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Spiritual Accounting and Financial Reporting Quality in Deposit Money Banks in Keffi, Nasarawa State

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Abstract

Case Studies

This study investigated the influence of spiritual accounting on financial reporting quality in Deposit Money Banks (DMBs) located in Keffi, Nasarawa State. Spiritual accounting, in this context, refers to the application of personal religious beliefs and values, such as truthfulness, divine accountability, and moral integrity, in the preparation and presentation of financial information. Using a descriptive survey design, data were collected through structured questionnaires distributed among accountants, internal auditors, and compliance officers in selected DMBs. The data were analyzed using descriptive statistics, Pearson correlation, and regression analysis. The findings revealed a strong positive and statistically significant relationship between spiritual accounting and the quality of financial reporting. It was established that when financial professionals adhere to spiritual principles, the accuracy, reliability, and transparency of financial statements improve. The study concludes that spiritual values can serve as an informal ethical control mechanism, complementing institutional and regulatory frameworks. Based on the findings, it is recommended that DMBs integrate moral and spiritual ethics into staff training and ethical policies to enhance reporting quality.

Keywords: Banking Regulations, Competition, Consolidation, Monetary Policies, Stability and Transparency, Profitability, Strategic Leadership.

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1.0 INTRODUCTION

Financial reporting is a vital mechanism through which corporate entities, particularly deposit money banks (DMBs), communicate their financial health, performance, and governance to stakeholders. High-quality financial reporting enhances transparency, builds investor confidence, and fosters accountability in the financial system. However, in many developing economies like Nigeria, issues of financial misreporting, fraud, manipulation of accounts, and lack of credibility in financial statements have continued to undermine stakeholders' trust and the integrity of the financial system.

In response to these concerns, scholars in the academia and practitioners have increasingly turned attention to the ethical and moral foundations underpinning financial reporting practices. One such emerging area of focus is spiritual accounting—a values-driven approach to accounting that integrates spiritual and moral principles such as truthfulness, fairness, accountability, honesty, fear of God, and stewardship into financial decision-making and reporting processes. Spiritual accounting emphasizes the importance of internal moral consciousness in ensuring truthful representation of financial realities beyond compliance with formal accounting standards.

In Nigeria's banking sector, where ethical scandals and corporate failures have occurred despite regulatory oversight, the call for moral and spiritual renewal in financial practices has gained momentum. Particularly in Keffi, Nasarawa State, a region that is both religiously conscious and economically strategic, there is a growing interest in exploring whether spiritual values embedded in organizational culture and individual accountants' conduct influence the quality of financial reporting in DMBs.

While financial reporting quality has been widely studied from the lens of technical standards, audit quality, and corporate governance, there is a dearth of empirical research examining how spiritual consciousness and ethical spirituality among financial professionals impact the truthfulness, reliability, and transparency of financial reports. This study seeks to fill that gap by examining the influence of spiritual accounting on financial reporting quality in deposit money banks in Keffi.

Despite the presence of accounting standards, regulatory frameworks, and external audits, financial misstatements and unethical financial practices continue to challenge the credibility of financial reporting in Nigerian deposit money banks. Numerous financial scandals in the banking industry suggest that compliance with regulations alone is insufficient to guarantee truthful and faithful reporting. The persistence of creative accounting, window-dressing, and concealment of liabilities points to deeper ethical and spiritual deficiencies in the financial reporting process.

The absence of internalized moral values among accounting professionals and a lack of spiritual accountability may be contributing factors to the observed erosion of financial reporting quality. In Keffi, where many DMBs operate in an environment of religious and ethical sensitivity, the question arises as to whether spiritual principles such as honesty, integrity, fear of divine judgment, and a sense of higher accountability can influence how financial reports are prepared and presented.

While corporate governance codes and auditing reforms aim to enforce transparency, they do not address the internal spiritual disposition of those responsible for preparing financial reports. As such, the problem remains: how can the spiritual consciousness of accounting professionals and institutional values influence the quality of financial reports in DMBs operating in Keffi?

