

The Role of the Forensic Accountant in Achieving the Integration of Accounting and Legal Performance

Amer Dayekh Obaid^a, Ali Mohammed Thijeel^{b*}, ^aPHD Candidate at Post-Graduate Institute for Accounting & Financial Studies, Baghdad University, Iraq, ^bA.PHD Department of Accounting studies, Post-Graduate Institute for Accounting & Financial Studies, Baghdad University, Iraq, Email: ^{b*}ali.mamouri@yahoo.com

Forensic accounting aims to employ accounting information in the judiciary and financial advisory fields in order to meet the needs of the judiciary regarding financial irregularities and the need of investors, shareholders, lenders and tax and supervisory authorities for accurate information. Forensic accounting techniques can thus be used to face the challenges and risks faced by organisations. The research aims to set recommendations, the most important of which is the necessity of developing the role of the forensic accountant in supporting forensic proceedings related to commercial disputes as an expert witness by organising provisions and rules in legal texts consistent with the nature of the work of forensic accounting to avoid and ward off risks. In addition, the study urges forensic experts to show the required characteristics and features of forensic accountants, as well as the developed country, and the necessity of possessing the basic and desirable skills that a forensic accountant should master. These factors are considered in addition to mastering the software tools and encouraging membership in professional organisations interested in forensic accounting in developed countries.

Key words: *Forensic accounting, Forensic, Performance.*

Introduction

Forensic accountability is not a new field, as it dates back approximately 200 years, and interest in forensic accountability appeared and spread in some countries such as (the United States and Britain) in the early twentieth century, so those who wanted to specialise in this profession required several skills, including the skill of reporting and verbal and written communication in addition to analytical skills, interviewing skills, data analysis,



problem-solving, knowledge of tax law, criminal and civil law, and experience using Benford's law.

Forensic accounting combines accounting, auditing, legal knowledge, and investigative skills to search for facts about issues, allegations, and claims that companies can be exposed to. Developing this profession requires mutual efforts between academic and professional institutions, in a manner that contributes to the development and promotion of this profession.

There is an overlap of the accounting and legal work of a number of auditors and legal workers in the federal board of supreme audit during the performance of their work as experts and representatives of the Court before the judiciary to reach a solution regarding the disputes before them and related to accounting and specialised matters, however, there is a contradiction between (auditors and legal experts) in the judge's decisions to resolve disputes and legal violations which affects the accuracy and validity of the resulting interpretations and their reflection on the objectivity of the judgment issued in relation to these disputes. Therefore, the research sought to clarify what is forensic accounting and its requirements, while highlighting forensic accounting through accounting and legal thought, as well as reviewing the most important tasks and characteristics that the forensic accountant should have, and conducting a study of a selected sample of reports presented to the judiciary. However, the Federal Board of supreme audit represents a clear role in forensic accounting as an expert, and is utilised to identify and discuss the results produced by the research, the research also aims to identify accounting and legal performance and to explain the most important factors that could influence decision-making and the role of the forensic accountant in achieving complementarity between them.

Forensic accounting is an independent and innovative approach, with an effective entity, that can play an important role in achieving corporate governance goals. Companies may resort to the forensic accountant primarily to regulate the audit work related to the company's business goals and to adhere to the control procedures that relate to the data that the forensic accountant evaluates and uses in the forensic audit process.

The First Axis: Research Methodology

Research Problem

The research problem arises from the overlapping of accounting and legal work for a number of legal auditors working in the federal board of supreme audit during the performance of their work as experts representing the federal board of supreme audit

before the judiciary, to reach a solution regarding disputes related to accounting and specialised matters, when there is a contradiction between (auditors and jurists) in the judge's decisions to resolve disputes and legal violations. This affects the accuracy and validity of the resulting interpretations and their reflection on the objectivity of the judgment issued in relation to these disputes.

The Importance of the Research

The research obtains its importance from drawing the attention of those interested in the distinguished role of the forensic accountant in achieving the integration of performance in the legal accounting aspects, because the accountant possesses an understanding, knowledge and scientific skill mixed on both sides, and that leads to dealing with cases of cheating and fraud and working to reduce them. The importance of the research is represented by the practical addition that the results of this research can assist those in the profession by presenting the necessary proposals to activate the role of the forensic accountant as a specialist expert in the Iraqi environment.

The Research Hypothesis

The research is based on the hypothesis that (the presence of qualified forensic accountants and specialists in the performance of their role as experts, examiners, and consultants, guarantees the assistance of the judiciary in issuing an objective and fair judgment on financial and legal disputes and violations, and leads to the integration of accounting and legal performances). There is an imperative need for qualified forensic accountants who specialise in forensic decision-making to resolve disputes and legal violations.

