EFFECT OF ETHICAL PRACTICES ON FINANCIAL REPORTING OF DEPOSIT MONEY BANK IN NIGERIA (A STUDY OF FIRST BANK OF NIGERIA PLC 2013 - 2023)

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ABSTRACT

*The research work entitled "Effect of ethical practices on financial reporting of deposit money bank in Nigeria: A Study of First Bank of Nigeria Plc 2013 – 2023". The specific objectives of the study were to**:** examine the effects of integrity on the financial reporting of deposit money banks in Nigeria, determine the effect of professional competence on the financial reporting of deposit money banks in Nigeria, assess the effect of objectivity on the financial reporting of deposit money banks in Nigeria. A survey research design was adopted for the study. A total population of one hundred and fifty (150) staff were used for the study while sample size same of one hundred and nine (109) respondents were adopted. Data collected were analyzed using simple table and percentage analysis while the hypotheses formulated were tested using ordinary least square (OLS) techniques. The study revealed that integrity, professional competence and objectivity have significant effect on financial reporting of deposit money banks in Nigeria. The study concludes that integrity has significant effect on financial reporting of deposit money banks in Nigeria, thatprofessional competences have significant effect on the financial reporting of deposit money banks in Nigeria, and that objectivity has significant effect on financial reporting of deposit money banks in Nigeria. It therefore recommended that the management and board of deposit money banks should establish policies and make use of opportunities that foster the development of professional ethics among their staff so as to improve the timeliness and verifiability of their financial statement.*

Keywords; Ethical Practice Financial Reporting, Professional Competence ,objectivity& Integrity

INTRODUCTION

1.1 Background of the Study

Ethics in banking business is to direct businessmen and women in banking to abide by certain codes of conducts that can facilitate and increase public services and confidence in the delivery of banking services as well as increase its utility to all its stakeholders (Tajudeen, &Dauda, 2019). Professional ethics involve the standards of competence and practice or code of conduct expected of the professionals or trade group or association, both written and unwritten. However when ethics and professionalism are combined as professional ethics, it involves a nexus of written and unwritten norms and best practices such as honesty, integrity, competence, loyalty transparency, accountability et cetera (Odozi, 2007). Ethical and professional standard must be set by the individual employee, group organization and professional bodies so as to prevent human excesses in terms of greed, lust for power, fraud and other malpractices usually exhibited by people (bankers).

Ethical professionalism is an important virtue that a successful accountant must possess in the course of his activities as a result of the dangers associated with the duties of an accountant. An accountant determines the state of a nation in the long run because decisions are made on the basis of the information disclosed in the statement of financial position. The nature of the accountant's duty stresses the importance of professionalism in their activities especially in the preparation of financial reports (Ramanna&Sletten, 2014). Decisions are made on the basis of the financial reports released to the public and these decisions can either make or mar the stakeholders. These decisions may further affect the efficient allocation of resources not just for one industry but for the entire economy (Mabil, 2019). As a result of this, accountants are looked upon as reliable especially because of the special codes and professional ethics specifically put in place to prevent this occurrence. These principles and codes when strictly adhered to assist in the process of having a credible financial statement and furthermore, confidence in the financial statement (Kalshoven, Hartog&Hoogh, 2011).

Financial report is very vital to every organization as it gives information about the organization to its stakeholders. The essence of every financial report is to communicate useful information about how a company is being run so that useful decisions can be made on the basis of this information. Financial report is meant to guide stakeholder's decision-making and it is prepared by accountants, followed by verification by auditors before it is ready and made suitable for the public (Majiyebo, Okpanachi, Nyor, Yahaya& Mohammed, 2018). Recent accounting scandals in the financial world have raised concerns among stakeholders as regards the quality of financial report (Brown et *al*., 2010). Many high-ranking banks in Nigeria such as Oceanic Bank, International Bank and Unity Bank have been involved in frauds relating to their financial report which has weakened the investor's confidence toward the management team and the financial reports. The collapse of corporate organizations shortly after the release of the annual report dents the credibility of financial reports and the efficacy of professional ethics (Mabil, 2019). It is against this background that the study examines the effect of ethical practices on financial reporting of deposit money banks in Nigeria.

1.2 Statement of the Problem

Deposit money banks are under obligation to properly report matters relating to abilities, vulnerabilities and weaknesses. They also report prospects of their activities in order to help make proper investment decisions. Without detailed financial reporting, there would be a problem with reporting on how to invest and how to measure the performance of a bank in general. There is therefore a need for ethical financial reporting practices as it relates to the accuracy, integrity, reputation, fairness, loyalty and lawfulness with which a bank's reported financials reflect its operating performance and how helpful they are in forecasting future cash flows (Nyor 2013).

The ethical difficulty that arise from the traits of honesty, good faith, trust and confidentiality of bankers borders on how to balance their behaviors with these traits while conducting banking transactions or during banker customer relationship especially during marketing, deposit collection, credit administration, settlement of payment (cheque clearing) and account opening formalities. Unethical conduct manifests itself in various ways including violation of banking laws and contravention of professional ethics, insider abuses, fraudulent dealings mismanagement, poor credit documentation and perfection of security documents, granting of huge loans to the executives and their surrogates without due process, boardroom greed of paying inexplicable whooping bonuses to members and their cronies, et cetera. Greed, among other reasons was identified as the causative agent for high incidence of fraud and other unprofessional conduct in the Nigerian banking industry.

The lack of sufficient accountability and transparency in the generation of financial returns has also undermined investor and public trust, resulting in a lack of accountability, freedom, fairness and transparency. Thus, the problems the study intends to solve are itemized as follows:

i. Lack of integrity negatively affects the financial reporting of deposit money banks in Nigeria.
ii. Unprofessional competence on the financial reporting is as a result of unethical practices of deposit money banks in Nigeria.
iii. Deficiency of objectivity is a challenge to the financial reporting of deposit money banks in Nigeria.

1.3 **Objective of the study**

The ultimate purpose of this study is to investigate the effect of ethical practices on financial reporting of deposit money banks in Nigeria. The following specific objectives are to guide the study:

i. To examine the effects of integrity on the financial reporting of deposit money banks in Nigeria;
ii. To determine the effect of professional competence on the financial reporting of deposit money banks in Nigeria;
iii. To assess the effect of objectivity on the financial reporting of deposit money banks in Nigeria.

1.4 Research Questions

The study sought to answer the following questions.

i. What is the effect of integrity on financial reporting of deposit money banks in Nigeria?
ii. What is the effect of professional competence on the financial reporting of deposit money banks in Nigeria?
iii. What is the effect of objectivity on the financial reporting of deposit money banks in Nigeria?

