

APPLICATION OF FINANCIAL ETHICS IN ANNUAL FINANCIAL REPORTING OF BANKS

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ABSTRACT

The importance of financial ethics and its application in financial reporting of banks cannot be ignored as it assists in building public confidence and fostering professionalism. However, the non-compliance and conformity with Nigerian Financial Regulatory Authorities prudential guidelines in the preparation of financial statements lead to incomplete or false information. The objective of the study is to examine the application of financial ethics in annual financial reporting of banks. The study employed primary and secondary data and stratified and purposive sampling techniques were used in which 20 questionnaires were administered to respondents. ANOVA and chi-square were in analysis and the findings revealed that there are significant unethical practices in the preparation of financial reports of banks in Nigeria. The study recommends that more emphasis and attention should be given to ethical standards in all banks and banks should give out clear reports of their financial activities to the regulatory authorities.

Keywords: banks, ethical standard, financial ethics, financial reporting, regulatory authorities', unethical practices