Research Objectives

The research attempts to achieve the following objectives:

1. Clarify what is forensic accounting and its requirements in accounting and legal thought.
2. Review the most important qualifications, tasks, and characteristics of the forensic accountant.
3. The definition of accounting and legal performance and the role of forensic accounting in achieving complementarity between them through an application case.



Data Collection Methods

Theoretical Part

The researcher gathered relevant data from available books, research, theses, and articles in specialised journals (published and unpublished), as well as laws, legislation and official documents related to the subject of the research, as well as the use of studies published on the internet.

The Practical Part

In this section of the paper, the researcher relied on carrying out a study of a selected sample of the reports presented before the judiciary, in which the federal board of supreme audit represents a clear impact in his capacity as an expert, and to determine and discuss the results produced by the study.

The Research Population and Sample

The research population is represented by the reports of the forensic accounting committees in the courts and the various relevant authorities, and these reports will be taken as a sample of the research.

The Second Axis: A Theoretical Introduction To Forensic Accounting:

Forensic accounting has established the need of the judiciary for the services of accountants in cases of an accounting and financial nature, and forensic accounting is concerned with the use of accounting, auditing and investigative skills in assisting the judiciary in disputes of an accounting and financial nature to reach the truth, hence the role of the forensic accountant has multiplied. In addition to his role in the courts as an expert witness, the forensic accountant may act as an adviser, mediator, or arbitrator (Mir & Pinnington, 2014).

Forensic Accounting Sections: Forensic Accounting Was Mainly Divided Into Two Parts

1- Investigative Accounting: Investigative accounting is concerned with reviewing the current situation and submitting proposals regarding possible work methods, coordination and cooperation with other experts (including private investigators, forensic document examiner, consultant engineers), and providing assistance with ways to protect and recover

assets by civil means or making a criminal prosecution (Mohammed, Flayyih, Mohammed & Abbood, 2019).

2- Litigation Support

Litigation support is concerned with the following tasks (Bhattachary, 2002):

1. Helping to obtain the necessary documents to support the case or the rebuttal of it.
2. Reviewing the relevant documents for the purpose of evaluating them and identifying their strengths and weaknesses.
3. Providing assistance in the questioning of witnesses.
4. Attending the questioning of witnesses to help understand financial issues.
5. Review the report of the opposing expert and prepare a report of its strengths and weaknesses.
6. Providing assistance in negotiations and settlement discussions.
7. Provide assistance to the court when listening to the testimony of the opposing expert and discussing the witnesses.

Definition of Forensic Accounting

Forensic accounting has many definitions, including the definition of American Institute of Certified Public Accountants (AICPA), which is defined as applying the specialist knowledge and investigative skills possessed by a Certified Public Accountant (CPA) to collecting, analysing and clearly evaluating the matter and interpreting and delivering its findings to the court, board of directors, or other executive forensic bodies (Flayyih, Mohammed & Talab, 2019). Houck and others have defined forensic accounting as utilising accounting, auditing, and investigative skills to help with legal matters. It has also been defined as the accounting analysis that could lead to the discovery of potential fraud, and it would be appropriate to present it in court, and this analysis would be the basis for discussion, controversy and dispute settlement (Ramaswamy, 2007).

However, from the aforementioned, researchers can define forensic accounting as the outcome of the integration process between accounting and auditing skills, analysis, oral and written communication, knowledge of civil and criminal law, computer technology and software tools in analysis, discovering, collecting evidence, and interpreting financial and accounting information for the purpose of forensic support or evaluation and accounting investigations.

Objectives of Forensic Accounting: Its objectives are summarised in several aspects, including (Rezaee, Crumbley & Elmore, 2004):



- 1- Investigation and detection of cheating and fraudulent operations, tax evasion, and criminal practices committed, such as tampering with financial records.
- 2- Seeking to compensate those affected if the responsible person is identified.
- 3- Conducting investigations to verify the alleged allegations.
- 4- Estimating existing and potential economic damages, estimating the amount of losses and gathering strong financial evidence that supports the position of legal demands (Burbank, 2006).
- 5- Providing advisory services or financial arbitration before the courts or agencies that requested it (Reilly & McGourty, 1998).

The Difference between Forensic Accounting and External Audit

There is an obvious difficulty in determining the difference between forensic accounting and external auditing.

Some have argued that they are both the same and there is no clear and fundamental difference between them.

