

TREASURY SINGLE ACCOUNT AND CORRUPTION IN NIGERIA: ENVISIONING THE RELEVANCE OF FORENSIC ACCOUNTING

Ademola Johnson, OMOOLORUN

Internal Audit Department, Federal Medical Centre, Owo, Ondo State, Nigeria.

E-mail: adetounmola@gmail.com

Ajibola, OLAWOLE

Accountancy Department, Rufus Polytechnic, Owo, Ondo State, Nigeria.

E-mail: olawoleajibola@rocketmail.com

Abstract

This paper reviews the relevance of forensic accounting in consolidating the implementation of Treasury Single Account with understanding that, operation of Treasury Single Account and its ancillary platforms such as Government Integrated Financial Management Information System, Integrated Personnel Payroll Information System, and Remita do not foreclose corruption entirely. In doing this, the work examines the gains and challenges of Treasury Single Account, and equally takes a look at the nexus between Forensic Accounting, Corruption and Treasury Single Account. Extant literatures on corruption, forensic accounting, and Treasury Single Account were reviewed. The study concludes that, integration of forensic accounting into the governance system and engagement of forensic accounting experts to reinforce effective and successful criminal prosecution of corrupt individuals in a manner that will create atmosphere of punishment for corruption to consolidate the on-going institutional reforms for desired result is imperative.

Keywords: Forensic Accounting, Treasury Single Account, Corruption

1.0 Introduction

Nigeria is a nation blessed with abundant natural endowments without commensurate economic development due to maladministration by successive administrations which has resulted to enormous economic leakages through the conduit pipe of corruption driven by greed, selfishness and contemporary materialistic tendencies of civil servants, ruling elites or the political class (Omolorun & Abilogun, 2017). Nigeria has been blowing the opportunities to maximize her potentials to consolidate her leading economic role as the giant of Africa. Harnessing her resources for prosperity and abundant life for all has become impossibility as a result of diversion of common patrimony through fraudulent means.

On achieving democracy in 1999, Nigeria was associated with poor fiscal management. The emergent civilian administration inherited plethora of problems such as external debt overhang of over \$30 billion, poor infrastructure, corruption, low accountability and transparency, internal payment arrears, years of unprepared financial statements, and the lack of auditing of government accounts (Zubairu, 2016). The previous military administrations had wasted a lot of resources, with habitual inefficiency and leakages in both the recurrent and capital budgets. Financial regulations were long neglected. There was inadequate fund for operational and maintenance costs, and payroll fraud. Projects were poorly planned and executed, with long delays in completion of projects, and increased incidence of projects abandonment.

Corruption and other fraudulent activities in the public sector had become pervasive and endemic which portend danger for posterity. Reform of fiscal management became inevitable which necessitated the commencement of measures to improve the quality of spending in the year 2000 by federal government. The first step of government was the restoration of rule-bound financial management by re-issuing Financial Instructions. However, the pace of reform picked up in 2004 with new reform mandate by the then President Olusegun Obasanjo, which gave birth to modernise legal framework for public financial management, through the enactment of Fiscal Responsibility Act (2007) and the Public Procurement Act (2007). Before that time, economic and financial crimes such as Advance Fee Fraud and Money Laundering had severely impacted Nigeria negatively. Foreign Direct Investments was the most affected. These crimes and the recognition of its damaging effects led to the establishment of the Economic and Financial Crimes Commission (EFCC), and the Independent Corrupt Practices and Other Related Offences Commission (ICPC). The legal instruments backing the Commissions is the enacted EFCC (Establishment) Act 2002, and the Corrupt Practices and Other Offences Act 2000 with mandate to; combat financial and economic crimes; prohibit and prescribe punishment for corrupt practices and other related offences respectively.

At the dawn of President Jonathan administration, there was a need to continue with reform of fiscal management in the face of unsustainable trajectory of most fiscal variables. Efforts to address the identified problem of government fund mismanagement occasioned by fraudulent diversion had brought about Public Financial Management (PFM) reforms under Economic Reforms and Governance Projects (ERGP) as part of National Strategy for Public

