International Journal of Business, Economics and Management
2025 Vol. 12, No. 4, pp. 73-83
ISSN(e): 2312-0916
ISSN(p): 2312-5772
DOI: 10.18488/62.v12i4.4664

Professional ethics and fair presentation of financial reports in listed consumer goods companies in Nigeria

Nwaobia Appolos Nwabuisi[1]
Adebawojo Oladipupo Akindehinde[2]
Olanrewaju Adesina Ganiu[3+]
Ogundeyi Gbenga[4]

[1,2,3,4]*Accounting Department, Babcock University, Ilishan Remo, Ogun State. Nigeria.*
[1]*Email: nwaobiaa@babcock.edu.ng*
[2]*Email: adebawojoo@babcock.edu.ng*
[3]*Email: Olanrewaju0661@pgbabcock.edu.ng*
[4]*Email: ogundeyi0019@pg.babcock.edu.ng*


(+ Corresponding author)

Article History
Received: 28 October 2025
Revised: 2 December 2025
Accepted: 18 December 2025
Published: 31 December 2025

Keywords
Accountability
Consumer goods manufacturing firms
Fair presentation
Faithful representation
Financial reports
Professional ethics.

JEL Classification:
M14; L66; M41; L48.

ABSTRACT

Financial reports are essential tools for decision-making among all stakeholders, including those involved in listed Nigerian consumer goods manufacturing firms. To enable informed decisions, these reports must accurately reflect the firms' financial position and performance, ensuring transparency and objectivity. This study examined the influence of professional ethics on the fair presentation of financial reports within listed consumer goods manufacturing firms in Nigeria. A survey research design was employed for this investigation. The population comprised 486 accountants working at the corporate headquarters of seventeen (17) listed Nigerian consumer goods manufacturing companies. Validated questionnaires were distributed to a purposive sample of 255 respondents, specifically targeting senior management accountants involved in the preparation and presentation of financial reports. The reliability of the questionnaire, measured by Cronbach's alpha, ranged from 0.72 to 0.85. The response rate was 80%. Data analysis involved both descriptive statistics and inferential analysis using multiple regression. The results indicated that professional ethics had a significant effect on the fair presentation of financial reports (Adjusted $R^2 = 0.525$, $F(4, 199) = 57.027$; $p < 0.05$). The findings suggest that professional ethics play a crucial role in enhancing the fairness and transparency of financial reporting in these firms. Based on these results, the study recommends that management of consumer goods companies should actively promote professional ethical standards among employees and ensure ongoing training and retraining on ethical practices to uphold the integrity of financial reports.

Contribution/Originality: This study documents original evidence from Nigeria's consumer goods manufacturing firms by empirically linking professional ethics to the fair presentation of financial reports. Using senior-level accountants and robust statistical analysis, it demonstrates that ethical conduct significantly improves reporting quality by offering sector-specific awareness that strengthens accountability and ethical financial governance.

1. INTRODUCTION

Fair presentation of financial statements is critical for ensuring transparency, reliability, and comparability in the global business environment. Zhou and Wang (2023) submitted that it enhances stakeholders' confidence by providing accurate and unbiased information about a firm's financial position and performance, which allows users to make informed decisions. Compliance with international standards, such as the International Financial Reporting Standards (IFRS), promotes consistency across countries, facilitating cross-border investment and trade (IFRS Foundation, 2022). According to Smith and Adams (2021), fair presentation minimizes the risk of financial misstatements and fraudulent practices, safeguarding the integrity of financial markets. Additionally, it supports corporate governance by providing a basis for accountability and responsibility among management and stakeholders (Brown, 2022). Smith and Adams (2021) claimed that inaccurate or misleading financial reporting can lead to legal consequences, reputational damage, and loss of investor trust. Therefore, the fair presentation of financial statements is a cornerstone for maintaining ethical standards and fostering sustainable business practices worldwide.

From the African perspective, fair presentation of financial statements is pivotal for ensuring transparency and accountability within firms, thereby enhancing stakeholder confidence and facilitating economic growth. By adhering to standardized accounting practices, such as the International Financial Reporting Standards (IFRS), firms can provide consistent and comparable financial information, which is essential for attracting both local and foreign investment (Corporate Finance Institute, 2023).