1.5 Research Hypotheses

The following hypotheses were derived from the sub-objectives guiding the study:

i. H_{o1}: Integrity does not have significant effect on financial reporting of deposit money banks in Nigeria.
ii. H_{o2}: Professional competence does not have significant effect on the financial reporting of deposit money banks in Nigeria.
iii. H_{o3}: Objectivity does not have significant effect on financial reporting of deposit money banks in Nigeria.

1.6 Significance of the Study

This research would make a crucial contribution to the quality and effectiveness of managers in their attention to ethical practices. More precisely, the complex and competitive environment of the financial institution calls for enhanced observation, assessment and accountability of operational disclosure, and this study helps to minimize the expected impact of institutional failure when the multiplier effect of financial institutional failure on the real sector of the economy is considered. This would be good for countries like Nigeria that are developing.

The study will therefore establish a system of governance that promotes ethical value, professionalism and the consistent implementation of desirable best practices in money deposit banks. It is a partial prerequisite for the award of an academic degree that would allow the researcher to contribute her quota to the academic world.

The aim of this study is to highlight the crucial role of ethical practices in Nigeria's deposit money banks' financial reporting. Good ethical practice offers fundamental financial statement information for a wide variety of uses for policymakers, including shareholders, management, government, creditors and society in the public and private sectors of economic banks. It will further help managers of corporate organizations in Nigeria to acknowledge the importance of ethical practices to surmount fraud and maintenance of accountability.

It will also be of help to prospective students who will need some information contained in this work to guide their own research work. It will benefit scholars as well as other interested individuals as reference material for further research studies on the subject matter.

1.7 Scope of the Study

This study focuses on the effect of ethical practices on financial reporting of deposit money banks in Nigeria. The research will then concentrate on deposit money banks in Nigeria with focus on First Bank of Nigeria Plc. The study design adopted is survey research design. This study covers a time frame from 2020 to 2023.

REVIEW OF RELATED LITERATURE

The review of related literature on ethical practices and financial reporting of deposit money banks in Nigeria are the focus of this chapter. In the following subheadings, the views of different scholars will be discussed: the conceptual review, theoretical review, empirical review and summary of gap in literature.

2.1 Conceptual Review

The conceptual review deals with the review of the variables and sub-variables starting with the dependent variables to the independent variable.

2.1.1 Concept of Ethics

Ethics is the branch of philosophy that theoretically, rationally, and reasonably determines right from wrong, good from bad, moral from immoral, and fair from unfair actions and behavior (Johannes, Michael & Claudette 2013). The role of ethics is the principle of morality; it is both the science of the good and the nature of the right. “Ethics is a system of moral principles or rules of behavior which involves doing the right thing in the right manner” (Okafor, 2011). In general, ethics create the rules and standards that manage the moral behavior of individuals and groups. It involves sincere selflessness to core motives, to probable prospective of impairment and to congruency with reputable values and rules (Mujtaba, 2005). Ethics are therefore “moral guidelines which govern good behavior”; in other words, behaving ethically is doing what is morally right.

Ethics point toward the application of morality, while morality is derived from ethics (Borade, 2012). The way things are done in organizations, or even in peoples’ everyday life, is a result of standards or controls that have been put in place and not really moral behavior. This may be the way people are expected to dress when going to church or work, or even the way we treat older people. These all commonly assume that an individual’s moral sense guides moral behavior (Krebs, 2011). While business ethics signifies the abstract moral code accepted and obeyed to by single members of the group or business, morality is the judgements, values and guidelines of good conduct in the community or workplace. Morality is what guides people toward acceptable behaviour, with regards to basic values (Mujtaba, 2005). Morality, according to Borade (2012), refers to an adopted code of conduct within an environment and a set of agreed-upon rules for what is right and wrong. Krebs (2011) sees morality as the equilibrium of individuals which implies that interaction takes place according to a set of rules that balances the benefits and burdens of cooperation. Morality has become the foundation of all individuals’ lives and their consciences and; in a way; morality is in sync with ethics. Morality embraces a person’s beliefs about the appropriateness or goodness of what he or she does, thinks or feels.

In the accounting profession, the value of ethics is as important as it is incorporated in the International Financial Reporting Standards (IFRS). To qualify as a professional, IFRS required the accountant must be ethical. Accountants need to be ethical in the sense that they need freedom, accountability, fairness, skepticism and honest (Youssef &Rachid, 2015). Following the Enron fiasco, by creating Professional Conduct and Ethics, accounting profession bodies all over the world are seeking a way to solve this issue twice by creating professional actions and ethics. The Malaysian Institute of Accountants is no exception, with the hope that when accountants are in disagreement on ethical problems, they will refer to the Bye-Laws, MIA implements Bye-Laws (On Professional Conduct and Ethics). It is critical that the quality of the information they generate without any element of bias is up to the mark (Yarahmadi&Bohloli, 2015).

Yarahmadi and Bohloli (2015) saw that accountants need not only be academically trained, but they also need to be highly ethical in the performance of their work. In fact, many of the research and research papers undertaken by researchers today concentrate on the professional and ethical behavior of accountants. It is a challenge for the professional body to educate them selves of accountants and instill ethical behavior. As the drive to improve and modify is on the individual self. But, it is not too late to cultivate ethical behavior among future accountants in educational level. It is also advisable that accountants' ethical principles and actions are at the same level and appropriate as professional skills.

2.1.2 Ethical Accounting Practices

Immediately after the establishment of the International Federation of Accountants (IFAC), the organization adopted the twelve-point (12) agenda intended to direct its members' activities. One of the agenda to which her members are supposed to subscribe was the code of ethics. This code of ethics is applicable to both private and public sector accountants, which can also be extended to the quasi- or hybrid sector of the economy (Dankwanmbo&Izedonmi, 2018). Integrity, objectivity, ethical practice, confidentiality and professional integrity and due care are the codes of ethics.

1. **Integrity and Financial Statements:** The fundamental principles require that in all professional business and financial relationships, a member should act with dignity. Integrity means not mere fairness but equal dealing and truthfulness. Oraka and Okegbe (2015) see integrity as the ultimate value of a Code of Ethics, and in terms of what is right and just, this can be calculated. The theory of honesty imposes on all licensed accountants a duty in professional and business relationships to be transparent and truthful. Integrity means fair dealing and truthfulness as well. Eginiwinand Dike, (2014) claims that integrity has a positive relationship with the standard of financial reporting, in accordance with the results of Enofe et al.,(2015). Their generalization was based on their techniques for estimating (parametric test) and using the method for e-views. So, a non-parametric test using SPSS was done for better clarification and generalization.