Service reform. The PFM reforms were designed to address impediment to effective and efficient management of public funds through implementation of Government Integrated Financial Management Information System (GIFMIS) with the adoption of Treasury Single Account (TSA), Integrated Payroll and Personnel Information System (IPPIS), and International Public Sector Accounting Standards (IPSAS) among other reforms initiatives under the treasury. This brought to fore the need for e-Collection platform and subsequent engagement of Remita e-Payment and e-Collection tools by President Muhammadu Buhari led administration. Remita is an electronic platform that helps the government, corporate organisations, Small and Medium Enterprises (SMEs) and individuals to make and receive payments without stress (Nweze, 2019); it aggregates multiple bank accounts, giving customers the ability to perform complete e-Transaction. Remita facilitates the collection and remittance of all government revenues to Consolidated Account domiciled with the Central Bank of Nigeria (CBN) in line with the provision of section 80(1) of the 1999 Constitution as amended which states ‘‘All revenues, or other moneys raised or received by the Federation (not being revenues or other moneys payable under this Constitution or any Act of the National Assembly into any other public fund of the Federation established for a specific purpose) shall be paid into and form one Consolidated Revenue Fund of the Federation’’(System Specs, 2015).

To consolidate this worthy effort, government took bold step in enrolling all Ministries, Department, and Agencies (MDAs) of government on Government Integrated Financial and Management Information System (GIFMIS). GIFMIS is one of the components of ERGP that support the public financial management and anti-corruption initiatives through modernised fiscal processes via information technology with a vacuum for forensic audit.

GIFMIS, IPPIS and Remita create platforms through which MDAs funded by government receive revenues and make payments for supplies and services from/to third parties such as contractors, service providers, staff, and other government agencies , this is not without new dimensions of fraud and fraudulent practices such as ‘online vehement’ without ministerial approval, kickback scheme with deliberate overpayment to third parties, procurement fraud, duty tour allowance fraud and contract inflation which the conventional audit might not unravel, hence, the need for forensic accounting with potentials for detecting, quantifying and presenting fraud/corrupt practices in a manner that is admissible in court for litigation purpose in support of the anti-corruption posture of the current administration.

Therefore, the relationship between forensic accounting and TSA with its ancillary e-payment platforms in curbing corruption shall be reviewed conceptually in this paper for far reaching recommendations in view of the current economic realities in the country, and the wrong notion that TSA is self-auditing will be corrected. Case will be made for consolidation of forensic accounting in the governance system for sustainable fiscal discipline which can foster national rebirth of virtues of integrity, transparency, and accountability.

2.0 Conceptual Review

2.1 Treasury Single Account

Treasury single account (TSA) is a banking arrangement for consolidating government financial resources in one bank account. TSA is one account housing multiple bank accounts of ministries, departments and agencies of government domiciled with the Central Bank. TSA is not a special fund rather it is a system of collecting and disbursing government funds directly through single account domiciled with the Central Bank of Nigeria (Yusuf, 2017). Federal government implemented TSA for better consolidation and management of cash balances of thousands of government accounts with Deposit Money Banks (DMBs) which gave room for: fragmented banking arrangements with over 10,000 MDAs accounts in 2010; inability to establish cash position of government at a glance; diversion of idle cash balances in the MDAs accounts towards end of every fiscal year; growing domestic debts and high costs of debt servicing; government borrowing from itself as Commercial banks use MDAs idle balances to buy treasury bills and other loan instruments; and inability to have robust cash planning and management (Odewole, 2016).

Due to the potential of TSA to curb fiscal indiscipline, the Accountant General of the Federation (AGF) in 2007 set up inter-ministerial committee to develop a roadmap on improving our cash management system. After series of consultations including technical support by International Monetary Fund (IMF), Federal government in 2011 finally adopted TSA that is centralised but with decentralised transaction processing system which create lacuna for new dimension of petty corruption. TSA became operational in April 2012 with 217 MDAs in the pilot phase accessed their allocations directly from the Consolidated Revenue Fund Account. The pilot scheme saved the country about #500 billion in frivolous spending which motivated the government to fully implement TSA in September, 2015. Subsequently, MDAs on TSA went to 225 in 2013, 345 in 2014, 706 in 2015, 976 in 2016 and currently over 1500 MDAs are on TSA (Adaramola, 2016; Agabi, 2017, Nweze, 2019).