Table 1: Clarifies Some Fundamental Differences Between Both Forensic Accounting And External Audit

Element of difference	Forensic Accounting	External audit
Objective	Forensic accounting aims to identify illegal and doubtful areas that represent the enabling environment for fraud	Submit a report clarifying a neutral technical opinion on the reality of the activity, reliability, and fairness of the financial statements
Range	Deeper and less spacious	Less deep and more spacious
Required skills	It requires those in charge of it to provide specialised and integrated skills for accounting, auditing and legal methods	Requires skills to prepare and present financial statements
Legal methods and procedures	More profound than the need for adequate legal knowledge in several areas	Less profound and legal knowledge of financial matters
Customer service	Forensic accounting usually serves the interests of the people who request them for the purpose of settling disputes or investigating	External audit serves the public interest of the parties using the financial statements in terms of openness and frankness
Suspension of work	Accounting forensic procedures sometimes may require disabling work of the client	Do not disable the customer's work

Source: Prepared by the researcher, relying on (Reilly & McGourty, 1998).

Forensic Accounting Methods

The methods of forensic accounting are (Bhattacharya, 2002):

1. **Reactive Audit:** The reactive audit conducts the necessary investigations on illegal or questionable fields or activities to ascertain the presence or absence of fraud, identify the persons responsible for this and collect appropriate and acceptable evidence to support the forensic proceedings.
2. **Pruactive audit:** The pruable audit aims to examine from several different aspects, which include statutory audit, regulatory compliance, and investigation of allegations.

The Relationship between Auditing and Forensic Accounting and the Discovery of Fraud

It can be said that the relationship between auditing, fraud detection, fraud and forensic accounting is a dynamic relationship, which changes over time due to political, social and cultural events.

The Definition of Forensic Accountant

Several definitions of the concept of a forensic accountant were mentioned, including that, “a person who has personal skills enabling him to look at what is behind the numbers and the ability to perceive and track details, as well as to possess a license that gives him the right to work as a chartered accountant and to provide the services involved in this field” (McMullen & Sanchez, 2010).

The forensic accountant was also defined as "applying financial skills, and an investigative mentality to outstanding issues under the rules of obtaining evidence, such as discipline, comprehensive financial expertise, knowledge of fraud, knowledge and correct understanding of business truth and knowledge of the work of the legal system. This requires the forensic accountant to have, as well as financial accounting skills, skills in internal control systems, law, and other institutional requirements, investigative ingenuity and communication skills with people (Ramaswamy, 2007). From the above, a forensic accountant can be defined as an accountant who uses his professional and scientific characteristics, behavioural characteristics and skills in accounting, auditing, law, computer, criminology and psychology in forensic support or accounting investigations himself or within a work team.

The Qualifications of the Accountant to Obtain a Forensic Accountant License

The American Institute of Certified Public Accountants has emphasised the importance of the Certified Public Accountant obtaining sufficient professional qualifications to conduct his work, that include Certified Public Accountant (CPA) and Certification of Fraud Examination (CFE) and Certificate of experience with information systems (CISA), as well as Certified Internal Auditor (CIA). In order for him to work, the forensic accountant must have a set of qualifications and qualities, including (Daniel & Lee, 2006):

1. A professional certificate called CFE awarded after passing the established exams.
2. Understand the law and rules of evidence.
3. Acquire investigation and analysis skills.
4. Understand the theories and methods of fraud.

5. Have communication skills.
6. Knowledge of computer applications to assist him in the analysis and presentation of financial evidence.
7. Have superior organisational skills.

The Forensic Accountant Report

The forensic accountant must include in his report the result of his works, opinion, and the aspects on which he relies in justifying his opinion accurately and clearly. If there are multiple experts and they differ in their opinions, they should issue a consolidated report and mention the opinion of each of them and its reasons. But if the expert uses the opinion of another expert in a different field from his competence, he must include that opinion in the report. The first section of the expert's report includes the expert's name, title, address, names of litigants in the case and their lawyer, the decision to appoint the expert, and the task assigned to them, and a summary presentation of the material facts that required the resort to technical expertise, and the second section of it includes the opponents' statements, notes, documents and actions, confirming that the expert personally carried out an examination of the records and reviewed the records, examinations and analyses conducted by him and the testimonies of other witnesses that he obtained, and in the last part of it includes a discussion of the elements he obtained objectively and presented various possibilities in a clear, frank and simplified method (شرارة، 2005، ص6-7).

The Role of a Forensic Accountant in Legal Disputes: The forensic accountant plays the role of expert witness, consultant in the court, or may play other roles such as the Trier of Fact, a special supervisor appointed by the competent court as its representative overseeing the sale or procedure (Special Master), a Court-appointed expert, Referee, Arbitrator, or Mediator (Ramaswamy, 2007).