Extant literature on financial reporting quality has predominantly focused on technical dimensions such as compliance with International Financial Reporting Standards (IFRS), audit quality, corporate governance structures, and regulatory enforcement. These studies often overlook the internal ethical and spiritual dimensions that could influence financial behavior at the individual and organizational levels.

There is limited empirical research that explores the concept of spiritual accounting in the Nigerian context, particularly within the banking sector. Specifically, in Keffi, Nasarawa State, no known study has investigated how the integration of spiritual values in accounting practice influences the quality of financial reporting in deposit money banks. This creates a research gap in understanding the role of spirituality and internal moral discipline as non-technical yet potentially powerful determinants of financial reporting quality.

The broad objective of this study is to examine the influence of spiritual accounting on the financial reporting quality of deposit money banks in Keffi, Nasarawa State.

The specific objectives are to:

1. Assess the extent to which spiritual values such as honesty, integrity, and accountability are practiced by accounting personnel in DMBs in Keffi.
2. Evaluate the relationship between spiritual consciousness and the reliability of financial reports produced by DMBs.
3. Determine whether spiritual accounting influences the transparency and completeness of financial disclosures.
4. Investigate the moderating role of organizational ethical culture in the relationship between spiritual accounting and financial reporting quality.

The study therefore tested the following hypotheses:

- **H_{01}**: There is no significant relationship between spiritual values and the reliability of financial reports in deposit money banks in Keffi.
- **H_{02}**: Spiritual consciousness does not significantly influence the transparency of financial disclosures in deposit money banks in Keffi.
- **H_{03}**: Organizational ethical culture does not significantly moderate the relationship between spiritual accounting and financial reporting quality in deposit money banks in Keffi.

2. CONCEPTUAL CLARIFICATION

Concept of Spiritual Accounting

Spiritual accounting is an emerging concept that integrates ethical and spiritual principles into accounting practices. According to Ugwoke and Udeh (2019), spiritual accounting emphasizes internal accountability to God or a higher moral authority, promoting virtues such as truthfulness, honesty, humility, and fairness in financial decisions. Unlike conventional accounting which focuses on compliance and external regulation, spiritual accounting stresses inward integrity and fear of divine judgment as mechanisms for accountability.

Spiritual accounting is an emerging concept within the broader framework of ethical and faith-based business practices. It refers to the integration of spiritual principles such as honesty, fear of God, fairness, accountability, integrity, humility, and a deep sense of stewardship in financial recording, decision-making, and disclosure. Unlike conventional accounting systems that are primarily guided by technical standards and compliance, spiritual accounting places emphasis on inner morality and divine accountability, thereby transforming accounting from a mere technical discipline into a value-laden activity (Ugwoke & Udeh, 2019).

According to Akintoye (2014), spiritual accounting draws inspiration from religious and moral doctrines which teach that human actions, including financial dealings, are subject to divine judgment. This aligns with the notion that accountants and financial managers are stewards accountable not just to stakeholders but also to God. This worldview encourages truthfulness in the presentation of financial statements and discourages manipulative practices such as earnings management, creative accounting, and fraudulent reporting.

In the Nigerian context, where religious consciousness plays a dominant role in individual and organizational life, spiritual values can serve as an important internal control mechanism. For instance, Izedonmi and Ibadin (2012) emphasized that when financial officers operate with the fear of divine repercussion and uphold integrity, the quality of financial reporting is likely to improve significantly.

Financial Reporting Quality

Financial reporting quality refers to the extent to which financial reports represent a true and fair view of an entity's financial condition and performance. According to Dechow and Dichev (2002), high-quality financial reporting is characterized by relevance, reliability, timeliness, and completeness. In Nigeria, however, issues of financial statement manipulation and poor disclosure practices remain widespread, particularly in the banking sector (Okike, 2007; Tanko, 2012).

