



FORENSIC AUDITING TECHNIQUES AND TERRORISM FINANCING IN NIGERIA: A CONCEPTUAL REVIEW

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ABSTRACT

With an upsurge in terrorism globally, forensic auditing has become an emerging accounting field of great importance for academic research, government and security studies: Therefore, this study set out to examine conceptually the role of forensic auditing in tracking and tracing terrorism financing in Nigeria; specifically, the study examines how forensic auditing can be more efficient than other accounting methods and how its adoption could help to detect and curb terrorism financing in Nigeria. Scholarly articles were downloaded from the world's most recognised databases like emerald, Sage, Taylor and Francis among others and reviewed in line with the objective of the study. Most of the reviewed articles are of the view that, the failure of the traditional accounting methods in detecting and tracing the source of financing for terrorist activities has remain unabated. On the strength of the findings, this paper recommends the adoption and deployment of forensic auditing techniques like data mining and data analytics in tracking and curbing terrorism activities in Nigeria.

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1.0 Introduction

Curbing terrorism financing is an overriding objective of all countries of the world and Nigeria is not an exception, given the threats posed by terrorist activities in the world and Nigeria in particular, tracking and tracing the flow and movement of illicit funds that fuel and enhance terrorist activities across the countries of the world has been a major focus of government, scholars and stakeholders all over the world. The capacity and capabilities of terrorists to assemble and launch devastating attacks on military formations and local communities in their targeted locations are functions of the financial resources at their disposal. There exist a strong correlation between terrorist attacking capacity and their financial capacity, reducing their attacking strength and capacity means denying them access to finance (Nku, 2024). According to Kabiru (2024), the unrelenting and coordinated attacks by terrorists in the last two decades has been attributed to the huge inflow of capital through banks and non-governmental organisations (NGOs) to the terrorist organisations, thereby enhancing the capacity to sustain their nefarious activities in the country.

The unabated attacks by terrorist organization fuel by the volume of fund in their disposal has compel scholar(s) to innovatively and aggressively seek for alternative accounting techniques to check the illicit flow of fund to the terrorist since the traditional accounting methods have not yielded the desire result in this direction. The deployment of traditional accounting methods and techniques over the decades have not deny the terrorist access to the volume of cash that enhance their capacity to take on Military bases and vulnerable civilians in the conflict raided area of the country.

The threat pose by this terrorist includes small terrorist cells and individual terrorists groups capable of launching attacks that significantly harm man and his environment. Identifying and dismantle the financial network of these terrorist groups in Nigeria and the world over has becomes very necessary. Base on this, it has become necessity for an overall war against the flow of fund to terrorist all over the world.

The adoption of forensic accounting techniques to track and trace the flow of fund from various financial and non-financial institutions have been advocated by scholars due to it investigative nature and a more scientific means of denying terrorist organization access to fund thereby demobilizing their attacking capacities. Terrorists' organizations and their sponsors are taking undue advantage of the Nigeria's weak financial system, poor adherence to international accounting standard, absence of forensic auditing techniques, laws, unemployment, poverty, endemic corruption, inadequate enforcement and poor socioeconomic conditions to exploit the nation. Forensic auditors are more systematic in deploying forensic techniques for checking and detecting accounting flows which traditional accounting methods and auditors will be less bothered about. This is due to the fact that there are share differences between the duo practices in relation to objective, scope, audience, communication, techniques and judgment to mention but few.

Forensic auditors are particularly concerned with scrutinising the misappropriation of assets, fraudulent accounting transactions and reporting suspicious fund transactions. Consequently, their expertise services in forensic accounting, civil dispute, crime investigation, audit systems, internal control, litigation support and expert witnessing will help in tracing and tracking terrorists and their financiers. Therefore, the need to exams the role of forensic auditing techniques in

curbing terrorism financing in Nigeria become very necessary.