Lawyers have become increasingly dependent on the services of forensic accountants, especially in those cases related to financial fraud, embezzlement, embezzlement of property, burning of property for the purpose of profit, bankruptcy fraud, creative accounting methods, professional negligence, tax evasion, however, the form of the contribution of forensic accountants in these cases take one of the following two forms: the expert consultant or expert witness. Therefore, the forensic accountants review the documents, operations, and other financial records for the purpose of discovering the details of embezzlement and determining who is responsible and the losses incurred (Flayyih, 2013).

Accounting Performance: Performance is defined as a reflection of the ability and capability of organisations to achieve their goals (Talab, Flayyih & Ali, 2018). However, the financial statements are considered a means by which information related to the

activity, its uses, business outcome, and financial position is presented. Although this information was accompanied by reports and statements that reflect the reality of the activities of the organisation, but it remains at many numbers that may not be aware of its reality or its importance except by an interpretation and an analytical reading, the performance is expressed in a broad sense as "the results obtained from operations and also gives the opportunity to conduct evaluation and comparison in relation to previous results and criteria and comparison with other banks and can be expressed in financial and non-financial indicators (Heras, 2000).

The Importance of Accounting Performance

Performance management is an ongoing process to define, measure and develop the performance of individuals, groups and describe performance with the organisation's strategic goals (Al-Taie, Flayyih & Talab, 2017).

The knowledge and assessment of the performance levels of the working individuals is important because the institution's production is only the outcome of the productivity of its personnel working within it at all administrative and functional levels, and this will achieve effectiveness in setting strategic plans for obtaining its human resources and setting programs that assist employees in developing their capabilities in a way that interests the organisation and its working personnel. In addition, the process of evaluating the performance of other human resource activities is important in terms of providing the information necessary for selecting, appointing, training, determining wages and employee bonuses. The process of evaluating the performance of workers plays an important role in the field of identifying highly qualified and skilled individuals in order to direct each individual to the job that corresponds to the extent of his personal competence. The availability of a favourable climate contributes to achieving confidence in the interaction between a superior and subordinate and reduces employee complaints, in addition, the results of performance evaluation is one of the most important indicators for the company to assess the organisational climate, determine the level of motivation, and employee satisfaction. One cannot ignore the importance of performance evaluation in forcing managers to prepare periodic reports on their employees and discussing each of them and clarifying which ones are willing to accept supervisory positions (البيافي، العمري) (2017: 68).

- Thirteen dimensions of accounting performance: Performance is defined as the individual performing the tasks and activities assigned to him, and it is possible to distinguish between three dimensions of performance: (سلطان، 2003: 220) the amount of effort exerted physically to perform a specific task, the nature of the effort made, devoid of mistakes, and the degree of innovation and creativity in its performance.

- The pattern of performance as an expression of the way in which activities and actions are performed.

The Affecting Factors in Performance and Its Determinants: The effects of individual performance of job tasks are divided into specific factors that characterise the individual for a number of reasons, including (training courses, self-study and self-development, and the development of the level of learning) however, the performance determinants are divided into (Al-Taie, Flayyih & Talab, 2017):

- Declarative Knowledge: It includes knowledge of facts, fundamentals, and self-knowledge of the requirements of a job and is measured in a declarative way.
- Procedural knowledge: It relates to what must be actually performed and is a mixture of knowledge, performance, ability and skill.
- Motivation and stimulation: It is a combined effect caused by one of three: the performance, the level of effort, and persistence.

Factors That Negatively Affect Performance

A large percentage of the institutions' success is due to the effective and efficient contributions of the performance of the human element, so unit departments were obliged to intend to pay attention to this element, as it is one of the most important components of the production process, by achieving its desires, needs, fulfilment of its aspirations). The human element is an important part of the institutions, which are influenced and affected by it, and it is an important internal environmental element, so, the unit's management must constantly take into account the needs of the individual in a way that contributes to improving his performance and pushing the production process forward (النمر، 1990). There are a set of factors that negatively affect performance, which is the following (Leanos, 2011); (Burbank, 2006) ; (Alabdullah, Alfadhl, Yahya & Rabi, 2014) ; (Daniel & Lee, 2006); (Morasso, 2011); (Panigrahi, 2011):

- Absence of set goals
- Non-participation in management
- Different levels of performance
- Problems with job satisfaction
- Organisational development problems
- The weak system of incentives and rewards

The Legal Performance

The fair and acceptable legal performance management of facilities are usually legally good, however, levels of procedures are important principles for the work of a fair legal system. Rules and procedures should be known to all and applied in the same way. There are some legal principles that affect the execution of legal performance and they are six important concepts that appear in the legislation related to the application of the performance management system, recruitment when desired, negligence, defamation, misrepresentation, adverse impact, and unlawful discrimination (Morasso, 2011).