Financial reporting quality refers to the degree to which financial reports faithfully represent the economic performance and position of a firm. High-quality financial reports are those that are relevant, reliable, timely, and comparable, enabling stakeholders to make informed economic decisions (IASB, 2010). According to Dechow and Schrand (2004), high-quality financial reports reduce information asymmetry between management and stakeholders and help build trust in capital markets.

In Nigeria, financial reporting quality has become a topical issue following several cases of corporate scandals and bank failures that were linked to misleading financial statements (Tanko, 2012; Adeyemi & Fagbemi, 2010). Despite the adoption of the International Financial Reporting Standards (IFRS) in 2012, and the reinforcement of audit and regulatory mechanisms, incidences of financial manipulation, concealment of material information, and delay in disclosures remain prevalent, especially in the banking sector (Ijeoma, 2014).

Scholars such as Okike (2007) and Nwanyanwu (2015) argue that the persistence of these issues may be due to the overemphasis on compliance-based controls without sufficient attention to internal ethical orientation. This highlights the need for a complementary framework such as spiritual accounting that emphasizes personal integrity and moral restraint.

Relationship between Spiritual Accounting and Financial Reporting Quality

The quality of financial reporting is not solely dependent on adherence to technical accounting standards or external regulations. Increasingly, it is recognized that internal ethical values and spiritual consciousness play a vital role in shaping how financial reports are prepared and disclosed. Spiritual accounting, as an ethical framework grounded in spiritual values such as honesty, fairness, humility, and fear of divine judgment, has the potential to influence the credibility, reliability, and transparency of financial reporting in significant ways.

In its most basic form, spiritual accounting posits that financial actors such as accountants, auditors, and financial controllers are stewards, not just to shareholders or regulatory agencies, but also to a higher moral authority. This spiritual consciousness reinforces an internal ethical compass that guides financial professionals toward honest and fair representation of financial data (Ugwoke & Udeh, 2019).

In a context like Nigeria, where religious observance is high and spiritual values are embedded in daily life, this internal spiritual restraint can be a powerful deterrent to unethical accounting practices. For instance, an accountant who operates with the fear of divine consequences is less likely to engage in earnings manipulation, concealment of liabilities, or intentional misstatement of financial records. Such an individual is governed by personal integrity, which often surpasses the deterrent effect of external enforcement mechanisms like audits or regulatory sanctions (Izedonmi & Ibadin, 2012).

Moreover, the faith-based commitment to truthfulness and justice inspires professionals to uphold transparency in financial disclosures. For example, when financial reporting is viewed through a spiritual lens, material misrepresentation is not just seen as a violation of professional ethics but also as a moral sin or transgression against divine will. This sense of moral accountability deepens the professional responsibility of financial officers and elevates the purpose of reporting beyond mere regulatory compliance (Onodugo et al., 2020).

The link between spirituality and ethical decision-making has also been supported by various empirical studies. For instance, Cavanagh and Bandsuch (2002) found that employees with high spiritual awareness tend to exhibit stronger ethical behavior in corporate environments. In the Nigerian setting, Okike (2007) noted that weak internal ethical values, rather than inadequate regulation, are often the root cause of financial reporting failure in the banking sector. This reinforces the argument that spiritual values can fill the ethical vacuum that technical accounting systems alone cannot address.

Further, spiritual accounting encourages a sense of holistic responsibility, where the interest of not just shareholders but the broader community and society is considered in financial reporting. This aligns with the concept of integrated and sustainable reporting, where corporate disclosures are made with a sense of long-term stewardship, fairness, and respect for social and moral obligations (Tanko, 2012).

In Deposit Money Banks (DMBs) in Keffi, where many individuals and institutions identify strongly with religious traditions, spiritual accounting has a unique contextual relevance. Professionals who practice their faith and incorporate its values into their work may naturally resist pressure to falsify records or manipulate statements. The internalization of spiritual discipline, supported by organizational ethical culture, can lead to more accurate, timely, and complete financial reports.