1.1 Statement of the Problem

The statement by the US Congressman, other supportive documents and evidence within and outside Nigeria have shown that terrorism financing is the fuel for terrorist activities, usually disguised as humanitarian financing through electronic and on the table banking system all over the world and Nigeria in particular. Traditional accounting standards and methods have failed to check and track the flow and movement of money from one financial and non-financial institution, from one country or region to another and indeed the destination and purpose for the fund transfer.

Curbing terrorism financing means tracking and tracing the flow of funds across destinations, and this requires accounting skills for investigating specific fund transactions, detecting fraud, and identifying embezzlement and misappropriation of funds that reach the hands of terrorists. Forensic auditing requires accounting skills that specialise and focus on investigating potential financial irregularities and detecting fraud. Forensic auditing involves investigation specific transactions by conducting comprehensive audits on organization financial records to identify potential areas of risk or fraud transaction within a period of time. Assessing the significant role forensic auditing plays in tracking and tracing the movement of funds across countries of the world and between destinations has been advocated by scholars (Kabiru, 2024; Onuigbo & Eme, 2015; Sunday & Oluwatosin, 2023). Adopting forensic auditing techniques in tracking, tracing and curbing terrorism financing in Nigeria is the thesis of this research article. Specifically, this paper examine conceptually the role of forensic auditing in curbing terrorism financing in Nigeria.

1.2 Objective of the study

The main objective of the article is to examine the role of forensic auditing in curbing terrorism financing in Nigeria.

Specifically, the objectives of this paper are:

- i. to examine the role of forensic auditing in tracking terrorism financing in Nigeria.
- ii. to examine the role of forensic auditing in curbing terrorism financing in Nigeria.

1.3 Significance of the Study

The significance of this study can be viewed from two major stand points.

- a. Practical significance: this study will benefit the security agencies, bankers and operators of foreign exchange and government in detecting and curbing the various sources funding to terrorists and terrorism organizations. In other words, the government and security agencies could determine how the adoption of forensic auditing could be used to detect the various sources of terrorism financing in Nigeria, thereby preventing and, if possible, putting a stop to it.
- b. Academic significance: in the academic arena, this study will prove to be significant in the following ways.
 - i. It will contribute to the enrichment of the literature on terrorism financing in Nigeria.
 - ii. The study will serve as a source of knowledge to be referred to by researcher and students in the field of forensic accounting and terrorism.

The study will measure the effectiveness of forensic auditing in tracking and curbing terrorism financing in Nigeria as compare to other accounting methods.

2.0 Literature Review

2.1 Conceptual Review

2.1.1 Forensic Auditing

Forensic auditing is a specialized type of auditing that focus on investigating potential financial irregularities or fraud, often used to derive evidence for legal proceedings or to uncover criminal behavior like fraud or embezzlement and other financial irregularities. It is a detailed examination and evaluation of a firm's or individual's financial records to identify and gather evidence of potential fraud, misconduct, or other irregularities.

According to Onuigbo and Eme (2015), any activity that involves the gathering, verifying, processing, analysing, and reporting of analysed data to obtain facts and evidence used for legal or financial disputes or financial irregularities as preventive devices is referred to as forensic auditing.

Forensic auditing is the application of accounting methods in the tracking and collection of forensic evidence for the investigation and prosecution of financial crime offenders, including those involved in terrorism financing. It is a critical assessment of an individual or group of individual financial transaction or the movement of money from an individual's or organisation's account over a period of time, including the purpose for which the transaction was conducted within the study period (Omar et al, 2012).

Ibietan (2013) defines forensic auditing as the act of identification, recording, extraction tracking and tracing financial data or similar accounting activities used as evidence for the prosecution of legal financial disputes in court. It is regarded as

a scientific camera planted for recording and tracking financial activities in any organisation that other traditional accounting techniques could not detect and record, for the purpose of curbing financial crime and fraudulent activities like terrorism financing in Nigeria. Forensic auditing is the application of accounting methods to the tracking and collection of forensic evidence for investigation and prosecution of criminal acts such as embezzlement or fraud

Forensic auditing is different from traditional auditing due to its unique expertise of gathering evidence of financial fraud or irregularities to use in the persecution of financial criminal offenders. The significance of forensic auditing has grown in today's business environment due to the increasing incidence of financial crimes globally. One of the primary objectives of forensic auditing is to gather evidence that is admissible in court. Forensic auditors use a variety of techniques, including data analysis and digital forensics, to investigate financial records and identify discrepancies that may indicate fraudulent activity. These techniques enable forensic auditors to provide concrete evidence that can be used in legal proceedings to prosecute individuals or organizations involved in financial misconduct.