The Characteristics of Good Performance Management Systems

The following are the main characteristics of legal performance (Bhattacharya, 2002):

- Determine and interpret the good levels and dimensions of employee performance.
- Determine the nature of procedures for all employees in a particular job.
- Understand and interpret formal systems for all employees.
- Giving to the staff members information about performance defects and opportunities to modify them.
- Give employees a role in the audit process and treat them well during the process.
- The system includes a formal carrot process.
- Collecting performance information from multiple and different evaluators.
- Provide supervisors with formal training and information on how to manage the performance of their employees.
- The system includes complete documentation of performance based on knowledge in the first place.

From the foregoing, it becomes evident that the forensic accountant and his specialised qualifications, experience, and skills have an important role in achieving the integrity of accounting and legal performance.

The Third Axis: The Practical Part

The Iraqi courts are witnessing a remarkable increase in the number of lawsuits for various reasons, and the court does not differ in its goal in all cases, because the goal is one, which is to achieve justice and forensic separation, and to strengthen the practical part of the study and observe the expert's opinion (the forensic accountant) in a number of cases presented in Iraqi courts. The researcher was able to obtain several cases from the courts related to the subject of the study, and we will shed light, if in some detail, on some of them in this topic, as follows:

Applied Case

A reference to the decision of your esteemed court in the court hearing held on 5/22/2019, which included the approach of the federal board of supreme audit to nominate five bank accountant experts (chairman of a chartered legal accountant committee, three accountants, a legal representative) to carry out the same task as assigned to the experts and the federal board of supreme audit document, which was numbered On 23/6/2019, which included our nomination to express experience in the case that belongs to this research topic.

The Assignment or Task

The task is to examine the records of the accounts that include the account of the plaintiff's department (bank Y) with the department of the defendant (bank X) and indicate whether there is an accounting defect or not, and carry out full accounting for the accounts of the period from 6/8/2014 until the filing of this lawsuit on 11/19/2018.

Summary of the Forensic Proceedings

Previously, the plaintiff's bank (bank Y) and the defendant's bank (bank X) had agreed to open mutual current accounts with each of the parties in order to use them to conduct set-off between the parties for the corresponding instruments and promissory. The plaintiff's bank (bank Y) provided real property to guarantee its mutual accounts, with the defendant's bank required for the integrity of the dealings and when imposing ward on the plaintiff's bank (bank Y) by the Central Bank of Iraq, the dealing between the two banks with the aforementioned accounts continued, and the plaintiff's agent claimed that the defendant's bank had tampered with the bank's accounts entrusted to the defendant's bank's branches and made transfers between those accounts, without the knowledge or consent of his client and added debts unrelated to the plaintiff's bank. In addition to the defendant's bank's implementation of instruments and savages on the plaintiff's bank accounts, contrary to the legal procedures, by imposing exaggerated weekly interest rates in contravention of banking norms, which led to the plaintiff's bank demanding high interest. This caused the defendant's bank to take action against the plaintiff's bank with respect to real estate mortgaged; in spite of the warning sent to the defendant by the notary in Karrada on 4/11/2018 to recalculate the debts and interest, he did not resort to that, as the plaintiff requested in his petition the following:

1. Carry out accounting with the knowledge of specialised banking experts to explain the defendant's entitlement to mutual accounts and to rule against the opposition claiming more than it deserves in light of the report of the specialised experts.
2. Stopping the executive procedures on the mortgaged properties.

The Audits

The debt owed by bank (Y), without the interest to the period 7/2/2019, amounted to (6473028147) dinars (six billion four hundred seventy-three million twenty-eight thousand one hundred and forty-seven ID) and it represents the mutual account of the bank (Y) held in the records of bank (X), which transferred to an outstanding debt account that is in arrears, as detailed in the table below:

Table 3: Overdue Debt Account in Bank (Y)

The details	Written amount (ID)	Amount (dinars)
Mutual overdraft account balance transferred to an overdue debt account in 3/3/2015.	Three billion, two hundred ninety million, six hundred twenty-four thousand and four dinars	3290624004
Total receipts of incoming debt to the main branch of the bank (X) which recorded as an overdue debt account of the bank (Y).	Four billion nine hundred sixty-one million six hundred eighty-two thousand six hundred and sixty-two dinars	Plus(+) 4961682662
Total repayment of bank (Y) for their debts	One billion seven hundred seventy-nine million two hundred seventy-eight thousand five hundred and nineteen dinars	Minus(-) 1779278519
Total debts without interest	Six billion four hundred seventy-three million twenty-eight thousand, one hundred and forty-seven dinars	6473028147