2.1.1 Benefits of Treasury Single Account

In the face of exorbitant costs of fiscal indiscipline in the civil service, there are evident benefits of TSA. TSA is seen as one of the most significant initiatives undertaken by any government in Nigeria to promote accountability, transparency and fight corruption in the management of public funds (Nweze, 2019). TSA provides adequate information on the volume of transactions of government per time. MDAs accounts hidden from treasury have been brought into TSA net. Cash availability is now the basis for issuance of Authority to Incur Expenditure (AIE) by the Budget Office of the Federation. To a greater extent, adoption of TSA instils fiscal discipline at the Government level while at the MDAs level fiscal indiscipline is very much alive. TSA has replaced the process of cash backing MDAs operations through commercial banks with immediate access to funds by MDAs as soon as the Minister of Finance releases the warrant via the online GIFMIS platform. TSA has checkmated the commercial banks' ability to use government money to buy treasury bills and bonds for private gains at the expense of government (Adekunle, 2016).

The Accountant-General, Mr. Ahmed Idris opined that the implementation of TSA has brought about considerable gains to the Federal Government and for the Nigerian economy. With TSA he said government has successfully eliminated multiple banking arrangements, which have resulted into consolidation of over 20,000 bank accounts which were spread over Deposit Money Banks in the country, and 40,000 ghost workers had been flushed out of the public service according to Vice President Yemi Osinbajo. This brought about transparency and effectiveness in tracking government revenues with adequate audit trail of all transactions of government while the source documents domiciled with the various MDAs (Nweze, 2019). It has also led to blocking of leakages and abuse, which characterized the Public Finance Management before TSA. TSA has taken Nigeria out of the era of indiscriminate borrowings by MDAs with attendant reduction in Government charges associated with those borrowings which amounted to an average of ₦4.7 Billion monthly prior to full implementation of TSA (Agabi, 2017). From 2012 when full implementation of TSA started, it has recorded ₦30 trillion transaction volumes (Ahmed, 2019).

2.1.2 Challenges of Treasury Single Account

Full implementation of TSA in 2015 is not without its peculiar challenges. The TSA at inception experienced some difficulty in releasing funds to MDAs but this had been resolved, and the MDAs are now accessing funds without any hitch through GIFMIS, IPPIS and Remita.

There is also the issue of deploying the saved monies into funding economy. Currently, the government is exploring effective ways of utilizing TSA savings to drive budget implementation. In fact, the budget of 2017 was financed with TSA savings to some extent.

One key challenge of TSA is the lack of knowledge on how it works by some Nigerians. People do not understand that TSA is just a single account with CBN that warehouses funds appropriated to the MDAs which they are actually accessing for their various need through GIFMIS, IPPIS and Remita. TSA is out to achieve efficiency and effectiveness in the management of government funds. It is one of the critical aspects of our economic reform that has potential to increase accountability and transparency (Agabi, 2017). According to Adekunle (2017), other challenges ranged from non-enrolment of key arms of government, resistance based on limited understanding of TSA, conflicting directives and signals, and the issues of coordinating stakeholders had slowed down the progress of the operation. Another challenge that can undermine the gain of TSA is the new dimensions of corruption and fraudulent practices such as 'online virement' without ministerial approval, kickback scheme with deliberate overpayment to third parties, procurement fraud scheme where fairly used assets are purchased with funds appropriated for brand new; the red flag here is that the assets would be purchased from vendor who is not part of the accredited vendors for the sale of brand new. Unreported revenues are usual occurrence since the implementation of TSA. In-house Training Fraud Scheme; here, millions of naira are paid for phantom training using schedule of attendance from few hours in-house workshop for staffs as evidence. Fake duty tour allowance; the red flag here is that, an officer could be in two or more locations for official assignment at the same time. Indiscriminate and illegal deductions by the Deposit Money Banks (DMBs) in the process of transferring MDAs cash lodgement to the TSA; the

oddity here would be discrepancies between the amount lodged with the DMBs and the amount actually transferred to the TSA, possibility of hacking into TSA by hackers is not foreclosed in any way.

The believe that TSA is self-auditing with enough audit trail of cash flow is misleading bearing in mind the decentralisation of transaction processing system which gives room for sharp practices of fraudulent nature by the MDAs. The contemporary challenges common with TSA in the area of corruption and hackers activities are outside the scope of conventional audit hence the need for forensic auditing of the transaction processing end of the system. For empirical purpose, Treasury Single Account can be measured with the Ratio of Volume of Government Transactions on TSA to Gross Domestic Product.