The global nature of business operations has also highlighted the importance of forensic auditing in ensuring compliance with international regulations and standards. As companies expand their operations across borders, they face complex regulatory environments that require diligent oversight. Forensic auditors help organizations navigate these challenges by ensuring that their financial practices adhere to the relevant laws and regulations, thus mitigating the risk of legal penalties and reputational damage. In addition to their investigative roles, forensic

auditors often provide expert testimony in court cases involving financial crimes. Their expertise in analyzing financial data and identifying fraudulent activities makes them invaluable witnesses in legal proceedings. Forensic auditors' ability to explain complex financial transactions in a clear and concise manner helps judges and juries understand the intricacies of financial crimes, thereby supporting the judicial process.

Forensic auditing techniques has been employed by forensic expertise to track and tracing the movement of fund from one financial institution to another and from one region or country to another, and the purpose such fund was transferred, thereby facilitating the tracking of terrorist financing. The use of technology to ease business transaction across the globe has pave way for all manner of financial fraud including financial fraud and irregularities thereby making the adoption of forensic auditing techniques and forensic expertise to be in high demand with aim of scaling down the financial fraud and terrorism financing across the world.

According to Mike *et al* (2024) forensic auditing plays a fundamental role in reducing the incidence of financial fraud and terrorism financing in Nigeria and the world over, due to the expertise knowledge of tracking and tracing the flow of money from one point to the other, and being able to traced the origin and destination of the flow of capital across the globe. The deployment of forensic auditing techniques have over the years reduce in no small means the volume of fund meant to finance terrorist attacks on innocent Nigerians and other countries of the world.

Forensic auditing being a specialist form of auditing combined traditional auditing method with high-tech modern electronic technology to mirror the daily operations of financial institutions all over the world,

tracking capital inflows and outflows, source and utilization of the fund and for what purpose. This high-tech method of following the money have been instrumental in the identification of fraudulent financial activities such as terrorism financing, internet fraud and other financial irregularities in various part of the world including Nigeria, that have been the haven of terrorist attacks in the last one decade. The application of forensic auditing methods in tracking, analyzing and tracing the flow of fund from destination to another would in no small measure assist in reducing or curbing the volume of fund use to finance terrorist activities in the world and Nigeria in particular. The used of forensic auditing techniques seems to be more potent than the traditional accounting and security approach in scaling down the intensity of terrorist attack as witnessed in the last decade(Ejike,2018).

2.1.2 Forensic Auditing Techniques

Forensic auditing techniques are a combination of accounting, auditing, investigative skills and technology applications to uncover financial crimes such as fraud, embezzlement, money laundering and the movement of money within the country. This field is crucial for maintaining the integrity of financial systems and ensuring that fraudulent activities are detected and curb (Ibietan, 2013)

According to Omar at al (2013) forensic auditing techniques are electronic tools used to identify and to gather evidence to prove how financial fraud is carried out, and how it was conducted and concealed by the perpetrators. The used of forensic auditing technique has shown high level of effectiveness in tracking and curbing financial fraud and irregularity in the financial ecosystem. The used of techniques such as data mining and forensic analytic s has over the decade prove to be capable in

reducing the gravity of fraud and financial irregularities in the banking ecosystem.

Data Mining as a Forensic Auditing Techniques

Data mining is the process that blend artificial intelligence and statistics to sort, analyse, and extract useful information for large datasets. It is use to identify the patterns, relationship and anomalies in raw data which can employed to solve problems of financial fraud and irregularities. The process involves; data gathering, data preparation, extraction and analysis.(Omar *et al*,2013).