The total amounts contested by bank (Y) on total receipts of incoming debt that added and recorded as an overdue debt amounted to (2139910918) dinars (two billion one hundred thirty-nine million six hundred ten thousand nine hundred and eighteen dinars) and below are the details of those amounts:

- The amount of (202250000) dinars (two hundred two million two hundred and fifty thousand dinars) represents the instrument numbered (539307) on the date of 1/10/2013 drawn on the bank (Y) (Al-Khulani branch) of the order of the Technical Education Authority and was deposited through the electronic clearing system in the Technical Education authority's account in the bank (X) branch, located in the Arab neighborhood, as is recorded in the above branch records on 10/27/2013, despite its rejection from bank (Y) through the electronic clearing system due to the lack of clarity of the bank's stamp. It was recorded as an overdue debit account to bank (Y) according to the notification received from

the Arab neighborhood located branch (1202989937) on 16/4/2015, so the instrument was owed by the bank (Y), as it is an instrument drawn on the bank and signed by the bank manager of the Al- Khilani branch.

- An amount of (5679238) dinars (five million six hundred seventy-nine thousand two hundred eighty-three thousand dinars) represented transfers by collecting fees for five instruments drawn on the bank (Y) (Mosul branch), and we were provided with a credit note issued by the above branch with the number (215070208955) on 04/24/2014, titled to a bank (X) (The main branch) with above instruments amounts are credited to a bank (X) and is credited as overdue debt account of bank (Y) on June 29, 2015. Therefore, the above amount is owed from the bank (Y) of the bank of the remittances in the collection fee mentioned in the above, which represents an instrument drawn on bank (Y) and credited to bank (X) in accordance with credit notes issued by bank (Y).
- The amount of (131547150) dinars (one hundred thirty-one million five hundred forty-seven thousand dinars one hundred and fifty dinars) represents instruments issued by the bank (Y) of the Tikrit branch purchased by the bank (X) of the Tikrit branch and registered to the bank (X) from the bank (Y) of the branch of Tikrit according to the credit note numbered (219000199816) on 5/15/2014 issued by the above branch, it was credited to the overdue debt account to bank (Y) on 3/30/2016, so the above amount is due for payment by the bank of (Y). The fact is that the transferred remittances mentioned above represent instruments drawn on bank (Y) and recorded in favor of bank (X) in accordance with credit notes issued by bank (Y).
- There was a shortage of (132826800) dinars (one hundred thirty-two million eight hundred twenty-six thousand and eight hundred dinars) representing instruments issued by the bank (Y) of the Tikrit branch, purchased from the bank (X) of Tikrit Branch and credited to the bank (X) of the bank (Y) of Tikrit branch according to the numbered credit notice (216000199859) On 22/5/2014 issued by the above branch, it was credited as an overdue debt account of bank Y on 3/30/2016. Therefore, the above amount is owed by the bank of (Y), because the transferred transfers mentioned above represent instruments drawn on bank (Y) was credited to bank (X) under credit notes issued by bank (Y).
- The amount of (184350000) dinars (one hundred eighty-four million three hundred and fifty thousand dinars) represents 25 instruments issued by the bank (Y) received by the bank (X) of the Tikrit branch and paid to the beneficiaries and provided with a copy of all of the aforementioned instruments that were credited to an overdue debt account by bank (Y) on June 19, 2017, according to the notification received from bank (X) Tikrit branch No. (21182809949) on June 13, 2017, so the above amount is owed by the bank (Y) because the instruments referred to above are issued by bank (Y) Tekrit branch.