2. **Professional Behaviour and Financial Reporting:** The principle of professional behavior imposes an obligation on professional accountants to pertinent laws and to evade from any activity that may convey disrepute to the profession (Nwagboso, 2008).Such activities could be stock market manipulations, insider dealings and creative accounting practices. These activities sure do have personal benefits to the management at the expense of the quality of financial reports expected by users. D’Asquilla (2001) advised that accountants should have positive attitudes in respect to quality financial reports. As it is conspicuously observed that the quantum of pressure management puts on them may impede on their professional behavior principle towards reporting the true and fair view of financial statements.

3. **Objectivity and Financial Reporting:** The principle of objectivity imposes an obligation on all professional accountants not to compromise their professional or business judgment because of bias,

conflict of interest or the undue influence of others to override professional or business judgments. A professional accountant may be exposed to situations that may impair objectivity. It is impracticable to define and prescribe all such situations. Relationships that causes bias or unduly influence the professional judgment of the professional accountant should be avoided. According to Oraka and Okegbe (2015), this principle requires basic needs of credibility, professionalism, quality of service and confidence. An accountant that holds high the objectivity of the profession will produce quality financial reports than those who impair objectivity (Ogbonna&Ebimobowei, 2011). This is to say that objectivity has a significant relationship on financial reporting quality, therefore accountants compliance on objectivity in financial reporting will go a long way in ensuring organizations have quality financial reports(Enofe et al., 2015; Eginiwin& Dike, 2014).

4. Confidentiality and Financial Reporting: A professional accountant should respect the confidentiality of information acquired as a result of professional and business relationships and should not disclose any such information to third parties without proper and specific authority unless there is a legal or professional right or duty to disclose. Confidential information acquired as a result of professional and business relationships should not be used for the personal advantage of the professional accountant or third parties. Also after the termination of the partnership between a professional accountant and a client or employer, the need to comply with the confidentiality principle continues.

In their research, Ogbonna and Ebimobowei (2011) did not see any connection between confidentiality and the quality of financial reporting in banks. A negative and important association between confidentiality and the quality of financial reporting using disclosures as a proxy was found in a related study (Enofe et al., 2015). Those two results prompted the researcher to learn for this purpose. This may be due to the limited sample size used in the study.

Professional competence and financial reporting: In order to ensure that a customer or employer provides qualified professional service based on current trends in practice, regulations and procedures, a professional accountant has an ongoing responsibility to retain professional knowledge and skills at the level necessary. When offering financial services, a professional accountant should work faithfully and in compliance with relevant technical and professional standards. Competent professional service allows sound judgment to be exercised in the application of technical experience and capacity to perform such a service.

Professional competence may be split into two different phases: attainment of professional competence and preservation of professional competence. Preserving professional competence involves continued knowledge and an appreciation of current technological and business developments. Continuing professional development develops and retains the skills that enable professional accountants to work in professional environments competently. Eginiwin and Dike (2014) found that professional competence and due care have a positive effect on the quality of financial reporting. Accordingly, the accomplishments and preservation of professional competence would definitely enhance the quality of financial reports.

2.1.3 Financial Reporting

Financial reports are formal records of the financial activities of a business. They offer an overview of the profitability and financial condition of a business in both the short and long term. The main objective of financial reporting is to provide economic entities with high-quality financial reporting information, primarily financial in nature, useful for economic decision-making (Seyad, 2014). It is important to provide high-quality financial reporting information because it will have a positive impact on investment, credit and similar resource allocation decisions by capital providers and other stakeholders to improve overall market efficiency (IASB, 2008). For corporate information to be beneficial the IASB argues that adherence to the objective and qualitative characteristics of financial reporting information are a key prerequisite for quality in financial reporting. Qualitative features are the attributes that make useful financial data and consist of relevance, faithful representation, comparability, verifiability, timeliness, and comprehensibility. The main indicators for financial indicators relevance and reliability are the quality of information from the perspective of accounting standards developers, which make information useful for decision-makers (Nwaobia, 2016).

According to Gaynor (2016) financial reporting is a method of formally reporting the financial activities of companies. For any market participant, it has been considered as an essential resource. The mystery and conflict of opinion among all interested users, such as managers, customers, regulatory agencies, society and other stakeholders, is also reduced. Everyone is involved in this process, and any activity related to this process should be carefully submitted, especially the process of disclosure of all transactions, accounting practices, and all decisions and opinions taken by the staff involved in this process (Gaynor, 2016). The central focus of much of the strategy literature is to describe differences in company results.

In the form of a financial report for both internal and external parties relevant to the organization, Kieso (2016) defines financial reporting as the method of providing business financial statements. The main objective of financial reporting is to provide business entity information, primarily financial in nature, and useful for economic decision-making (Yurisandi and Puspitasari, 2015). Many studies have been carried out to study and analyze the extent of the standard of financial reporting, its dimensions, and the variables influencing it (Kythreotis, 2014). Other studies like Martinez-Ferrero, (2014) concentrate on the study of the influence and exchange of relationships between financial reporting efficiency and other factors affecting fraud, benefit abuse, earnings, internal audit and control.

As noted by Rommey and Steinbart, (2017) to be useful in decision-making, financial reporting data should be valid and accurate. Related information should be obtained and given promptly. In addition, they must be predictable and contain feedback. Reliability requires integrity, verification and reliability, impartiality (Romney &Steinbart, 2017). From the above meanings, it could be deduced that in order for a financial statement to be deemed to have a high-quality attribute, it must provide genuine information about the business's economic results, financial condition and activities in relation to its production of cash flows to include information that is useful to shareholders and others.

Financial reporting quality was also described by Martínez-Ferrero, Garcia-Sanchez, and Cuadrado-Ballesteros (2013) as the accuracy of information transmitted in the process of financial reporting. The main emphasis of this concept was the financial component of an entity, so the definition was further extended and updated. In the financial and non-financial reporting process, we defined reporting quality as the fidelity of information transmitted. There should be some element of fact in the financial statements of companies at the end of a financial year. This is called "quality" and it is also important that companies' financial results should be of high quality in order to improve users' trust.

2.2 Theoretical Review

Theories have been developed with regard to ethical standards and the effect on financial reporting of banks in Nigeria. The study discusses the following theories: agency theory and stakeholder's theory.