In Nigeria, the fair presentation of financial statements is essential for ensuring transparency and accountability within the corporate sector. Adeosun and Ayedogbon (2023) asserted that adherence to International Financial Reporting Standards (IFRS) enhances the quality of financial reporting, promoting comparability and reliability of financial statements. This alignment with global standards attracts foreign investment and integrates Nigerian firms into the international market (Corporate Finance Institute, 2023). However, challenges such as inconsistent accounting standards and limited technical expertise necessitate the need for continuous professional development and the establishment of robust regulatory frameworks to uphold the integrity of financial reporting (Corporate Finance Institute, 2023). Professional developments include ethical considerations and practices to enhance fairness in all activities of the firm, including fairness in the presentation of financial reports.

Professional ethics play a crucial role in ensuring the fair presentation of financial reports among Nigerian firms. Adherence to ethical principles such as accountability, integrity, objectivity, confidentiality, professional behavior, and professional competence could enhance the reliability and credibility of financial reports, which foster stakeholders' trust and enable them to make informed decisions (Musa, 2019). The Financial Reporting Council of Nigeria (FRC) mandates that professionals, including external auditors and company officers, involved in financial reporting processes certify financial reports by indicating their FRC registration numbers, thereby vouching for the integrity of these reports (Financial Reporting Council of Nigeria, 2024). Therefore, upholding professional ethics is essential for achieving transparency and accountability in Nigeria's financial reporting landscape.

There exist theoretical gaps resulting from current frameworks that have not substantially integrated ethical theories, such as Stakeholder Theory, with financial reporting practices in emerging market contexts. This oversight creates a theoretical gap where critical dimensions of professional ethics, such as integrity, accountability, objectivity, and confidentiality, and their specific influence on the fair presentation of financial reports, are not adequately delineated. Additionally, the scope of study in Nigeria has been limited, typically focusing on a small number of firms or sectors, which restricts the generalizability of findings to the broader consumer goods industry (Adedeji, 2022). Therefore, there is an urgent need for robust and methodologically sound research to address these gaps. Such research would enhance understanding of the ethical determinants of financial reporting and inform policy and regulatory frameworks aimed at improving the presentation of financial statements in Nigeria. Consequently, this study has the following objective:

1. To investigate the effect of professional ethics on the fair presentation of financial reports among listed consumer goods manufacturing firms in Nigeria.

In order to achieve this objective, the researcher raised the following question:

1. How does professional ethics affect the fair presentation of financial reports of listed consumer goods manufacturing firms in Nigeria?

To enable the researchers, provide appropriate answers to the research question that was raised, we formulated and tested the null hypothesis.

H_0: Professional ethics have no significant effect on the fair presentation of financial reports of listed consumer goods manufacturing firms in Nigeria.

2. LITERATURE REVIEW

2.1. Conceptual Reviews

2.1.1. Professional Ethics

According to Ancy (2023), professional ethics refer to the moral principles and standards that are expected to guide professionals in their conduct within their respective fields. The ethics are profession-specific and help define acceptable behavior, responsibilities, and integrity within that professional context. It is critical for maintaining public trust, protecting clients and stakeholders, and promoting professionalism within the industry. Professional ethics include integrity, confidentiality, competence, and objectivity (Ancy, 2023).

2.1.2. Accountability

Accountability in public institutions is understood as the duty to answer for actions and decisions made, ensuring transparency and trust between stakeholders and organizations (Williams & Anderson, 2022). Accountability within corporate settings is framed as the obligation of organizations to demonstrate ethical conduct and sound management practices to stakeholders (Garcia & Kim, 2021). Williams and Anderson (2022) opined that accountability integrates both internal and external mechanisms, such as audits and stakeholder feedback, to ensure compliance and integrity. Consequently, it becomes a critical factor in maintaining corporate reputation and investor confidence in an increasingly transparent market. For instance, the ethics of accountability might significantly influence the fair presentation of financial reports by ensuring that financial statements accurately represent a company's financial position, thereby fostering stakeholder trust and informed decision-making. According to Enofe, Edemenya, and Osunbor (2015), empirical studies have demonstrated that adherence to accounting ethics has a significant relationship with financial reporting quality, leading to a more faithful representation of economic events. Therefore, upholding accountability within ethical standards is essential for achieving transparency and integrity in financial reporting.

2.1.3. Integrity

According to Davis and Lee (2022), the ethics of integrity involve acts that emphasize unwavering moral principles guiding leaders beyond mere compliance, promoting transparency and fairness. It advocates for decision-making processes rooted in ethical reflection, where actions are aligned with public trust and accountability (Davis & Lee, 2022). Johnson and Patel (2023) noted that such ethical commitments are integral to fostering stakeholder trust and mitigating risks associated with unethical conduct.

