



FINANCIAL INVESTIGATION AND DISCLOSURE AS DEFENCE MECHANISMS
AGAINST CORPORATE FRAUD IN NIGERIA: ARE WE THERE YET?

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ABSTRACT

This paper examines the concept of financial investigation and disclosure as defense mechanisms against corporate fraud in Nigeria within the ambience of reforms that followed corporate frauds and failures that swept across the world in the last one decade. In writing this paper, the doctrinal research method (i.e. the library-oriented research) was adopted. Accordingly, primary research materials were reviewed from the Bank and Other Financial Institutions Act, LFN 2004 (as amended), the Companies and Allied Matters Act, Cap C20 LFN 2004, the Assets Management Corporation of Nigeria Act 2010 (the AMCON Act) and the libraries in writing this paper. Secondary research materials such as textbooks and law journals containing articles by academic writers were also considered. The paper finds that though investigations are usually mounted after the incidence of corporate fraud had happened, it could be a useful tool in curtailing the occurrence of corporate fraud and can reduce or even prevent the menace resulting therefrom. Company administrators and managers are enjoined to do more by benchmarking the position of disclosure in corporate governance in checking company failures and insider abuse.

Keywords: Financial Enquiry, Disclosure, Corporate Fraud, Corporate Governance.