2.2 Corruption

Corruption exists in every civilized society all over the world in an unequal proportion. In recent years, attentions have been paid to corrupt practices with new vigour due to; (1) series of corruption cases in industrialized countries, (2) an increased awareness of the costs of corrupt practices all over the world and (3) the political and economic changes which many countries are undergoing (Bengal, 2007). In Nigeria, serious attentions have been paid to corruption due to; (1) the political and economic changes it experienced between 1999 to date as a result of her democratic experiences and (2) the staggering economic development which are apparent evidences of high rate of corruption.

Corruption is a concept that has attracted different views and perceptions in academic world, though it is generally seen as a phenomenon which is common with every civilization in the world. The nature of corruption and its magnitude varies with the nations, the actors, the profiteers and the initiator involved. Corruption is any action of public figure that is morally reprehensible (Obuah, 2010). In more specific and broad manner, the Independent Corruption Practices Commission (ICPC) Act (Federal Republic of Nigeria, 2000) describes Corruption as bribery, fraud and other fraud related offences.

A line of demarcation is often drawn between grand corruption and petty corruption. Grand corruption involves corrupt practices that are common with the higher levels of government. Petty corruption on the other hand involves the payment by individuals or companies to gain preferential treatment from public officials in the conduct of their legitimate and professional tasks. The commonest form of corruption is bribery; bestowing of financial benefits to influence unduly an action or decision to one's advantage.

Corruption is an act of diverting resources that should have been used to build infrastructures for the public to private use out of greed. This diversion of nation's economic resources for personal enrichment causes social distortions that breed culture of impunity, excessive materialistic tendencies, and breach of public trust, moral decadence and erosion of enviable values such as integrity, hard work, trustworthiness and mutual trust. Corruption promotes mutual distrust which is capable of killing the spirit of nationhood in building the wealth of a nation for social well-being of posterities. Corruption is indeed the greatest obstacle for long run economic development especially in developing countries. It does not only affect

economic growth and development of a country but also damages its institutional quality. It is a symptom and outcome of institutional deficiencies with negative effects on the economy (Ugur & Dasgupta, 2011).

The rise of public administration and discovery of oil couple with tribal sentiment which dominate Nigeria life of recent have contributed to the high rate of corruption in the country. Corruption is driven by greed. Corruption affects life and its quality which portend danger for economic development of any nation because prosperity of a nation depends on the qualities of her human resources. Corruption distorts economic order by creating a mind-set of reward for unproductiveness with depilating effect on the aggregate economic output.

Corruption in nutshell is an impediment to Nigeria quest for economic liberation of Africa being the giant that her rising will set the pace for economic emancipation of Africa Continent. Corruption has been one of Nigeria's major problems. Corruption damages Nigeria's reputation in international community, undermines her abilities to fight poverty, discourages foreign investors, stifles economic growth, and prevents proper service delivery by the government. The current dimensions of corruption are diversion of personnel funds through 'illegal virement' without ministerial approval by the MDAs in collusion with government officials and procurement fraud scheme.

The prominence of corruption in social discourse has received an extraordinary patronage in the recent times. This is not unconnected with the fact that corruption has been acknowledged as a key factor preventing economic development. Accordingly, vast array of law and policy have been developed to effectively fight against it. The increased importance of corruption in both national and international discourses also generated a strong demand of particular models to launch reliable measure of corruption in quantitative terms.

The most celebrated measure of corruption is the Corruption Perception Index (CPI) by Transparency International (TI). CPI combined objective and subjective measurement concepts which entail experienced-based and perception-based questionnaire respectively in a structured poll. CPI has been criticised in some quarters for lack of accuracy, consistency and possibility to assess what a particular given degree of corruption means for a country. However, the CPI has been regarded as a powerful tool, accepted worldwide. Several indicators of qualitative internal architecture help to make the CPI more reliable and accurate (Lambsdorff, 2006). The corruption perception index of 2017 showed that, Nigeria failed to improve her scores on the index. Nigeria scored 28, 27 and 27 points out of 100 for 2016, 2017 and 2018 respectively according to Corruption Perception Index released by Transparency International. Corruption Index in Nigeria averaged 20.48 points from 1996 until 2017, reaching all-time high of 28 Points in 2016 and record low of 6.90 Points in 1996 (<http://tradingeconomics.com/nigeria/corruption-index>). With a score of 27 out of 100 points in 2018, Nigeria remained unchanged on the CPI since 2017 despite the implementation of TSA (Onyekpere, 2019).

2.2.1 Drivers of Corruption in Nigeria

Drivers are likened to factors pushing people into the web of corruption without consideration of the consequences on the economy. The following factors peculiar to contemporary Nigeria are herein expressed.