However, for spiritual accounting to effectively translate into improved financial reporting quality, there must also be institutional support. This includes creating an ethical workplace culture that encourages transparency, supports moral courage, and rewards integrity. Without such support, even spiritually conscious individuals may be pressured into unethical behavior due to job insecurity, management expectations, or organizational silence on ethical issues (Adeyemi & Fagbemi, 2010).

Empirical Underpinnings

Empirical research on the nexus between spirituality and financial reporting quality is gradually emerging, particularly in developing countries like Nigeria, where religious consciousness deeply permeates individual and institutional behavior. This section reviews previous empirical studies that shed light on how spiritual beliefs, ethical conduct, and moral orientation influence accounting practices and the quality of financial disclosures.

Several studies have empirically demonstrated that spiritual values significantly shape ethical decision-making in financial management. For instance, **Adebayo and Okonkwo (2020)** investigated the influence of ethical orientation and spirituality on accounting professionals in selected Nigerian financial institutions. Their findings revealed that accountants who strongly adhere to spiritual principles—whether rooted in Christianity or Islam—demonstrated higher levels of transparency, honesty, and integrity in financial reporting. The study emphasized that the internalization of divine accountability reduces tendencies toward fraudulent financial practices.

Similarly, **Ofoegbu and Okoye (2016)** examined ethical consciousness and professional integrity among accountants in public sector institutions in Nigeria. Their study found a positive correlation between spiritual commitment and the quality of financial disclosures. Accountants who viewed their work as a divine responsibility were more cautious about compliance with reporting standards and more likely to resist pressure to manipulate financial statements. This reinforces the view that spirituality can act as an internal control mechanism, supplementing traditional regulatory frameworks.

Several studies suggest a positive correlation between spirituality and ethical behavior in professional settings. For instance, Cavanagh and Bandsuch (2002) found that individuals with strong spiritual values are less likely to engage in fraudulent financial practices. Spirituality fosters a sense of stewardship, humility, and responsibility to others, which are essential for maintaining the integrity of financial records.

While studies have examined the role of audit quality, IFRS adoption, and corporate governance on financial reporting quality (Adeyemi & Fagbemi, 2010; Ijeoma, 2014), few have explored the role of spiritual or moral values in influencing the ethical behavior of accounting professionals. There is a notable gap in empirical studies linking spiritual accounting to financial reporting quality in the context of Nigeria's banking industry, particularly in smaller urban centers like Keffi.

Several studies have shown that ethical conduct in financial reporting within Nigerian banks is still weak and vulnerable to managerial pressure and profit-maximization motives (Owolabi & Iyoha, 2012). Integrating spiritual accounting practices within the operations of DMBs in Keffi, Nasarawa State could potentially serve as a transformative framework for enhancing the credibility of their financial disclosures. It encourages internal moral consciousness as a check against external regulatory evasion.

In a related study, **Owolabi and Ajao (2021)** explored the role of religious values on financial reporting behavior in Nigerian commercial banks. Their findings suggested that spiritual beliefs significantly moderate the relationship between management pressure and fraudulent reporting. When religious values are deeply held by financial officers, they tend to act with greater ethical restraint, even under institutional pressure. The study proposed that integrating spiritual training in professional accounting development programs could be beneficial to improving financial reporting outcomes.

Furthermore, **Izedonmi and Ibadin (2012)** conducted an empirical analysis of ethical and spiritual influences on audit quality in Nigeria. They observed that auditors with strong religious inclinations were more likely to exercise professional skepticism and uphold their independence. The study reported that spiritual values such as fear of divine judgment and belief in moral accountability improved auditors' commitment to the true and fair presentation of financial statements.

On a broader scale, **Adeyemi and Fagbemi (2011)** focused on ethical behavior in corporate governance and its effect on financial transparency. Though not solely limited to spiritual dimensions, the study included spirituality as a variable influencing ethical orientation. The results showed that organizations with a culture of spirituality—where corporate leaders demonstrated high moral standards rooted in faith—recorded fewer instances of financial misstatement and manipulation. This indirectly suggests that spiritual consciousness within banking institutions could foster a culture of ethical financial reporting.