- An amount of (1284194730) dinars (one billion two hundred eighty-four million one hundred sixty-four thousand seven hundred and thirty dinars) represents an incoming notification from the bank (X) of the Babel branch to the bank (X) of the main branch numbered (22992704066) on 4/10/2017 for payment of five executive records that numbered (515, 553, 597, 7175, 790/2017) and this notice includes the principal of the debt which amounts to (1246841011) dinars (one billion two hundred forty-six million eight hundred and forty-one thousand forty-one dinars) and represents instruments issued by the bank of Alexandria branch of the order of the general company for the distribution of petroleum products which was bought from the bank (X) of the Babel branch, in addition to the charging fees amounting to (37403730) dinars (Thirty-seven million four hundred three thousand dinars three hundred dinars) which were credited to an overdue debt account on October 5, 2017, according to the legal instruments and decisions that we have observed. Therefore, the amount of (1246841011) dinars (two billion, two hundred forty-four million, eight hundred forty-one thousand and eleven dinars) is owed from the bank (Y) as the instruments issued by bank (Y).
- An amount of (165933000) dinars (one hundred sixty-five million nine hundred and thirty-three thousand dinars) represents a notification received from the bank (X) of the Babel branch to the bank (X) the main branch which numbered (22992720129) on 7/17/2018 for payment of the executive file numbered (1458 / 2017) and this notice includes the principal of the debt amounting to (161100000) dinars (one hundred sixty-one million and one hundred thousand dinars) and represents instruments issued by the Bank (Y) of the order of the general company for the distribution of petroleum products which was bought from the bank (X) Babylon branch, in addition to charging fees which are amounting to (4,833,000) dinars (four million eight hundred and thirty-three thousand dinars) which is credited to an overdue debt account on 7/19/2018, according to forensic instruments and decisions that we have observed, so the amount of (161100000) dinars (one hundred sixty-one million and one hundred thousand dinars) is owed from the bank (Y) as recorded by the instruments issued by the bank (Y).
- An amount of (32830000) dinars (thirty-two million eight hundred and thirty thousand dinars) represents a notification received from the bank (X) of the Babel branch to the bank (X) the main branch numbered (2299272293) on 9/10/2018 for payment of the executive file numbered (100/ 2018) and this notice includes the principal of the debt amounting to (31550000) dinars (thirty-one million five hundred and fifty-five thousand dinars) and represents instruments issued by the bank (Y) of the order of the general company for the distribution of petroleum products which was bought from the bank (X) Babel branch in addition to charging fees which are amounting to (550000) dinars (Five hundred and fifty thousand dinars) which is credited to an overdue debt account on 10/14/2018, according to forensic instruments and decisions that we have observed, so the amount of (31555000)

dinars (thirty-one million five hundred and fifty-five thousand dinars) is owed from the bank (Y) as recorded by the instruments issued by the bank (Y).

Forensic Accountant Opinion

For all of the above, the amounts payable from the bank (Y) and the bank (X) without interests are reported in the following table:

Table 4: The Amounts to be Paid by Bank (Y) and Bank (X).

The details	The writing amount	Amount (dinars)
Total debt excluding interest	Six billion four hundred seventy-three million twenty-eight thousand one hundred and forty-seven dinars	6473028147
Forensic collection fees	Forty three million five hundred eleven thousand seven hundred and thirty dinars	Minus(-) 43511730
Net amount payable, excluding interest	Six billion four hundred twenty-nine million five hundred sixteen thousand four hundred and seventeen dinars	6429516417

As for the interest calculated on the uncovered mutual account of bank (Y) in the records of bank (X) amounting to (2607479899) dinars (two billion six hundred seven million and four hundred seventy-nine thousand eight hundred ninety-nine dinars) up to 12/31/2018 it was calculated on an annual basis and according to the instructions received from the Ministry of Finance pursuant to the official document numbered (145) on 22/2/2010. Therefore, the total amount to be paid by bank (Y) to bank (X) is (9036996316) dinars (nine billion thirty-six million nine hundred ninety-six thousand three hundred and sixteen dinars), which represents total debt and interest.

The Fourth Axis: Conclusions and Recommendations

Conclusions

The following are the most important conclusions reached by the researchers:

1. Forensic accounting plays a major role in addressing the deficiencies in the legal performance in the various companies that require the contribution of forensic rulings.
2. Forensic accounting plays a major role in dealing with accounting errors related to disputes between different economic units through judgments based on the accountant's forensic report.

3. Forensic accounting contributes to achieving the integration of legal and accounting performance as a result of crucial forensic decisions to the accounting aspect first, then the legal aspect.
4. Lack of pre-defined rules or standards that are valid in all cases that it adopts by forensic accounting, which explains the existence of several techniques that are used in facing and preventing risks and fraud in accounting transactions.
5. It is necessary to foster the culture of interest in the forensic accountant in educational institutions or in business organisations or among shareholders, investors, and stakeholders, with an indication of the importance of the forensic accountant in preventing and detecting fraud, cheating and financial corruption in its various forms.
6. The development of the profession of forensic accountants requires common efforts between academic and professional institutions, in a form that can contribute to building, developing and strengthening this profession.
7. Accounting experts realise the need for the forensic accountant to have the required skills. The most important of these skills is knowledge of the professional applied standards, analysis and interpretation of financial statements, collection of audit evidence and tracking of hidden assets and knowledge of the system of internal and external oversight.