2.2.3 Agency Theory

Jensen and Meckling proposed this theory in 1976, and it has been a commonly used theory in the field of management and social sciences since then (Ezelibe, Nwosu & Orazulike, 2017). The division of ownership and management, the relationship that occurs between them in an organization, is clarified by this principle. The theory notes that the agent is likely to follow his personal interest in the presence of data asymmetry, which may adversely affect the owners of the company (Sanda, Mikailu, &Garba, 2005). As stated by Ezelibe (2017), the key philosophical position of this theory is that parties who enter into an agency agreement would behave to mitigate their own self-interest, and these parties have the right and freedom to enter into other agreements as well.

The theory of the agency is important to our analysis because it demonstrates and guarantees that the agent who is the employee or the board behaves in the principal's best interest in carrying out his ethical duties and functions in the boardroom. Other areas, such as engineering, politics and governance can also be applied to this theory.

Agency theory, suggesting its general acceptability and practicality, has been used to anchor many studies. This theory, however, has been criticized for only concentrating on the relationship between the agent and the principal and fully ignoring the stakeholders of an organization, such as vendors, creditors and the atmosphere in which the organization operates.

2.2.4 The Stakeholder Theory

In 1984, Edward Freeman proposed the Stakeholder's theory against the backdrop of the Agency theory. Freeman (1984) used this theory to clarify the tripartite relationship between the agents (employees and the board), the principal (owners) and the stakeholders of an organization (creditors, suppliers, government, customers and so on). In controlling an organization, the stakeholder's principle often discusses morals and values.

This theory is relevant to our current study because it will broaden our horizon in understanding the concept of "stakeholders" in an organization. This theory is also relevant to other fields such as ethics, law, and organizational management. The stakeholder's theory provided remedy in the lapses identified in agency theory, however the concept of "stakeholders" is vague and not well spelt out (Miles, 2012), flowing from this even if an organization tries to identify its stakeholders, they assumed equal interest of stakeholders on the organization, which negates the term "social contract" in an organization (Mansell, 2013).

The theoretical underpinning of this study is the Stakeholder theory. This theory is based on the notion that board of directors' who are not owners of a company are expected to maximize the wealth of all stakeholders rather than shareholders alone. The stakeholder theory unlike the agency costs and the stewardship theories seek to protect the interests of all stakeholders' and observe ethical practices in financial reporting rather than maximize shareholders interests alone. Additionally, the Stakeholders Theory incorporates accountability in financial reporting to a broad range of stakeholders' rather than shareholders alone. This study is deeply rooted in the Stakeholder Theory because the theory more than any other theory of corporate governance encourages the ethical practice on financial reporting.

2.3 Empirical Review

2.3.1 Empirical review on integrity and financial reporting

The principle of integrity is the principle of honesty and strong morals that cannot be changed despite all kinds of pressure. Professionals are saddled with the responsibility of being straight forward and honest both in business and professional relationships (Musa, 2019). Eginiwin, Dike (2014) worked on accounting ethics and the impact it has on financial reporting quality among some oil producing and exploration companies in Nigeria and their findings reflected that there was a positive relationship between accounting ethics and financial reporting quality in relation to the proxies of financial reporting quality which were dividend per share, return on investment and earnings per share. Yarahmadi & Bohloli (2015) opined that the principle of integrity is the basis of other principles and without it, other principles do not exist at all. Ogbonna & Ebimobowei (2012) used both primary and secondary data to investigate how ethical accounting standards affect the financial report of banks in Nigeria. Information which was gathered through primary data (questionnaire) was then analyzed using models of econometrics and the study found that there is a relationship between ethical accounting standards and the financial reports of Nigerian banks.

Using a survey of some oil exploration and producing companies in Nigeria, Eginiwin& Dike (2014) investigated the impact of accounting ethics and the consistency of financial reporting. As proxies for firm financial statements, Return on Investment (ROI), Earning per Share (EPS), and Dividend per Share (DPS) were used. Some primary accounting ethics variables that helped to perform the research were also defined by the researchers, and these are: honesty, freedom, objectivity, competence and transparency. With one hundred and thirty-three (133) copies of questionnaires, twenty of the sampled oil exploration and producing companies were administered and data for the analysis was analyzed using one hundred and eighteen (118) questionnaires successfully collected. The results showed that there is a positive relationship between accounting ethics and the consistency of financial reporting in terms of return on investment (ROI), earnings per share (EPS) and dividends per share, based on the findings (DPS).

Therefore, the study suggested that, because of the ever-changing climate, government and professional accounting bodies around the world should adopt or design better ethical codes of conduct and that accountant should still adhere strictly to ethical conduct when discharging their official responsibilities. This will by far allow them to generate quality and accurate financial statements. None of these studies adhered solely to the principles underlying the use of a parametric instrument, looking at their separate observations and submissions (normality assumptions). These studies were focused on primary data (questionnaire). In addition, the influence of ethical standards on the standard of financial reporting in Nigeria's education sector was not examined.

2.3.2 Empirical review on professional competence and financial reporting

Within natural rights, the right to truthfulness is central to the process of accounting (Zeghal & Mhedhbi, 2016). All entities using financial statements are expected to have the right to access correct and true financial information to promote their decision-making on alternative investment strategies. The right gives licensed accountants and reporting agencies a moral duty to use and issue honest and accurate financial statements (Neidermeyer, 2012). Contractual and legal rights, on the other hand, are necessary for an accountant-employer or client relationship. Employers and consumers have contractual access to the financial reporting services of qualified and knowledgeable accountants with contractual relationships. Accordingly, accountants are legally obliged to perform their duties in accordance with their skills and within their professional limits. The accountant should also ensure that they have the freedom, experience and competence needed to conduct their duties and provide stakeholders with quality financial reports (Copeland, 2015). In order to provide insight into how the competence, independence and credibility of the accountant can influence the quality of financial reports, this principle was therefore applied in the analysis.

In a related research, the impact of ethical accounting principles on the quality of banks' financial reports in Nigeria was explored by Ogbonna and Ebimobowei (2012). The information was derived from questionnaires distributed to respondents systematically gathered from the 24 banks in Nigeria. Econometric models such as diagnostic testing, Augmented Dickey-Fuller, Ordinary Least Square and Granger Causality were used to analyze the data produced from the questionnaires. The findings indicate that ethical accounting practices are substantially linked to the consistency of banks' financial reporting in Nigeria. The study concluded, on the basis of the results, that ethical accounting principles are practically mandatory for accountants to generate quality financial reports free of material misrepresentations. Among other items, the authors suggested that practicing accountants, as custodians and accounting information providers, should adhere to the professional best practice codes provided by the relevant professional bodies. They also proposed that banks in Nigeria should set up departments of ethics to ensure that operations, including financial reporting, accountants and accounting officers, strictly conform to existing codes of ethics in order to minimize the symptoms of failure in the banking sector.