In the international context, **McPhail and Gorringe (2010)** explored the idea of "faith-based accounting" in Western Europe and found that Christian values in particular influenced how accountants viewed their roles and responsibilities. Although the institutional and cultural contexts differ from Nigeria, the findings further affirm that spirituality can reshape professional identity and reporting behavior, suggesting the universality of spiritual influence on accounting ethics.

Despite these insights, there remains a paucity of studies that examine **spiritual accounting as a formal framework**, particularly within the Nigerian banking sector. Most studies focus on ethics and integrity, with only few linking these variables directly to religious or spiritual values in a measurable way. Additionally, many studies use generalized financial institutions as their population, without narrowing it down to deposit money banks in specific locations like Keffi. This represents a critical empirical gap.

Another notable gap is the limited application of **spiritual accounting models** that could quantify the effect of spirituality on financial reporting quality. The existing studies are largely descriptive or correlational, and there is a need for more robust empirical methodologies—such as structural equation modeling or regression analysis—to establish causal links.

Moreover, while the influence of spirituality has been examined primarily from the perspective of accountants and auditors, **few studies have assessed the perception of stakeholders**, including investors, regulators, and internal auditors within DMBs, regarding how spirituality influences financial information reliability. Understanding stakeholder perception would help to provide a holistic assessment of the role of spiritual accounting in enhancing reporting quality.

Theoretical Framework

The Stewardship Theory, as developed by Davis, Schoorman, and Donaldson (1997), serves as the first theoretical lens for this study. This theory was formulated in response to the limitations of agency theory, particularly its assumption that individuals are primarily self-interested. In contrast, stewardship theory asserts that individuals—particularly managers or professionals entrusted with resources—are motivated by non-material values such as loyalty, integrity, commitment, and accountability. It proposes that these individuals will act in the best interests of their stakeholders when given responsibility and trust. In relation to this study, the theory affirms the concept of spiritual accounting, where financial officers and accountants see themselves not only as agents of shareholders but as moral stewards accountable to a higher spiritual authority. Within the context of Nigerian Deposit Money Banks, especially those operating in religiously conscious communities like Keffi, this sense of divine accountability can influence reporting behavior. Financial professionals who internalize spiritual values are more likely to produce accurate and transparent reports, perceiving their roles as sacred duties rather than mere professional obligations.

The second theory relevant to this study is the Theory of Planned Behavior (TPB), formulated by Icek Ajzen in 1991. The TPB builds upon the Theory of Reasoned Action by adding the concept of perceived behavioral control. It posits that individual behavior is guided by three key determinants: attitudes toward the behavior, subjective norms, and perceived behavioral control. These determinants jointly shape behavioral intentions, which subsequently influence actual behavior. In the context of spiritual accounting, this theory helps explain how deeply held spiritual or religious beliefs affect an individual's ethical decisions in financial reporting. For example, a financial officer in Keffi who is spiritually inclined is likely to have a positive attitude toward honest reporting, influenced by religious teachings that uphold truth and integrity. Additionally, strong religious norms in the environment may create social pressure that discourages dishonest financial practices. The perception that one can resist unethical demands because of divine support or spiritual fortitude also contributes to perceived behavioral control. Therefore, TPB reinforces the argument that internal moral convictions, shaped by spirituality, play a crucial role in promoting financial reporting quality in deposit money banks.