2.2.2 Fear of Unknown

Fear of unknown further deepens the depth of corruption in Nigeria. The lack of clear cut social policies that guarantee well-being of the citizen (most especially at old age, or retirement) on the average creates a kind of panic for survival with tenable excuses for embezzlement for personal enrichment to break poverty circle for one's family/generation.

2.2.3 Parameters for Measuring Success

Successes are measured with wrong yardsticks in Nigeria. Personal acquisitions in term of properties are measures of success and achievement in Nigeria rather than meaningful and productive contributions to nation building at all levels. These trends create reason for amassing wealth at all cost in fragrant violation of human rights and breach of public trust just to appear successful to meet up with societal expectations (Chizoba, n.d.).

2.2.4 Tribalism

Tribalism has taken a dangerous dimension that is capable of breaking asunder our common pedestal for building a prosperous nation. Tribalism in Nigeria provides strong solidarity networks for corruption to strive unabated, once the thief is from your tribe, he/she is a saint, this kind of mentality which is the common trend in our society encourages corruption. Until we break this solidarity network, corruption will continue to have a pride of place in our society (Ojomu, 2016).

2.2.5 Contemporary Materialistic Tendencies

As the usual saying goes; money answers all things. We are living in materialistic society where individual power, popularity and prestige are function of how rich they are. Riches are the measure of value that is attached to one's personality, and riches are reflected through enormous material possessions which regular income might not provide, hence, get rich at all cost syndrome which is the root of all corrupt practices. This situation has degenerated to a level that criminals and dubious individual are the most popular and accepted in our society because of their huge material possessions. Therefore, the desire for power, prestige and popularity which can be achieved with huge material possessions motivates the political class as well as top echelon of corporate ladders to amass wealth for themselves through illegal means in fragrant breach of public trust (Omoolorun et al., 2017).

2.2.6 Lack of Political Will to Implement Punitive Measures

Since 1999, significant efforts have been made to mitigate corruption. The establishments of the Code of Conduct Bureau (CCB), Economic and Financial Crimes Commission (EFCC),

the Independent Corrupt Practices Commission (ICPC), the passage of the Fiscal Responsibility Law, and Procurement Act among others should have rendered corruption unattractive if there is strong determination to adhere strictly to the provisions of these laws. The enforcement of these laws which involves the activities of the CCB, the EFCC, and the ICPC in investigating and prosecuting offenders had not been done with strong political will. Even the preventive measures put in place like publication of federal budgets, public procurement reforms, due process, and financial regulations have not been religiously implemented to produce the desired result, that is why we have not experienced much conviction of corrupt individual which should have served as deterrent for others (Nwachukwu, 2017).

3.0 Forensic Accounting

Forensic accounting was a root of accounting profession but recently perceived as a new specialty area of the accountancy profession which involves the engagements that aim at actual financial dispute resolution in court. Forensic accounting has been defined as the application of accounting, taxation, auditing, finance, quantitative techniques, investigative and research skills, and understanding of the legal process in identifying, collecting, analysing, and interpreting financial or other data within the purview of rule of evidence to providing assistance for actual, pending or potential legal or criminal proceedings of financial nature before a trial of fact for the purpose of resolving disputes between parties or prosecution of offenders; performing financial investigations using the various skills listed above. As import from above, forensic accounting is a field of study that covers litigation support services and investigative accounting. Forensic accounting is described as the science of gathering and presenting information in a form that is admissible in court of jurisprudence against the perpetrators of economic crimes (Stanbury & Paley-Menzies, 2010).

The traditional statutory audit gave way for forensic accounting to hold sway in the recent time due to its failure to provide the sufficient and appropriate ‘watchdog’ services in the economy, hence, the failure to successfully prosecute pending corruption cases. Auditing is legally required to be carried out with professional scepticism (ISA, 240). Statutory audits do not always detect wrongdoing, because the traditional purpose of statutory audit is to enable independent accountant to express an opinion on the ‘true and fairness’ of financial statements prepared by the management (Owojori & Asaolu, 2009).

Forensic accounting involves looking behind the facade; not accept the records at their face value, vouching of accounting records and documents with suspicious mind of an expert to conduct very detailed interviews of individuals to develop the truth, especially if some are presumed to be lying. Integration of accounting, auditing and investigative skills, law, criminology, and computer knowledge create the specialty known as forensic accounting (Crumbley, n.d.).