Data mining is the act of filtering, sorting and classifying data from large datasets to reveal subtle pattern and relationship of occurrence.

Forensic Analytics as a Forensic Auditing Techniques

Forensic analytics is the combination of advanced analytics with forensic accounting and investigative techniques to identify potential rare events of consequence in tracking and curbing irregularities in the financial system. It involves in-depth investigation and the application of advanced statistical and analytical methods to identify specific fraudulent transactions and trends used to finance illegal activities, such as terrorism financing (Ayers, 2023)

Forensic auditing is an activity that consists of gathering, verifying, processing, analyzing of and reporting on data to obtain facts

and evidence in a predefined context in the area of legal/financial disputes and/or irregularities and giving preventive advice (American Institute of Forensic Auditors, 2004). Forensic auditing is an activity that consists of gathering, verifying, processing, analyzing of and reporting on data to obtain facts

and evidence in a predefined context in the area of legal/financial disputes and/or irregularities and giving preventive advice (American Institute of Forensic Auditors, 2004).

Terrorism Financing

Terrorism financing is one of the most complex problems the democratic world is facing today. The transfer of funds to support terrorist activities has created enormous challenges across the world

Terrorism financing is the act of providing financial support to the terrorist to enhance their capacity to carry out terrorist acts against the society. Technical support and illicit financing is pivotal to the persistence of terrorist group in Nigeria and the world over. Without steady and consistent flow of fund, terrorist groups like Boko Haram and other terrorist group in Nigeria would not be able to sustain a continuous administrative tasks of carry out attacks on innocent Nigerian. Terrorist organisations like Boko Haram would have cease to 'exist as if not for the steady flow in income and technical support the organisation get from its financiers (Sunday &Oluwatosin, 2023).

Money at the disposal of terrorists' is money that cause pains and sorrow to the society through killing and destruction of properties. Radical ideologies and extremism are the core of terrorism today, while finance serves as its lifeline. The new terrorism threat is not the only challenge that terrorists might pose; they also have the ability to acquire and use weapons through training, innovation, and complex techniques for transferring funds (Acharya, 2009).

Boko Haram source for and procure funding from a variety of legitimate and illegitimate sources, including kidnapping for ransom, state sponsors, petty theft, illicit trade, extortion, charitable donations Nongovernmental organization(NGOs), and personal wealth (Hulme, 2020). Since the

September 11 terrorist attacks, however, law enforcement agencies have established several effective counter-terrorist finance methods for thwarting the movement of fiat currencies, or government-issued currencies, to terrorist groups. However, some argue the success of such counter-terrorist finance programs may encourage terrorist groups to look elsewhere to finance their activities, namely the growing crypto currency market (Dion-Schwarz et al., 2019). The frequency and severity of acts of international terrorism are often proportional to the financing that terrorists may obtain, so it is important that law enforcement target sponsors who make the financing of terrorist activities, and not just the perpetrators or actual terrorist acts.

Effort to curb terrorist attack in the world and the study area in particular should be channel toward the financial institutions regulations and other non-financial institution that move cash or fund across the world, from one destination to other rather than focusing attention on the battle ground or the war front. Enforcing strict financial regulation across all financial institution in the world and adopting hi-tech monitoring mechanism is the sure way to go in curbing and deescalating the terrorist war. The war against terrorism financing should be fought in the banking industries by enforcing financial compliance and international best banking practice than in the theatre of war, fund in the blood that fuel terrorist attack, stopping the flow of fund to terrorist will automatically curb terrorist attack (Horgan & Taylor, 2023).

The frequency and severity of terrorist attacks is proportional to the amount of fund in their disposal. All terrorist activities depend heavily on finance, from planning, equipment acquisition, transportation, feeding to execution of attack all involves

large sums of money, mostly in hard currencies. Money is the life wire that sustained and empowered terrorist activities all over the globe and Nigeria is not an exception. Tracking the flow of finance to terrorist organisation goes a long way in reducing to a barest minimum the intensity of attacks carried out by these undesirable elements in our society (Peter et al, 2014).