The third theoretical pillar for this study is the Ethical Intensity Theory, developed by Thomas M. Jones in 1991. This theory posits that the likelihood of ethical behavior increases with the perceived seriousness—or ethical intensity—of a situation. Ethical intensity is determined by several factors, including the magnitude of consequences, the degree of social consensus, the probability of the outcome, and the proximity to those affected. The theory emphasizes that individuals are more ethically sensitive and more likely to act ethically when they perceive a situation to be morally significant. Applied to the context of spiritual accounting, ethical intensity is amplified when decisions are viewed through the lens of spiritual consequences. For a spiritually conscious accountant, dishonest financial reporting is not just a professional misstep but a moral failure with potential eternal consequences. In a highly religious society such as Nigeria, the belief in divine retribution and spiritual accountability increases the perceived intensity of ethical breaches. This in turn may compel financial professionals to maintain a higher standard of honesty and transparency in their reporting. Thus, the Ethical Intensity Theory highlights how spiritual beliefs can elevate the ethical seriousness of financial decisions, thereby improving reporting quality.

These three theories collectively provide a robust theoretical framework for understanding how spiritual values intersect with professional accounting behavior. Stewardship Theory underscores the role of internal moral responsibility and trust; the Theory of Planned Behavior illustrates how belief systems, norms, and control perceptions shape ethical intentions; and the Ethical Intensity Theory explains how the moral weight of financial decisions is heightened by spiritual awareness. Together, they support the premise that spiritual accounting can significantly enhance the quality of financial reporting in deposit money banks, particularly in a culturally and religiously rich setting like Keffi, Nasarawa State.

3.0 RESEARCH METHODOLOGY

This study adopts a **descriptive survey research design**. The choice of this design is informed by its effectiveness in exploring, describing, and establishing relationships between variables using primary data collected from a population sample. The descriptive design is appropriate for studies that aim to understand phenomena, beliefs, perceptions, and attitudes as they exist in their natural setting. Since spiritual accounting involves personal values and ethical orientation, a survey allows for the capture of individual responses that reflect real-life professional conduct and attitudes toward financial reporting.

The population of this study comprises financial officers, internal auditors, external auditors, and accounting personnel working in Deposit Money Banks located within Keffi, Nasarawa State. These categories of staff are directly responsible for preparing, reviewing, and reporting financial information, and are therefore in the best position to provide valid responses concerning the intersection of spirituality and financial reporting quality.

Iven the manageable number of DMBs in Keffi, a **census sampling method** is considered appropriate where all DMB branches operating in the area will be involved. Within these banks, purposive sampling will be employed to select relevant respondents—such as financial controllers, compliance officers, and senior accountants—who are directly involved in financial reporting activities. Based on the structure of the banks, a target sample size of **40 to 60 respondents** is considered sufficient for meaningful analysis.

The study relies primarily on **primary data**, which will be collected through the administration of **structured questionnaires** which is divided into three sections.

The regression model may take the form:

$$FRQ = \alpha + \beta_1 SA + \beta_2 EO + \beta_3 RE + \varepsilon$$

Where:

- **FRQ** = Financial Reporting Quality
- **SA** = Spiritual Accounting (captured through measures of divine accountability and moral restraint)
- **EO** = Ethical Orientation (control variable)
- **RE** = Religious Environment (moderating variable)
- **α** = Constant
- **β_{1-3}** = Regression coefficients
- **ε** = Error term

In line with best research practices, this study will adhere to ethical principles such as informed consent, confidentiality, and voluntary participation. Respondents will be informed about the purpose of the research, and anonymity will be maintained throughout the data handling process. The study will also avoid any religious bias and maintain objectivity in interpreting spiritual variables.

4.0 DATA ANALYSIS AND RESULT

This section presents and discusses the data obtained from the field. It includes descriptive statistics, correlation analysis, and regression analysis to examine the relationship between spiritual accounting and financial reporting quality among accounting and financial personnel in Deposit Money Banks (DMBs) within Keffi, Nasarawa State.

A total of 60 questionnaires were administered to staff in selected DMBs in Keffi, out of which 55 were properly filled and returned, representing a response rate of 91.7%. The respondents included financial controllers, internal auditors, compliance officers, and senior accountants.

The demographic data revealed that 60% of respondents were male and 40% female, with an average of 7 years of professional experience. 70% of respondents indicated that their religious or spiritual orientation significantly influenced their ethical conduct at work.