3.1 Forensic Accountant

Before the recent economic recession, accounting profession had undergone a critical review as a result of the celebrated Enron and Worldcom saga. This new paradigm brought to focus new set of accountants called the forensic accountants. Forensic accountants are professionals with special knowledge and auditing skills focusing on discovery, documentation and prevention of fraud. Forensic accountants have the capacity to take on fraud auditing as a fraud auditor because of their accounting, auditing, investigative skills, knowledge of law and criminology. Forensic accountants require a workable knowledge of legal system with excellent quantitative and communication skills to give expert testimonies in the court room and to aid in other litigation issues.

Forensic accountants usually look beyond the numbers and deal with the economic realities of every transactions and situations (Bhasin, 2007). Analysing, interpreting, summarising and the presentation of complex financial issues are prominent features of an average forensic accountant. Bhasin further argued that, the activities of forensic accountants consist of: investigating and analysing financial evidence using computerised applications; communication of findings in the form of reports, exhibits and collection of documents to assist in legal proceedings, including testifying in courts, as an expert witness.

In the same vein, forensic accountants provide assistance of accounting nature to unravel financial crimes and other related economic matters involving existing or pending cases as specified by the Alliance for Excellence in Investigation and Forensic Accounting (AEIFA) of Canada. Forensic accountants assist clients to obtain documents that is necessary to support or refute a claim; reviewing the relevant documents to form prima facie evidence of the fact in issue and identifying areas of loss; assisting in the examination of records for discovery and the formulation of questions to be asked to establish a case; attendance at the examination for discovery to review testimonies; assist with understanding of the financial issues and to formulate additional questions; reviewing of the opposing expert's damaging reports, and reporting on the strengths and weaknesses of the position taken; and attendance at trial to hear the testimony of the opposing expert and provide assistance during cross-examination (Degboro & Olofinsola, 2007).

Forensic accountants calculate value, draw conclusions and identify irregular patterns or suspicious transactions by critically analysing the financial data (Arokiasamy & Cristal, 2009). They provide accounting analysis and explanations to the court to resolve fraud cases. That is why forensic accountants play vital roles in detecting and reducing accounting frauds and enhance compliance with ethical and governance code (Ozkul & Pamukc, 2012).

An average forensic accountant as a result of his in-depth knowledge of financial records, adequate understanding of fraud schemes, ability to dissect the internal control systems, proficiency in computer usage, knowledge of networking, knowledge of psychology, interpersonal and communication skills, knowledge of government policies and the laws that regulate these policies, and command of criminal and civil laws, including knowledge of the legal system is distinctively equipped to explore the design of governance system, financial

reporting system, and the internal control system to influence employee and managerial behaviour in the fight against financial crimes (Ramaswamy,2009).

3.2 Forensic Accounting Factors

3.2.1 Time: Forensic accounting focuses on historical information to review the present and look forward into the future. This enhances the ability of forensic accountants to quantify costs of corruption per time and providing evidence in the form admissible in court of competent jurisdiction for quick dispensation of justice and recovering of looted fund with potential to create expectation of punishments for corruption at all time.

3.2.2 Purpose: Forensic audit or investigation is performed for legal purpose, or for intending legal proceedings involving fraud or corruption cases unlike conventional audit. For an effective prosecution of war against corruption in Nigeria, the engagement of forensic accountant is not negotiable. Forensic accountants rather than limiting himself/herself to the truth and fairness of financial statements look through corporate books for oddities that could signal swindles. Investigation can be very hectic and complex, forensic accountants look for unusual flags and patterns of transactions to unravel fraud scheme or corrupt practices, to compile a report that is admissible in court for criminal proceedings bothering on financial crime.

3.2.3 Peremptory: Forensic accountants might be employed to handle corruption risk management as a proactive measure to combat the menace of endemic corruption in the public sector. This engagement will mitigate the present impunity ravaging public financial transactions for private gain and personal enrichment, forensic accountants do carry out ‘test of details’ rather than reliance on test of controls, which is common with conventional auditors (Crumbley, n.d.).