Terrorism financing is the ‘processing of money to finance and enhance terrorist acts, this financing source involves three different kinds of funding activities, like activities done to make money, techniques and channels employed to move the money, and storing such funds until it is required. Without money, it would be very difficult for terrorist’s organizations to function and sustain their activities including getting more butts on the ground through recruitment, intelligence gathering, training , maintenance of camps, and provision of food and accommodation. Indeed, funding is ‘needed to maintain the families of terrorists, including those deployed as “sleepers operatives who live undercover and do not support their dependents as well as to compensate families of terrorists who are captured.

2.2 Conceptual Framework

The conceptual framework illustrates the link between the independent and dependent variables. The study presents a framework that shows the link between the predictor variable, which is forensic auditing techniques, and the criterion variables, which are tracking and curbing terrorism financing, as depicted in Figure 2.1.

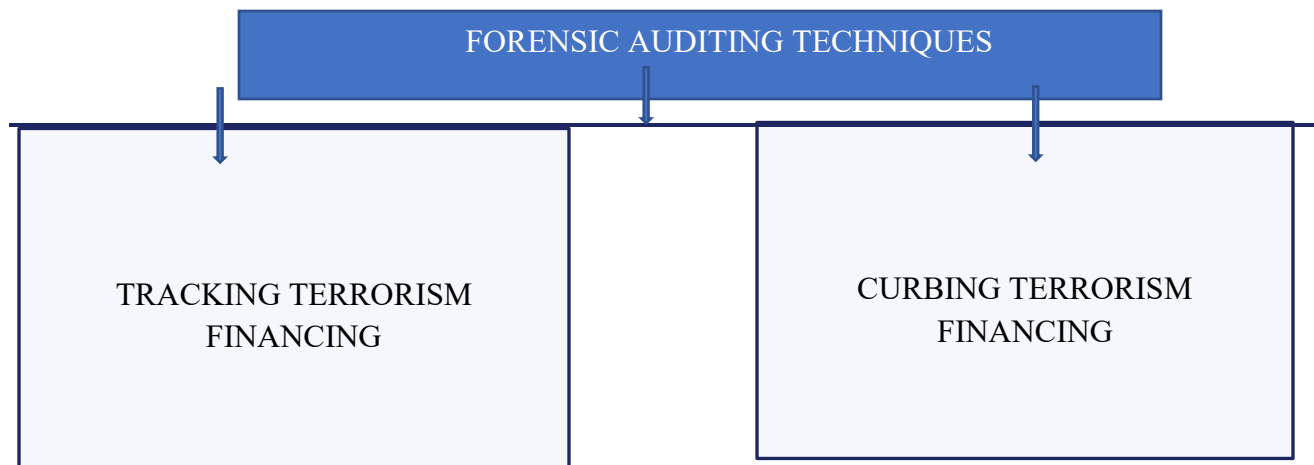


Figure 2.1: Conceptual framework for the study

The study model was design to measure the direct relationship between IV (Forensic Auditing technique) and DVs with dimensions such as Tracking and curbing terrorism financing.

2.3 Theoretical Review

The supporting theory for this study is the “Policeman theory”, which arises from the misconception or the audit expectation gap. According to Israel, et al (2024), auditors' duty in this century extends beyond searching for, discovering, and preventing fraudulent activities. The role of the policeman in auditing is played by the forensic auditor.

The agency theory created a principal-agent relationship, wherein the agents must account for every resource placed in their hands to ensure the profitability of the business and improvement in the shareholder's wealth. The theory polarizes the need to have a “third party in the principal-agent relationship” to serve as a guardian and protector of all investments by the principal (Ahmad, et al, 2025). The unsuspecting disposition of the principal explains the need for a forensic accountant or auditor in the chain of events to ensure adequate protection of the shareholders' funds.

The White-Collar Crime Theory was propounded by Sutherland (1939). This theory is used to support this study because

white-collar criminals, such as financial controllers in public and private organisations, are opportunists who may leverage their positions to amass financial gain and finance illegal activities such as terrorism.