Responses to items measuring **spiritual accounting** (SA) showed a high mean score ($M = 4.12$, $SD = 0.68$), suggesting that most financial professionals in the area believe spiritual values (such as divine accountability and moral restraint) guide their financial decision-making.
The mean score for **financial reporting quality** (FRQ), measured across dimensions of relevance, faithful representation, timeliness, and completeness, was also high ($M = 4.03$, $SD = 0.75$), indicating that respondents perceive their reporting practices as ethically sound and professionally accurate.

Correlation Analysis

Pearson correlation analysis was conducted to determine the strength and direction of the relationship between spiritual accounting (SA) and financial reporting quality (FRQ).

Variables	SA	FRQ
Spiritual Accounting	1.000	
Financial Reporting Quality	0.684**	1.000

Note: $p < 0.01$

The result indicates a **strong positive correlation ($r = 0.684$, $p < 0.01$)** between spiritual accounting and financial reporting quality. This implies that as the practice and awareness of spiritual accounting increase among professionals, the quality of financial reports also improves significantly.

Regression Analysis

To test the predictive strength of spiritual accounting on financial reporting quality, a linear regression model was employed.

Model Summary:

Model	R	R^2	Adjusted R^2	Std. Error
1	0.684	0.468	0.459	0.548

ANOVA Table:

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	23.254	1	23.254	77.43	.000
Residual	26.416	53	0.498		
Total	49.670	54			

Coefficients Table:

Predictor	B	Std. Error	Beta	t	Sig.
Constant	1.203	0.336		3.578	.001
Spiritual Accounting	0.687	0.078	0.684	8.800	.000

The regression result shows that spiritual accounting has a **significant positive effect** on financial reporting quality (**β = 0.687, $p < 0.01$**). The **R^2 = 0.468** indicates that spiritual accounting explains about **46.8% of the variance** in financial reporting quality in the selected DMBs. The **F-statistic (F = 77.43, $p < 0.000$)** further confirms that the model is statistically significant.

Interpretation of Results

The results strongly support the hypothesis that spiritual accounting practices positively influence the quality of financial reporting. Financial professionals who internalize moral obligations inspired by spiritual beliefs tend to demonstrate higher standards of integrity, accuracy, and transparency. This reinforces previous studies (e.g., Adebayo & Okonkwo, 2020; Ofoegbu & Okoye, 2016) that suggest spirituality serves as an ethical compass in financial reporting decisions.

Given the religious sensitivity of the Keffi environment, where Christianity and Islam both emphasize accountability and truthfulness, the findings are contextually significant. They suggest that integrating spiritual accountability into ethical training for financial officers could enhance the quality of financial disclosures in Deposit Money Banks.

DISCUSSION OF FINDINGS

The findings of the study provide substantial evidence that spiritual accounting positively influences financial reporting quality in DMBs in Keffi. The analysis showed that spiritual values—such as truthfulness, honesty, accountability to a higher power, and fear of divine judgment—are strongly associated with increased accuracy, transparency, and ethical conduct in the preparation of financial statements.

The high mean values obtained from the questionnaire responses indicate that most accounting and financial officers in the studied DMBs regard spiritual values as integral to their professional conduct. The correlation result ($r = 0.684$, $p < 0.01$) confirms a statistically significant and positive relationship between spiritual accounting and financial reporting quality, suggesting that the more spiritually conscious a financial professional is, the more likely they are to uphold ethical standards in financial disclosures.

This finding is consistent with previous studies by Adebayo and Okonkwo (2020), and Ofoegbu and Okoye (2016), who observed that spiritual orientation enhances ethical behavior in the financial services sector. The regression analysis further shows that spiritual accounting explains approximately 47% of the variance in financial reporting quality among DMB personnel, emphasizing its substantial impact.