In relation to financial reporting and ethical enforcement in Nigeria, Babayanjua (2017) examined the role of regulatory bodies. The effect of accounting ethics on financial reporting efficiency was decided by them. With a target population of 120 respondents consisting of top executives of the big four accounting firms, the Institute of Chartered Accountants of Nigeria (ICAN) and the Financial Reporting Council of Nigeria, a survey research design was adopted (FRCN). The outcome showed that accounting ethics in Nigeria had a substantial effect on the standard of financial reporting. In order to enhance the standard of financial reporting in Nigeria, the study recommended the need for ethical knowledge and training among professional accountants in Nigeria as well as accounting students at higher education institutions.

2.3.3 Empirical review on objectivity and financial reporting

Objectivity is a principle that expects accountant to be without bias, conflict of interest and undue influence when carrying out their work. Musa (2019) posits that accountants display objectivity by intellectual honesty and the protection of their own integrity. A study on accountant's objectivity among the Spanish banking industry and the extent of fiscal reporting was carried out by Gras-Gil, Marin-Hernandez, &Lema (2012) and findings showed that as the number of objective accountants and auditors increases, financial reporting quality grew higher (Yosep, 2016) looked at how the objectivity of accountants affects the quality of financial report among listed commercial banks in India and discovered that value is placed on the essence of objectivity in accounting and auditing and that when an accountant and an auditor are objective, it means that their individual mental attitude as professionals is also objective. The study concluded that when an accountant is objective, financial reporting quality is positively influenced.

A research on the objectivity of accountants and the expansion of fiscal reporting in the Spanish banking industry was performed by Gras Gil, Marin Hernandez and Lema (2012). The research sought to explore the link between the internal audit role of an organization (IAF) and the quality of its financial reporting. Since corporate governance regulations have been implemented, the fundamental role of the IAF in the financial reporting process has been emphasized by numerous national and international bodies, especially as it generally leads to higher quality reporting. This research uses questionnaires sent to Spanish banks' internal audit heads. In the annual audit, banks with high-quality financial reporting have more coordination between internal and external auditors. Increased internal audit participation in the review of financial statements contributes to enhanced financial reporting efficiency. The findings showed that high-quality financial reporting was provided by banks with more objective accountants and auditors. The extensive participation of internal auditors in the review of internal financial reports has increased the consistency of financial reporting.

3.0 METHODOLOGY

This chapter describes the research procedure that is adopted for this study. It described It involves the research design, area of the study, population of the study, sample method, research instrumentation, validity and reliability of research instruments, method of collection and method of data analysis.

3.1 Research Design

The research design adopted for this study is a descriptive survey design. This is employed to empirically investigate the relationships among variables of the research. The descriptive survey design is preferred because it largely focuses on vital facts, beliefs, opinion, demographic information, attitudes, motives and behaviors of correspondent giving responses to the research instrument (Aliyu, Tudun&Oladejo, 2014).

3.2 Area of Study

The geographical location of the study case is Enugu; however, the area of the study is First Bank of Nigeria, Plc Enugu State. Head office located atOkpara Avenue, Enugu State Nigeria. The study focuses on the effect of ethical practices on financial reporting of deposit money banks in Nigeria.

3.3 Population of the Study

According to Olakunori (2000) population in research can be described as the entire number of people, object, events and things that all have one or more characteristics of interest of a study. The population of the study is one hundred and fifty (150) management and staff of selected banks.

3.4 Sampling Techniques

The sampling means the whole portion of the entire population. A sampling technique is a statistical technique a researcher adopts to develop an appropriate sample that is representative of a population under study, Onwumere (2009). Therefore, a sample size for the study is two deposit money banks in Nigeria: First Bank of Nigeria. The choice of the banks was informed by their dominance in the banking sector over the years.

However, the sample size is based on the population, a normal confidence level of 95% aid an error tolerance of 5%. Therefore, the sample size was determined using Taro Yamane Formular

$$n = \frac{N}{1 + N(e)^2}$$

Where n=Sample Size

N=Sample Population

e=Margin Size

$$n = \frac{150}{1+150\,(0.05)^2}$$

$$n = \frac{150}{1+150\,(0.0025)}$$

$$n = \frac{150}{1+0.375}$$

$$n = \frac{150}{4.375}$$

$n = 109.09$

Therefore, the sample size is approximately one hundred and nine respondents.

3.5 Research Instrumentation

The data for this research work will be collected basically through the questionnaire method of data collection. For the purpose of arriving at dependable and unbiased analysis, primary data were employed. The primary data will be obtained from the staff and the managing directors of these banking firms.

3.6 Validity and Reliability of Research Instrument

To guarantee that the instrument is valid for credible and truthful findings, the researcher will work together with the supervisor to guarantee that information obtained through the questionnaire approach are appropriate. The supervisor will expose the primary information to both content and face value validity.

The reliability of the instrument was established through a consistency test. This involved a test exercise. The reliability of this research will be tested using Statistical Package for Social Sciences (SPSS) Version 20.

3.7 Method of Data Collection

The study collected primary data from the respondents. The data collected is quantitative. Quantitative data is a numerical measurement expressed in terms of numbers. The study utilized a questionnaire to collect data. The questionnaire designed in this study comprised of two sections. The first part included the demographic and operational characteristics designed to determine fundamental issues including the demographic characteristics of the respondent. The second part was devoted to the questions on the unethical accounting practice on financial reporting.

3.8 Method of data analysis

The data collected will be presented both in tables and in simple percentage analysis with a brief discussion of the observations from the data will also be included. The simple percentage method of data analysis is used to analyze the questionnaires; the formula for it is;

$$A\% = \frac{a}{n} \times \frac{100}{1}$$

When n = Total number of response to a question.

a = Number of respondents ticking a particular answer option to the question.

A% = "a" expressed as a percentage of N

In testing the hypotheses, ordinary Least Squares (OLS) technique of regression analysis is employed in the study not only because of its computational simplicity but because it possesses some desirable statistical properties such as linearity, unbiasedness minimum variance and zero mean value of the random term etc (Gujarati, 2005). Multiple regressions are used to test the combined effect of the independent variables on the dependent variable. The secondary data was analyzed using Statistical Package for Social Sciences (SPSS) Version 20 techniques. This study will measure the effect of ethical practices on financial reporting of deposit money banks in Nigeria.