White-collar crimes are committed by individuals who are regarded as respectable within an organisation but who, because of the advantages associated with their positions, utilise such advantages to perpetrate crimes (Sutherland, 1949, cited in Oyedokun, 2022).

The crimes happen only because individuals do not monitor or fail to call for accountability. Ahmad, et al (2015) noted that crimes arise from the needs and greed of the perpetrators. As a result of the nature and chain of involvement of the crimes, Obiora, et, al (2021) stated that only a skilled and professional accountant, can deduce the impact and nature of such crimes or prevent them from happening. This theory aligns with the Fraud Diamond Theory of the four observable traits of committing fraud viz authoritative position, capacity to understand and exploit accounting systems and internal

control, confidence, and capability (Oyedokun, 2023).

2.4 Empirical Review

The important role that forensic auditing plays in fighting fraudulent financial activities such as terrorism financing has gained traction both in academia and in public discourse

Abang (2024) evaluated the role of internal auditors in fraud prevention in the Nigeria public institutions, with a sample of 178 respondent drawn from selected government owned agencies using stratified sampling techniques, the findings of the study reveal that, the traditional internal auditing method has not curbed fraud and the movement of illicit fund in and around the private account. The traditional accounting and auditing method has not stop the corruption and fraudulent financial activities in the Nigeria public institutions. Based on the finding, the paper recommended the adoption of forensic accounting techniques in curbing fraud in the public institutions.

Ahem (2022) investigated the role of forensic auditor in reducing payroll fraud in the Nigeria public institutions, using the Nigeria police force as a case in point. Data was collected from the MSS unit of the department of finance and administration in the police head quarter Abuja. The findings reveal that a massive fraud in the payroll of the police force due to the absent of forensic auditors and expertise in the department to mirror and detect the fraud thereby reduce the frequency of occurrence. However, the findings of Ahem (2022) failed to test the prevention and detection drivers linked with falsified payroll fraud and preventive approach to adopt to reduce the fraud activities going on in the study area.

Heng and McDonagh (2021) investigated terrorism financing and the role of the central

bank of Nigeria as a regulatory agency. The study relied on primary source of data, where the needed data for the study was elicited from the banks regulation department of CBN. Deploying statistical package for social science (SPSS) to validate the formulated hypotheses, the result shows the poor adherence to financial standard regulations and world best practices in tracking and monitoring cash movement across the banks and other sector of the economic was responsible the increases in terrorist attacks in the last decade due to availability of money in the hands of terrorist to carry out their evil plan and destruction. The study failed to states the specifics channels the fund get to the terrorist and how such channels can monitored and block.

Ejike (2018) conducted a study on forensic accounting and fraud detection in Nigeria banking industry. The study seek to examine how the use of forensic accounting technique could help curb fraud in the Nigeria banking industry. Survey research designed was adopted in designing and administering four hundred and twenty-seven questionnaire to the unit of analysis in the various studied bank head quarter in Nigeria. The data collected were analyzed and to formulated hypotheses tested using smart PLS and result reveal that, the adopting of forensic accounting technique was very significant in curbing fraud in the banking industry in Nigeria. The use of forensic accounting techniques was able to reduce financial fraud in the banking system than the traditional accounting and auditing methods.

Forensic auditing and financial statement fraud in private manufacturing companies in Nigeria was examine by Naheen (2016) the study relied on secondary data collected from national bureau of statistics, the postulated hypotheses were tested using Amos statistical tool of analysis, result shows a significant positive relationship between

forensic auditing and financial statement fraud in the manufacturing industries in Nigeria. The study also found that poor corporate governance, lack of separation of duties, weak internal control,, poor board oversight among the reason were responsible in fraudulent financial statement reporting. The paper concluded that the use of forensic auditing could detect and reduced to the barest minimum the frequent financial statements usually published by most manufacturing companies in Nigeria.