Recommendations

The following are the most important recommendations presented by the researchers:

1. Developing the role of a forensic accountant in support of forensic proceedings related to commercial disputes as an expert witness who organises provisions and rules in legal texts consistent with the nature of the work of forensic accounting to avoid and ward off risks.
2. Urging forensic experts to show the required features and characteristics of forensic accountants in the developed country.
3. The necessity of possessing the basic and desirable skills that the forensic accountant should master, in addition to mastering the software tools and encouraging membership in professional organisations interested in forensic accounting in developed countries.
4. Promote the legal accounting profession by legislating laws that would regulate the work of the profession, as well as establishing an association that would initiate organising the work of the forensic accountant and coordinating among them.
5. The necessity of establishing a specialised unit for the work of the forensic accountant within the organising structure of the federal board of supreme audit, because of the forensic accountant's important role in detecting and investigating violations and holding perpetrators accountable.



6. The necessity of holding special workshops and seminars to introduce forensic accounting and its effective role, and increased awareness among accounting professionals.
7. Establishing an association of forensic accountants made up of experts who exercise forensic support tasks, and holding courses to grant a forensic accounting certificate in accordance with a scientific qualification program.

REFERENCES

- Alabdullah, T. T. Y., Alfadhil, M. M. A., Yahya, S., & Rabi, A. M. A. (2014). The role of forensic accounting in reducing financial corruption: A study in Iraq. *International Journal of Business and Management*, 9(1), 26.
- Al-Taie, B. F. K., Flayyih, H. H., & Talab, H. R. (2017). Measurement of Income Smoothing and Its Effect on Accounting Conservatism: An Empirical Study of Listed Companies in the Iraqi Stock Exchange. *International Journal of Economic Perspectives*, 11(3), 1058-1069.
- Bhattacharya, S. (2002). From Kautilya to Benford—trends in forensic and investigative accounting. In *9th World Congress of Accounting Historians*.
- Burbank, S. B. (2006). Forensic Independence, Forensic Accountability, and Interbranch Relations. *Geo. LJ*, 95, 909.
- Daniel, A., & Lee, B. (2006). Forensic Accountants appearing in the Literature. Retrieved March, 10, 2012.
- Flayyih, H. H. (2013). Using Benford Law in Detecting Earnings Management and its Reflection on the audit quality In application on a sample of listed companies in the Iraq stock Exchange.
- Flayyih, H. H., Mohammed, Y. N., & Talab, H. R. (2019). The role of accounting information in reducing the funding constraints of small and medium enterprises in Iraq.
- Heras, M. (1995). From Performance Measurement to Performance Management. *Full Time Mba Electives*, 76.
- Leanos, B. (2011). Cooperative Justice: Understanding the Future of the International Criminal Court Through Its Involvement in Libya. *Fordham L. Rev.*, 80, 2267.
- McMullen, D. A., & Sanchez, M. H. (2010). A preliminary investigation of the necessary skills, education requirements, and training requirements for forensic accountants. *Journal of Forensic & Investigative Accounting*, 2(2), 30-48.
- Mir, F. A., & Pinnington, A. H. (2014). Exploring the value of project management: linking project management performance and project success. *International journal of project management*, 32(2), 202-217.
- Mohammed, B. H., Flayyih, H. H., Mohammed, Y. N., & Abbood, H. Q. (2019). The effect of audit committee characteristics and firm financial performance: An empirical study of listed companies in Iraq stock exchange. *Journal of Engineering and Applied Science*, 14(4), 4919-4926.



- Morasso, S. G. (2011). *Argumentation in dispute mediation: A reasonable way to handle conflict* (Vol. 3). John Benjamins Publishing.
- Panigrahi, P. K. (2011, June). A framework for discovering internal financial fraud using analytics. In *2011 International Conference on Communication Systems and Network Technologies* (pp. 323-327). IEEE.
- Ramaswamy, V. (2007). New frontiers: training forensic accountants within the accounting program. *Journal of College Teaching & Learning (TLC)*, 4(9).
- Reilly, R. R., & McGourty, J. (1998). Performance appraisal in team settings. *Performance appraisal: State of the art in practice*, 244-277.
- Rezaee, Z., Crumbley, D. L., & Elmore, R. C. (2004). Forensic accounting education: A survey of academicians and practitioners. *Advances in Accounting Education*, Forthcoming.
- Talab, H. R., Flayyih, H. H., & Ali, S. I. (2018). Role of Beneish M-score model in Detecting of Earnings Management Practices: Empirical Study in listed banks of Iraqi Stock Exchange. *international journal of Applied Business and Economic Research*. 16.