DATA PRESENTATION AND ANALYSIS

This chapter presents the data analysis and interpretation using statistical tools like tables and percentages. A total of 109 questionnaire were distributed to entire respondents. The analysis of the data collected from the respondents are as stated below.

4.1 Data Presentation

Table 4.1.1: Gender of the respondents

Response option	Number of response	Percentage (%)
Female	46	42
Male	63	58
Total	109	100

Source: field survey, 2022

Gender of the respondents shows that 42% representing 46 were female while 58% representing 63 respondents were male. This means that we have more of male respondent than female.

Table 4.1.2: Age group of the respondents

Response option	Number of response	Percentage
20-30 years	27	24.8
31-40 years	41	37.6
41-50 years	31	28.4
51 years and above	10	9.2
Total	109	100

Source: field survey, 2022

The age categories distributed as really show that the ranges from 20-30 years are fully completed and returned questionnaires with number of 27 representing 24.8%, 31-40 years returned 41 representing 37.6%, and 41-50 years returned 31 representing 28.4%, 51- above returned 10 representing 9.2%.

Table 4.1.3: Marital Status of the respondents

Response option	Number of response	Percentage (%)
Single	64	58.7
Married	36	33.0
Divorced	9	8.3
Total	109	100

Source: field survey, 2022

Marital Status of the respondents indicate that 58.7% representing 64 were single while 33.0% representing 36 respondents were married and 8.3% representing 9 respondents are divorced.

Table 4.1.4: Educational background/ qualification of the respondents

Response option	Number of response	Percentage (%)
O'Level WASSCE	-	-
OND polytechnic	9	8.3
HND/B.SC	27	24.8
MBA/M.SC	50	45.8
ACCA/ACA	23	21.1
OTHER	___	___
Total	109	100

Source: field survey, 2022

The above analysis of data on academic qualification of respondent shows that there were no WASSCE holder, OND return of 9 represented 8.3%, HND/B.SC returned 27 representing 24.8% while MBA/M.SC returned 50 representing 45.8% and ACCA/ACA returned 23 represented 21.1%.

4.2 Data Analysis

The research carefully selected some particular vital question in relations to the objectives of the research. The response from respondents have been represented by use of table and single percentage.

The formula for it is

$$A\% = \frac{a}{n} \times \frac{100}{r}$$

Where

n = total number of response to a question

a = number of respondents ticking a particular answer option to the question

A% = 'a' expressed as a percentage of N.

Analysis and interpretation have followed respectively. In the tables below: SA= Strongly Agreed, A= Agreed, U=Undecided, D= Disagree, SD= Strongly Disagree.

Table 4.2.1: Response on Integrity

S/N	Statement	No. of Respondents/ Percentage (%)				
		SA	**A**	**U**	**D**	**SD**
1	Accounting practices of our company adhere to a consistent set of principles such as GAAP or IFRS.	63 57.8%	27 24.8%	9 8.2%	5 4.6%	5 4.6%
2	accounting principles of our organization gives stakeholders greater faith that financial statements tell is trustworthy.	50 45.9%	45 41.3%	10 9.2%	3 2.7%	1 0.9%
3	our organization rewards competent and honest staff	55 50.5%	49 44.9%	5 4.6%	- -	- -
4	my organization is known for accountability	51 46.7%	44 40.4%	10 9.2%	4 3.7%	- -
5	integrity is the ultimate value of the Code of Ethics of my organization	50 45.9%	34 31.2%	5 4.6%	18 16.5%	2 1.8%

Source: Field Survey, 2022

The table 4.2,1 above shows response on the integrity of the organization and indicates that 57.8.% strongly agreed that accounting practices of their company adhere to a consistent set of principles such as GAAP or IFRS, 24.8% agreed and 8.2% were undecided, while 4.6% disagreed and strongly disagreed were 4.6%; Accounting principles of organization gives stakeholders greater faith that financial statements tell is trustworthy 45.9% strongly agreed, 41.3% agreed, 9.2% undecided, 2.7% disagreed and 0.9% strongly disagreed; Their organization rewards competent and honest staff 50.5% strongly agreed, 44.9% agreed, 4.6% undecided, disagreed and strongly disagreed were none; Their organization is known for accountability 46.7% strongly agreed, 40.4% agreed, 9.2% undecided and 3.7% disagreed agree and strongly disagreed were none; Lastly, integrity is the ultimate value of the Code of Ethics of their organization 45.9% strongly agreed, 31.2% agreed, 4.6% undecided, and 16.5% disagreed, and 1.8% strongly disagreed.

Table 4.2.2: Responses on professional competence

S/N	Statement	No. of Respondents/ Percentage (%)				
		SA	**A**	**U**	**D**	**SD**
1	my organization encourages best practice	65 59.6%	35 32.1%	9 8.3%	- -	- -
2	our organization give confidence in development of new skill	55 50.4%	45 41.3%	8 7.4%	1 0.9%	- -
3	our accountant and internal auditor are highly ethical in the performance of their duties	59 54.1%	45 41.3%	5 4.6%	- -	- -

4	Lack of professional competence lead to loss of confidence by stakeholders.	58 53.2%	43 39.5%	8 7.3%	- -	- -
5	employees of my organization is known for ethical behavior	70 64.2%	30 27.5%	5 4.6%	4 3.7%	- -
6	my organization encourages best practices	53 48.6%	52 47.7%	4 3.7%	- -	- -

Source: Field Survey, 2022

The table 4.2.2 above shows that response on professional competenceand indicates that 59.6% strongly agreed that their organization encourages best practice, 32.1% agreed and 8.3% were undecided, while disagreed and strongly disagreed were none respectively; Our organization give confidence in development of new skill 59.6% strongly agreed, 32.1% agreed, 8.3% undecided, disagreed and strongly disagreed respectively; That their accountant and internal auditor are highly ethical in the performance of their duties 54.1% strongly agreed, 41.3% agreed, 4.6% undecided while disagreed and strongly disagreed were none; Lack of professional competence lead to loss of confidence by stakeholders 53.2% strongly agreed, 39.5% agreed, 7.3% undecided while disagreed agree and strongly disagreed were none respectively; Employees of their organization are known for ethical behavior, 64.2% strongly agreed, 27.5% agreed, 4.6% undecided, while 3.7% disagreed agree and strongly disagreed were none.