Onuigbo and Eme (2015) conducted a study on the effect of forensic auditing on bank fraud in Nigeria, due to the upsurge in fraud cases in the Nigeria banking industry. Employing the survey research design, the study sample 128 out of the study population of 165 using stratified random sampling techniques. The ordinary least square (OLS) regression method was used to analyse the data collected for the study. The findings reveal that forensic auditing assist significantly in the detection and curbing of fraud in the study area. The results also reveals that forensic audit is not just an effective tool but also an efficient tool for the detection, prevention and reduction of bank fraud in Nigeria.

Gbegi et al (2019) examine the acceptability of forensic audit practice in the Nigeria public sector using Benue State local government councils as a case in point. Primary source of data was relied on, where two hundred and Seventy questionnaires were administered to management and finance staff of six local government councils in the study local government area of Benue state, while two fifty were correctly filled and returned to the research for analysis. Tables and simple percentages were used to analyse the data. Chi-square (X) was also used as a statistical tool to validate the formulated hypothesis.

Amah *et al* (2018) examined the role of Forensic Auditing on the Productivity of Nigeria Civil Service. Survey research design was employed in generating the data needed for the study. The study Population was 180 staff of Abia State Civil Service Commission where a sample of 124 staff was drawn with the aid of Yaro Yamane formula. A structured questionnaire was designed and administered on the staff of Abia State Civil Service Commission. Based on the field work, only 92 questionnaires were retrieved. The data generated for the study were analyzed with frequencies and percentages while the tested hypotheses were specifically tested with the regression technique, which was computed with the aid of the statistical packages for social sciences (SPSS) version 22

Bashir et al (2019) the study examines the impact and effectiveness of forensic auditing in detecting, investigating, and preventing frauds in digital environment using deposit money banks as a case in point. Questionnaires, personal interviews, and document review are the methods that were used to obtain data for this study. A sample of 153 respondents from various categories of staff was used from 10 deposit money banks and 4 audit firms within the Nigeria business environment. The collected data were analyzed using application of non-parametric statistical tests and result shows a significant positive effect of forensic audit and fraud detection and prevention in the study area.

Ayers (2002) concluded that terrorists cannot terrorise without cash inflow and other technical support because training costs money, planning costs money, and explosive devices are capital-intensive; aircraft and other air assets require huge amounts of investment.

3.0 Methodology

The paper conceptually reviews the role of forensic auditing in curbing terrorism financing in Nigeria. The paper specifically examines how the use of forensic auditing techniques (data mining and forensic analytics) can assist in tracking and curbing terrorism financing in Nigeria. In order to achieve the study objective, the paper relies mostly on secondary documentation from previous research works conducted in this area of interest. Scholarly articles in this field were downloaded from world-leading databases, such as Emerald, Elsevier, Sage, Taylor & Francis, among others, and critically reviewed in line with the study objective to develop the conceptual arguments of the paper.

4.0 Result and Findings

4.1 Result

The intellectual excursion into existing body of knowledge on the topic under review revealed a convergence of thoughts and consensus agreement among scholars on the significant role forensic auditing plays in curbing illicit financial flows across countries of the world. Forensic auditing if well incorporated as a corporate governance practice in the banking and other non-financial organizations can regulate and reduced drastically the funds that get to the terrorist and fuelled their obnoxious activities against man and his environment. The results of this conceptual review revealed that terrorism and terrorists activities can be reduce to the bare minimum if forensic auditors can track, trace and curb the movement of funds globally. The result specifically reveal that data mining and data analytics as forensic auditing techniques are profoundly capable of reducing terrorists activities in the world and in the study area in

particular by way of tracking and curbing the flow of funds that fuel their activities.

4.2 Discussion of Findings

The role of forensic auditing in curbing terrorism financing is significantly acknowledge by scholars the world over and government across countries of the world. Forensic auditing techniques according Enoyi (2020) could have reduced financial fraud in the banking industry if well adopted and applied to track and prevent financial irregularities in the industry. Forensic investigators and experts in forensic auditing were in short supply until the recent past, when the need for the employment and deployment of such experts became apparent.