4.0 Forensic Accounting, Corruption and Treasury Single Account

Forensic accountants are aware of the increasing pressure to accurately detect fraudulent and corrupt practices, and to pre-emptively redesign internal controls to prevent corrupt practices including misappropriation of assets. The endless spotlight of major corruption cases and economic crimes only crystallize the forensic accountants’ responsibilities and due diligence (Michael, 2016). According to Oyetunji (2016), the Association of Certified Fraud Examiners (ACFE) has advised the Federal Government to engage forensic accountants in the on-going war against corruption. It is believed that government can sustain the anti-corruption campaign with the engagement of forensic accountant services for the benefit of the nation. Forensic accountants are specially trained with a balanced mind-set in fraud prevention, detection and deterrence.

Currently over 1500 MDAs are on TSA. It is assumed that each MDA in the country lose minimum of One Million Naira (₦1,000,000) monthly through petty corruption (Experienced-Based Measurement). Based on this assumption, it is concluded that the federal government has lost minimum of Forty Eight Billion Naira (₦48,000,000,000) through conduit pipe of petty corruption in the last four years. Even during the migration of MDAs’

accounts to TSA in 2015 there were a lot of funds diversion scheme that went undetected till today; these underscore the relevance of forensic accountants in Public Financial Management Reforms. TSA is not an end in itself but a means to an end in the fight against corruption. Government should be proactive; forensic accounting is more relevant now than ever before. Integration of forensic accounting into governance system is necessary. Government should develop framework to support the growth of forensic accounting in her bid to wage effective anti-graft war to restore deprived basic human rights such as qualitative health service, education, shelter and security, and tackle the challenges of poverty and infrastructural deficit for economic development (Faboyode, Mukoro, & Ben-Caleb, 2014).

It has been mutually agreed that corruption impedes economic development, and that is presently constraining the change taking place in the country. Strong institutions are prerequisite for an improved macroeconomic performance of any nation. The enforcement of laws which involves the activities of the CCB, the EFCC, and the ICPC in investigating and prosecuting offenders has not been done with strong political will due to lack of effective institutions such as independent judiciary, police force, and professional civil service to enforce compliance. This has snowballed into impunity in government institutions for personal enrichment. Corruption has been traced not just to the development of statism which many Africa countries chose after independence rather to Africa leaders' failure after independence to reconstruct the neo-colonial state to abhor corruption for economic development (Faboyede, 2014).

Therefore, the relevance of forensic accounting in bringing lasting solution to the endemic corruption frustrating the Nigerian institutional reforms process cannot be overemphasised. The current weak institutional framework creates incentive for individual involvement in corruption; hence, the need for forensic accounting to reinforce effective and successful prosecution of corrupt individual in a manner that will create atmosphere of punishment for corruption to consolidate the on-going institutional reforms for desired end result.

5.0 Conclusion

Corruption is agreeably one of the major enemies of humanity, and the perpetrators are worse than hired assassin. Corruption could deny millions of their sources of basic livelihood, even their very life. Corruption is the only reason why government expenditures never translate to development over time. The fight against corruption through institutional reforms such as TSA, GIFMIS, and IPPIS to mention but a few, come with contemporary challenges that can be addressed by the engagement of forensic accountants and integration of forensic accounting into the governance system. War against corruption with institutional reforms without effective criminal prosecution of individuals accused of corruption will be counterproductive, hence, the need for litigation support services, expert witnessing and investigative auditing to mitigate massive corruption in Nigeria.

REFERENCES

- Adaramola, Z. (2016, May 4). Saving in TSA hits #3trn-AGF. *DailyTrust*. Retrieved from <https://www.dailytrust.com.ng/news/business/savings-in-tsa-hits-n3trn-agf/145177>.
Html
- Adekunle, A. (2016, August 16). 15 months after benefits of Treasury Singe Account (TSA). *Vanguard*. Retrieved from <https://www.vanguardngr.com/2016/08/benefits-tsa-15-months/>
- Adekunle, A. (2017, September 14). AGF says challenges of TSA will be addressed. *Vanguard*. Retrieved from <https://www.vanguardngr.com/2017/09/agf-says-challenges-tsa-will-addressed/>
- Ahmed, I. (2019, May 14). TSA: Fed Govt records #30tr Seven Years. *TheNation Newspaper*.
- Agabi, C. (2017, April 9). TSA implementation: The gains, the challenges. *DailyTrust*. Retrieved from <http://www.dailytrust.com.ng/news/business/tsa-implementation-the-gains-the-challenges/192731.html>
- Arokiasamy, L., & Cristal-Lee, S. (2009). Forensic accounting: Public acceptance towards occurrence of fraud detection. *International Journal of Business and Management*, 145-160.
- Bhasin, M.L. (2007). Forensic Accounting: A New Paradigm for Niche Consulting. *The Chartered Account*, published by the ICAI, New Delhi, 1000-1010
- Chizoba, I. (n.d.). *The true causes of corruption in Nigeria*. Retrieved from <https://www.nigerianinfopedia.com/true-causes-of-corruption-in-nigeria/>
- Crumbley, D. L. (n.d.). *The fraud side of forensic accounting*. Retrieved from slideplayer.com.
- Degboro, D., & Olofinsola, J. (2007). Forensic accountants and litigation support engagement. *Nigerian Accountant*, 40(2), 49-52.
- Faboyede, O.S. (2014). Corruption and the crisis of institutional reforms in Nigeria: A forensic accounting perspective. *Journal of National Development Studies*, 2, 81-92.
- Faboyode, O.S., Mukoro, O. D., & Ben-Caleb, E. (2014). Towards achieving MDGs in Africa: The role of the Institute of Forensic Accountants (IFA) Nigeria in eradicating corruption. *IOSR Journal of Humanities and Social Science*.
- Gbenga, L. (2007). Corruption and development in Africa: Challenges for political and economic change. *Human & Social Sciences Journal*, 2(1), 01-07.

