting services do not lead in detecting money laundering in selected federal ministries in Anambra State

Table 3. ANOVA Summary of forensic accounting service do not lead in detecting money laundering in selected federal ministries in Anambra State

	Sum of Squares	Df	Mean Square	F	P-value	Decision
Between Groups	30.400	2	15.430	2.248	.01	Significant
Within Groups	220.342	331	4.875			
Total	**250.742**	**333**				

Table 3 shows that the F-ratio is 2.248 and *P-value* (.01) is less than the stipulated 0.05 level of significance. The alternative hypothesis (HA) is accepted and the null hypothesis (HO) is rejected. This means that forensic accounting service lead in detecting money laundering in selected federal ministries in Anambra State. Therefore, the null hypothesis is rejected.

Null Hypothesis 2
Forensic accounting services do not lead to preventing money laundering in selected federal ministries in Anambra State.

Table 4. ANOVA Summary of forensic accounting service do not lead in preventing money laundering in selected federal ministries in Anambra State

	Sum of Squares	Df	Mean Square	F	P-value	Decision
Between Groups	41.342	2	11.430	4.811	.03	Significant
Within Groups	321.213	331	5.875			
Total	**362.555**	**333**				

Table 4 shows that the F-ratio is 4.811 and *P-value* (.03) is less than the stipulated 0.05 level of significance. The alternative hypothesis (HA) is accepted and the null hypothesis (HO) is rejected. This means that application of forensic accounting service in selected federal ministries in Anambra State is effective in preventing fraud of money laundering. Therefore, the null hypothesis is rejected.

Discussion of Findings
Findings of the study revealed that forensic accounting services are used in detecting money laundering in selected federal ministries in Anambra State. The results in Table 3 revealed that the respondents did not differ significantly in their mean ratings that forensic accounting service lead in detecting money laundering in selected federal ministries in Anambra State. This is in agreement with Amake and Ikhatua (2015) which examined the significant difference between forensic Accounting and fraud detection in the Nigerian public sector. Anuolam, Onyema and Ussim (2016) noted that forensic accounting is significant in the face of the increasing fraudulent practices in Nigeria. This was in disagreement with Adebisi and Gbegi (2012) which examined fraud and the Nigerian public sector performance: The need for forensic accounting. Adebisi and Gbegi noted that, "public sector fraud has significant effect on economic growth in Nigeria, and second, there is positive and significant influence between the use of forensic accounting and financial fraud detection through interview process in selected federal ministries".

Findings of the study regarding the second research question indicated that forensic accounting services are used in preventing money laundering in selected federal ministries in Anambra State. However, in Table 4 it also shown that the respondents did not differ significantly in their mean ratings. This means that the application of forensic accounting service in selected federal ministries in Anambra State is effective in preventing fraud of money laundering. This finding was in disagreement with Okolie (2014) which conducted a research to examine forensic accounting in curbing financial crimes and corruption in developing countries such as Nigeria. The study revealed that the application of forensic accounting is still at a very low level due to high cost of forensic accounting equipment and the time and resources required in training the forensic accountant.

Conclusion
Based on the findings of the study, it was concluded that there is need to employ the services of forensic accountants in order to reduce economic crimes and corruption so as to enhance economic growth and development in developing economies. It was recommended among others, that the various agencies fighting corruption worldwide will need to engage the services of forensic accountant to compliment efforts of other professionals in reducing fraudulent activities and installing fraud proof internal control system in corporate organizations. Detection and prevention of financial and money laundering through the application of forensic accounting service will improve the image of the selected federal ministries in Anambra State of Nigeria.

Summary of Findings

Based on the analysis it was discovered that:

1) The finding show that forensic accounting service are used in detecting and preventing money laundering in selected federal ministries in Anambra State.
2) The finding show that forensic accounting service lead in detecting and preventing money laundering in selected federal ministries in Anambra State.

Recommendations

Based on the findings of this study, the following recommendations are made:

1) Forensic accountants should always apply forensic accounting skills in detecting and preventing money laundering and report to an appropriate authority.
2) Government should develop more interest in forensic accounting for monitoring and investigation of suspected corruption cases like money laundering.

Conflicts of interest: There is no conflict of interest of any kind.

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