Nomlala and Mvunabandi (2022) found a statistically significant relationship between proactive forensic auditing and preventive fraud risk management, including the movement of money across nations of the world. The study holds that proactive forensic auditing techniques is capable of tracking and preventing illicit financial flows into the hands of terrorist organizations. The findings that proactive forensic auditing had a strong positive significant link with preventing illicit movement of cash that is most used by terrorist organisation to commit crime and harm innocent citizen of nations of the world. The results of this study support the current body of knowledge that found that proactive forensic auditing is a crucial measure to detecting and prevent fraudulent activities in various contexts. The used of data analysis techniques assist in identifying the different ways in which proactive forensic auditing can prevent financial statement fraud and other fraudulent irregularities in the financial ecosystem of the world

Ojukwu *et al* (2020) findings reveal that the fight against terrorism financing is a form of economic war, the context of which the

global financial markets is and whose purpose is to limit the capacity of the terrorist groups as to generate money and to move cash across borders for the support and sustainability purposes of international operation. By breaking the backbone of financial support for terrorist groups and insurgents, their short-term ambitions can be prevented, thereby disrupting their long-term agendas. Curbing the funds that gets to terrorists can lead to the ultimate destruction of the terrorist organizations. With the prevalence and magnitude of terrorist attacks which is often proportional to the funding available to them, it is important that law enforcement aim financial sponsors of terrorist activities, not only the actual perpetrators of terrorist acts.

The reviewed literature reveals the effectiveness of forensic auditing techniques, particularly data mining and forensic analytics, in detecting and tracking fraud and fraud patterns in the financial system. Data mining involves the systematic analysis of large datasets to identify patterns, anomalies, and potential indicators of fraudulent activities. Forensic analytic further refines this process by applying advanced statistical and analytical methods to pinpoint specific fraudulent transactions and trends. Forensic auditing success hinges significantly on the skills and expertise of the auditors. Auditors with extensive training in data analysis and forensic techniques are better equipped to interpret complex data sets and identify subtle signs of fraud. Moreover, the context in which forensic auditing is applied also plays a crucial role. Different organizations have unique operational environments, risk profiles, and types of transactions, all of which can influence the effectiveness of forensic auditing techniques

5.0 Conclusion and Recommendations

5.1 Conclusion

The objective of the paper was; to examine how the deployment of forensic auditing techniques could significantly track and curb terrorism financing in Nigeria. Conceptually, the findings from the reviewed articles reveal that scholars are in agreement on the significant positive effect of forensic auditing techniques in tracking and curbing the financial network of terrorists within the banking system rather than fighting terrorists on the battlefield.

The reviewed articles holds that forensic auditing techniques, particularly data mining and forensic analytic, are highly effective and significant in tracking and curbing fraudulent financial flows and irregularities that fuel terrorist activities all over the world and the study area in particular.

The adoption of forensic auditing techniques has significantly leads to the reduction in financial misconduct in Nigerian public institutions. These techniques not only enhance the credibility and reliability of financial statements but also improve corporate governance in both public and private sector of the economy.

Finance is the lifeblood that fuels and sustains terrorist activities anywhere in the world, including Nigeria.

Therefore, tracking and curbing their financial flows within the banking halls and denying them access to fund through the deployment of forensic auditing techniques has been canvas by scholars as the surest ways of combating and curbing terrorism activities in the study area and the world at large.

5.2 Recommendation

Based on the study findings, the paper recommends thus:

- i. The adoption and deployment of forensic auditing techniques like data mining and data analytic techniques to enhance the financial fraud tracking and detection capabilities of bank staff and forensic investigators, thereby helping to curb financial irregularities within the banking halls and limit terrorist access to funds.
- ii. Financial institutions are advice to integrate big data technology into their forensic auditing training programmes, by enhancing their staff capability, banks can systematically analyse big datasets to identify patterns, anomalies, and potential indicators of fraudulent activities. This integration will enable more precise and efficient fraud detection, thereby strengthening the bank's overall fraud prevention framework

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