Table 4.2.3: response on looting of Objectivity

S/N	Statement	No. of Respondents/ Percentage (%)				
		SA	**A**	**U**	**D**	**SD**
1	my organization display fairness and truth in our financial reporting	64 58.7%	26 23.9%	9 8.2%	5 4.6%	5 4.6%
2	my organization discourages all forms of unethical practice in financial reporting	51 46.8%	45 41.3%	10 9.2%	3 2.7%	- -
3	my organization accounting information is supported with unbiased evidence.	56 51.4%	49 44.9%	4 3.7%	- -	- -
4	ethical practice of my organization makes our financial information more usable to investors and creditors	52 47.7%	44 40.4%	9 8.2%	4 3.7%	- -
5	my organization allows auditors to analyze the financial statements of our company, and verify the accuracy of the information provided with solid evidence.	68 62.4%	36 33.0%	5 4.6%	- -	- -

Source: Field Survey, 2022

The table 4.2.3 above shows response on the objectivity and indicates that 58.7% strongly agreed that their organization display fairness and truth in their financial reporting, 23.9% agreed, and 8.2% were undecided, while 4.6% disagreed and strongly disagreed were respectively; 46.8% of the respondents strongly agreed that their organization discourages all forms of unethical practice in financial reporting, 41.3% agreed, 9.2% undecided, 2.7% disagreed and none strongly disagreed; organization accounting information is supported with unbiased evidence, 51.4% strongly agreed, 44.9% agreed, 3.7% undecided while disagreed and strongly disagreed were none; Further, 47.7% strongly agreed that ethical practice of the organization makes their financial information more usable to investors and creditors, 40.4% agreed, 8.2% undecided, while 3.7% disagreed agree and strongly disagreed were none; It is also confirmed that 62.4% strongly agreed that their organization allows auditors to analyze the financial statements of our company and verify the accuracy of the information provided with solid evidence, 33.0% agreed, 4.6% undecided while disagreed agree and strongly disagreed were none respectively.

Table 4.2.4: Responses on Financial reporting

S/N	Statement	No. of Respondents/ Percentage (%)				
		SA	**A**	**U**	**D**	**SD**
1	my organization financial reporting aids management in decision making	59 54.1%	36 33.0%	9 8.3%	5 4.6%	-
2	my company financial reporting is reliable and dependable.	55 50.5%	32 29.4%	9 8.2%	9 8.2%	4 3.7%
3	my organization financial reporting records the financial activities of our organization	50 45.9%	34 31.2%	5 4.6%	18 16.5%	2 1.8%
4	my organization financial reporting shows formidable internal control mechanism	59 54.1%	27 24.8%	9 8.3%	9 8.3%	5 4.6%
5	my organization financial reporting attracts investors	45 41.3	32 29.4%	6 5.5%	18 16.5%	8 7.3%

Source: Field Survey, 2022

The Table 4.2.4 above shows that response on the financial reporting and indicates that 54.1% strongly agreed that their organization financial reporting aids management in decision making, 33.0% agreed and 8.3% were undecided, while disagreed and strongly disagreed were none respectively; 55% strongly agreed that their company financial reporting is reliable and dependable, 29.4% agreed, 8.2% undecided, and another 8.2% disagreed and 3.7% strongly disagreed; The respondents further agreed that their organization financial reporting records the financial activities of their organization; 45.9% strongly agreed, 31.2% agreed, 4.6% undecided and 16.5% disagreed agree and 1.8% strongly disagreed; financial reporting shows formidable internal control mechanism of their organization, 54.1% strongly agreed, 24.8% agreed, 8.3% undecided and another 8.3% disagreed agree and 4.6% strongly disagree; that financial reporting attracts investors 41.3% strongly agreed, 29.4% agreed, 5.5% undecided and 16.5% disagreed agree and 7.3% strongly disagreed.

4.3 Testing of Hypotheses

In this section, the data collected are used to test the hypotheses which were formulated earlier in chapter one. In practice, there are several statistical techniques available for testing hypothesis. However, for the purpose of this research work, the researcher used the Statistical Package for Social Sciences (SPSS) Version 20 in testing the hypotheses. Also, the simple regression technique was adopted because of its simplicity as well as minimizes the squares of the residuals.

Hypothesis one

H_{03}: Integrity does not have significant effect on financial reporting of deposit money banks in Nigeria

Results (see appendices)

Statistic	**Hypothesis one**
R	0.975
R^2	0.952
AR^2	0.935
error estimate	6.365
R. sum of square	2385.271
residual sum of squares	121.529
DW	2.196
C	0.302
Coeff.	0.986
P-value	0.005

Source: results of SSPS software, V. 23.

Hypothesis one result tested shows that the R^2 correlation coefficient is 0.975 signifyimg that there is a very strong relationship between financial reporting (FR) and Integrity (IR). The degree to which the independent variables explain the dependent variables called coefficient of determination which is represented by R^2 shows that 95.2% of the variation in FR can be explained by IR. Hence, the Adjusted R^2 is 0.935. This explains that the independent variables specified in the model can explain only about 93.5% of the variations in the dependent variable. With the linear regression model, the error of estimate is low with a value of about 6.365. The regression sum of square 2385.271 is more than the residual sum of squares 121.529 which means that more of the variation in the dependent variable is explained by the model; hence variation explained that the model is not due to chance.

The acceptable value for the Durbin Watson Statistic is 2 but it permits a range of 0.2. The Durbin-Watson Statistic is 2.196 and since it falls outside the acceptable range, the model is not free from autocorrelation and not reliable. We conclude that the model shows positive serial autocorrelation. Thus, the constant or intercept is 0.302. This implies that when all the model parameters are zero, there will still be an effect of 0.302 on the FR. This is accounted for by other factors not specified in the model. Based on above information that the estimated regression model is represented as follows: FR = 0.302+ 0.986IR $+\mu$

However, the significance value (p-value) of 0.005 is less than 0.05, the model is significant. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. We therefore conclude that integrity have significant effect on financial reporting of deposit money banks in Nigeria.

Hypothesis two

H_{o2}: **Professional competence does not have significant effect on the financial reporting of deposit money bank in Nigeria.**

Results (see appendices)

Statistic	**Hypothesis Two**
R	0.984
R^2	0.967
AR^2	0.957
error estimate	5.213
R. sum of square	2425.260
residual sum of squares	81.540
DW	1.953
C	3.561
Coeff.	0.837
P-value	0.003

Source: results of SSPS software, V. 23.