- Lambsdorff, J. G. (2006). The validity and precision of subjective indicators: The corruption perception index. In J.G. Sampford (Ed.), *Measuring corruption*. London, UK: Ashgate Publishing.
- Michael, C. (2016). *Forensic accounting: Fraudulent reporting and concealed assets*. Retrieved from www.aicpastore.com
- Nwachukwu, O. (2017). *Drivers of Nigeria's corruption*. Retrieved from <https://www.businessdayonline.com/drivers-nigerias-corruption/>
- Nweze, C. (2019, April 1). Government counts TSA gains despite boycott by MDAs. *The Nation Newspaper*.
- Obuah, E. (2010). Combating corruption in a failed state: The Nigeria economic and financial crime commission (EFCC). *Journal of Sustainable Development in Africa*, 12(1), 17-53.
- Odewole, P. O. (2016). Treasury single account: A tool for effective cash management in Nigeria. *Journal of Finance and Accounting*, 4 (6), 328-335. Doi:10.11648/j.jfa.20160406.13.
- Ojomu, O. (2016). *Corruption in Nigeria: Causes and solution*. Retrieved from www.olufamous.com/2016/03/corruption-in-nigeria-causes-and.html?m=1
- Omoolorun, A. J., & Abilogun, T.O. (2017). Fraud free report: A conceptual review. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 7 (4), 83-94.
- Onyekpere, E. (February 4, 2019). Nigeria and 2018 corruption perceptions index. *Punch*. Retrieved from <https://punchng.com/nigeria-and-2018-corruption-perceptions-index/>
- Owojori, A. A., & Asaolu, T. O. (2009). The role of forensic accounting in solving the vexed problem of corporate world. *European Journal of Scientific Research*, 29(2), 183-187.
- Oyetunji, A. (2016). *Forensic accounting vital to anti-corruption campaign-Experts*. Retrieved from punchng.com.
- Ozkul, F. U., & Pamukc, A. (2012). *Fraud detection and forensic accounting*. Istanbul, Turkey.
- Ramaswany, V. (2009). Corporate governance and the forensic accountant. *The Certified Public Accountant (CPA) Journal*. Retrieve from archives.cpajournal.com/2005/305/essentials/p68.html.
- Stanbury, J., & Paley-Menzies, C. (2010). *Forensic futurama: Why forensic accounting is evolving*. Retrieved from www.aicpastore.com

System Specs (2015). *Understanding the treasury single account (TSA) system: Things you should know*. Retrieved from <http://www.systemspecs.com.ng/understanding-the-treasury-single-account-tsa-system-things-you-should-know/>

Ugur, M., & Dasgupta, N. (2011). *Corruption and economic growth: A meta-analysis of the evidence on low-income countries and beyond*. Munich personal RePEc Archive , 1-43.

Yusuf, F. (2017, August 31). On the crisis of TSA ownership. *Vanguard*. Retrieved from <https://www.vanguardngr.com/2017/08/crisis-tsa-ownership>.

Zubairu, S.A. (2016, March 7-10). *Public financial management reforms in Nigeria*. A paper presented at the 23rd ESAAG Annual International Conference held at Kenyatta International Conference Centre, Nairobi, Kenya.