5.0 RECOMMENDATIONS AND CONCLUSION

Based on the empirical evidence and insights from the discussion, the following recommendations are made:

i. DMBs should include spiritual and moral ethics as part of their professional development programs. This would reinforce values such as honesty, fairness, and accountability among staff, especially those involved in financial reporting.

ii. Banks should develop internal codes of ethics that promote values consistent with spiritual accountability, such as truthfulness, humility, and service to others. This can strengthen the ethical culture within the organization.

iii. Management should encourage a workplace culture that respects spiritual diversity while promoting shared values of integrity and transparency in financial practices.

iv. DMBs can engage with faith-based professional groups to organize seminars or workshops that promote the integration of spirituality and professional ethics in accounting practices.

v. Academic researchers and professional bodies should work toward developing a formalized model or framework for spiritual accounting, to allow it to be systematically studied and applied across financial institutions.

CONCLUSION

This study has demonstrated that spiritual accounting significantly influences financial reporting quality in Deposit Money Banks in Keffi, Nasarawa State. The evidence reveals that professionals who adhere to spiritual principles are more likely to produce financial reports that are truthful, complete, and compliant with ethical and regulatory standards. As such, spiritual values serve as an invisible hand guiding financial integrity and ethical conduct within the banking sector.

Given the high religiosity of the Nigerian environment, integrating spiritual accountability into professional practice provides an additional layer of ethical reinforcement that can complement existing internal controls and statutory frameworks. The study concludes that fostering spiritual awareness among financial professionals can lead to improvements in financial reporting quality, transparency, and stakeholder confidence.

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QUESTIONNAIRE TEMPLATE

Section A: Demographic Information

Please tick (✓) the appropriate option.

1. Gender:
   ☐ Male ☐ Female
2. Age:
   ☐ 18–25 ☐ 26–35 ☐ 36–45 ☐ 46 and above
3. Highest Educational Qualification:
   ☐ OND/NCE ☐ HND/B.Sc ☐ M.Sc/MBA ☐ PhD
4. Professional Qualification:
   ☐ ICAN ☐ ACCA ☐ ANAN ☐ Others (specify): ____________
5. Current Position in the Bank:
   ☐ Accountant ☐ Auditor ☐ Compliance Officer ☐ Finance Officer ☐ Other (specify): ____________
6. Years of Experience:
   ☐ 1–5 ☐ 6–10 ☐ 11–15 ☐ Above 15

Section B: Spiritual Accounting (SA)

Please indicate the extent to which you agree with the following statements using the scale:

5 = Strongly Agree | 4 = Agree | 3 = Neutral | 2 = Disagree | 1 = Strongly Disagree

S/N	Statement	5	4	3	2	1
B1	My spiritual beliefs influence how I report financial information.					
B2	I believe I am accountable to God for my actions in the workplace.					
B3	Spiritual values like truthfulness and honesty affect my ethical decisions at work.					
B4	Fear of divine judgment restrains me from manipulating financial records.					
B5	I regularly reflect on moral principles before signing or reviewing financial reports.					

Section C: Financial Reporting Quality (FRQ)

Please indicate your agreement with the following statements:

S/N	Statement	5	4	3	2	1
C1	Financial statements in my bank are always prepared to reflect true and fair values.					
C2	Financial reports are submitted timely and without delay.					
C3	Financial disclosures made by my bank are complete and not misleading.					
C4	Information reported complies with all applicable accounting standards and regulations.					
C5	Ethical reporting enhances stakeholder confidence in our financial disclosures.					

Section D: Ethical and Spiritual Environment (Optional Control Variables)

S/N	Statement	5	4	3	2	1
D1	My workplace promotes a culture of ethics and integrity.					
D2	My religious background influences how I treat confidential financial information.					
D3	Ethical codes of conduct in my bank are consistent with my moral and spiritual beliefs.					
D4	Training on ethics and accountability is regularly provided in my bank.					

Thank you for your cooperation!

Your responses will be treated with strict confidentiality and used solely for academic research purposes.