The result of hypothesis two tested shows that the R^2 correlation coefficient is 0.984 signified that there is a very strong relationship between financial reporting (FR) and professional competence (PC). The degree to which the independent variables explain the dependent variables called coefficient of determination which is represented by R^2 shows that 96.7% of the variation in FR can be explained by PC. Hence, the Adjusted R^2 is 0.957. This explains that the independent variables specified in the model can explain only about 95.7% of the variations in the dependent variable. With the linear regression model, the error of estimate is low with a value of about 5.213. The regression sum of square 2425.260 is more than the residual sum of squares 81.540 which means that more of the variation in the dependent variable is explained by the model; hence variation explained that the model is not due to chance. The Durbin-Watson Statistic is 1.953 falls within the acceptable range, the model is free from autocorrelation and is reliable. We conclude that the model shows positive serial autocorrelation. Thus, the constant or intercept is 3.561. This implies that when all the model parameters are zero, there will still be an effect of 3.561 on the FR. This is accounted for by other factors not specified in the model. Based on above information that the estimated regression model is represented as follows: FR = 3.561+0.837PC +μ

However, the significance value (p-value) of 0.003 is less than 0.05, the model is significant. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. We therefore conclude that professional competences have significant effect on the financial reporting of deposit money bank in Nigeria.

Hypothesis three

H_{o3}: **Objectivity does not have significant effect on financial reporting of deposit money banks in Nigeria**

Results (see appendices)

Statistic	**Hypothesis three**
R	0.995
R^2	0.991
AR^2	0.987
error estimate	2.816
R. sum of square	2483.002
residual sum of squares	23.798
DW	1.679
C	3.616
Coeff.	0.834
P-value	0.000

Source: results of SSPS software, V. 23.

From hypothesis three, it shows that the R^2 correlation coefficient is 0.995 signified that there is a very strong relationship between financial reporting (FR) and Objectivity (OB). The R^2shows that 99.1% of the variation in FR can be explained by OB. Hence, the Adjusted R^2 is 0.987. This explains that the independent variables specified in the model can explain only about 98.7% of the variations in the dependent variable. With the linear regression model, the error of estimate is low with a value of about 2.816. The regression sum of square 2483.002 is more than the residual sum of squares 23.798 which means that more of the variation in the dependent variable is explained by the model; hence variation explained that the model is not due to chance.

The Durbin-Watson Statistic is 1.953 falls within the acceptable range; the model is free from autocorrelation and is reliable. We conclude that the model shows positive serial autocorrelation. Thus, the constant or intercept is 3.616. This implies that when all the model parameters are zero, there will still be an effect of 3.616 on the FR. This is accounted for by other factors not specified in the model. Based on above information that the estimated regression model is represented as follows: FR = 3.616+0.834 OB +μ

However, the significance value (p-value) of 0.000 is less than 0.05, the model is significant. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. We therefore conclude that objectivity have significant effect on financial reporting of deposit money banks in Nigeria.

General model

H_{o4}: **Integrity, professional competence and objectivity does not have significant effect on financial reporting of deposit money banks in Nigeria**

Statistic	**General Model**
R	.998[a]
R^2	.995
AR^2	.990
error estimate	.551
R. sum of square	122.192
residual sum of squares	.608
DW	1.802
C	-0.476
Coeff. IR PC OB	0.217 0.101 0.999
P-value	.005[b]

Source: results of SSPS software, V. 23.

In the general model, there is a very strong relationship between Financial Reporting (FR) and Integrity (IR), Professional Competence (PC)& Objectivity (OB). The degree to which the independent variables explain the dependent variables called coefficient of determination which is represented by R^2 shows that 99.8% of the variation in FR can be explained by IR, PC & OB. Hence, the Adjusted R^2 is 99.5%. This explains that the independent variables specified in the model can explain only about 48.3% of the variations in the dependent variable. Thus, the constant or intercept is -0.476. This implies that when all the model parameters are zero, there will still be an effect of -0.476 on the IR, PC & OB.

However, the significance value (p-value) of 0.005 is less than 0.05, the model is statistically significant. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. We therefore conclude that integrity, professional competence and objectivity have significant effect on financial reporting of deposit money banks in Nigeria

SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter is about the summary of the study on effect of ethical practices on financial reporting of deposit money banks in Nigeria. It further draws the conclusion and recommendations for the study based on the results of its findings.

5.1 Summary of findings

Based on the above finding, the study theoretically came out with the followings:

i. That organization financial reporting aids management in decision making,
ii. That accounting practices of their company should adhere to a consistent set of principles such as GAAP or IFRS
iii. Professional competence encourages organization best practice.
iv. Organization allows auditors to analyze the financial statements of the company, and verify the accuracy of the information provided with solid evidence.

The Empirical findings show the following results:

i. **Integrity has significant effect on financial reporting of deposit money banks in Nigeria since** the significance value (p-value) of 0.005 < 0.05, the model is statistically significant.

ii. **Professional competences have significant effect on the financial reporting of deposit money banks in Nigeria since** the significance value (p-value) of 0.003< 0.05, the model is statistically significant.

iii. **Objectivity has significant effect on financial reporting of deposit money banks in Nigeria since** the significance value (p-value) of 0.000 < 0.05, the model is statistically significant.

5.2 Conclusion

The study concentrated on the effect of ethical practices on financial reporting of deposit money banks in Nigeria using data retrieved from respondents working with deposit money banks with international recognition, precisely, First Bank of Nigeria, Plc. The study concludes based on the empirical studies that: Integrity has significant effect on financial reporting of deposit money banks in Nigeria; professional competences have significant effect on the financial reporting of deposit money banks in Nigeria and objectivity has significant effect on financial reporting of deposit money banks in Nigeria.

5.3 Recommendations

Based on the findings from the study, the researchers recommend as follows:

i. The management and board of deposit money banks should establish policies and make use of opportunities that foster the development of professional ethics among their staff so as to improve the timeliness and verifiability of their financial statement.

ii. Staff of deposit money banks should also make good use of all available means to improve on their professional skills and behavior so as to boost financial reporting quality.

iii. Management of deposit money banks should ensure that their accounting department is professionalized and the competence of the department is also increased by ensuring that hiring of accounting staff is totally on merit and the management should also focus more on on-the-job training opportunities for employees.

5.4 Limitations of the Study

The following limitations are inherent in the course of carrying out this research.

Non-challant attitude of respondents: Some respondents find it irrelevant to answer questionnaire and give out information concerning a research work hence making it difficult for the researcher.

Time: This is one factor which will delay a research work. This implies that a lot of time will be needed in gathering data and sourcing for relevant information especially during the literature review and other procedures in the research work.

Cost: This is another limiting factor because it includes the mode of transporting from one place to another in carrying out the research work. Also comprehensive textbooks and journals relating to a particular topic for research may be difficult to find or scarce in the library.

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