Consequently, embedding these ethical principles not only drives long-term success but also elevates corporate reputation in competitive markets. Additionally, integrity is fundamental to the fair presentation of financial reports, ensuring that financial statements accurately reflect a company's financial position without misrepresentation or bias (Enofe et al., 2015).

According to the University of Bolton (2023), this ethical principle fosters trust among stakeholders, including investors, creditors, and regulatory bodies, by providing a truthful depiction of financial performance, which is essential for users to make informed decisions. Empirical studies have demonstrated that executives who pledge integrity are less likely to engage in earnings management, thereby enhancing the quality of financial reporting (Graham, Harvey, & Rajgopal, 2023).

2.1.4. Confidentiality

In the corporate environment, confidentiality is a fundamental ethical principle that mandates the secure handling of sensitive business data and trade secrets. It involves the implementation of strict protocols and access controls to prevent the unauthorized disclosure of proprietary information (Nguyen & Carter, 2023). Additionally, corporate confidentiality extends to safeguarding employee data and internal communications, thereby reinforcing organizational integrity (Lee & Gomez, 2022). This ethical framework necessitates clear policies and rigorous data management practices to protect personal and sensitive information. Confidentiality is regarded as a cornerstone of ethical practice in financial accounting, ensuring that sensitive financial information is protected from unauthorized disclosure, as documented by Aifuwa, Embele, and Saidu (2018). This ethical principle fosters trust and integrity in professional relationships, thereby enhancing the quality of financial reporting. It is believed that adherence to confidentiality positively impacts the quality of financial reports and results in a more faithful representation of economic events (Aifuwa et al., 2018). Hence, upholding confidentiality within ethical standards is essential for achieving transparency and reliability in financial reporting.

2.1.5. Objectivity

Enofe et al. (2015) considered objectivity as a fundamental requirement for the fair presentation of financial reports, as it requires accountants to remain impartial and free from conflicts of interest, ensuring that financial information is unbiased and reliable. This ethical principle is crucial for maintaining stakeholder trust and supports them in making informed decisions by providing a true and fair view of a company's financial health. It is believed that adherence to accounting ethics, including objectivity, could have a significant positive relationship with financial reporting quality, which may likely lead to a more faithful representation of economic events (Enofe et al., 2015).

Although professional ethics is widely recognized as essential for ensuring transparency and reliability in financial disclosures (Adedeji, 2022), its effect on the fair presentation of financial reports among listed consumer goods manufacturing firms in Nigeria remains an area of significant concern due to several identified research gaps. In addition, there is limited empirical evidence specifically examining its impact within Nigeria's consumer goods sector. Existing studies predominantly focus on firms in developed economies, leaving a clear geographical gap in the literature (Eze & Okafor, 2023). The current study, therefore, attempted to fill these gaps

2.2. Theoretical Underpinning

This study is anchored on the Stakeholder Theory, propounded by Freeman (1984). The theory posits that organizations have ethical obligations to all individuals or groups that affect and are affected by their actions, extending beyond just shareholders to include employees, customers, suppliers, and the broader community. This comprehensive ethical framework emphasizes that businesses should create value for all stakeholders, and not focus solely on maximizing shareholder wealth. In the context of financial reporting, Balogun (2023) noted that adhering to ethical standards ensures that the interests of various stakeholders are respected and protected. Accurate and transparent financial disclosures provide employees with job security, inform customers about the company's stability, assure suppliers of reliable partnerships, and demonstrate corporate responsibility to the community. By upholding these ethical standards, organizations foster trust and maintain legitimacy among their diverse stakeholders.

In summary, Stakeholder Theory advocates for ethical obligations to all parties affected by organizational actions. Upholding ethical standards in financial reporting is crucial for respecting and protecting the interests of various stakeholders, thereby fostering trust, accountability, and long-term success.

2.3. Empirical Reviews

There have been many studies conducted on ethical practice and financial reporting; however, as noted earlier, the studies rarely focused on the consumer goods industry. Considering the ethics of accountability, Smith and Lee

(2022) conducted a quantitative study analyzing how robust accountability practices within organizations influence the fairness of financial reports. Their research, which surveyed over 300 publicly listed firms, revealed that enhanced accountability mechanisms such as comprehensive internal audits and transparent reporting procedures were significantly associated with the fair presentation of financial information. The empirical evidence indicated that firms with strong ethics of accountability experienced fewer instances of financial restatements and misreporting, thereby reinforcing stakeholder trust. The limitation of this study is that while it effectively links ethics of accountability to financial transparency, it relies on self-reported survey data, which may introduce response bias and limit the generalizability of its findings.

Also, Omimakinde and Adejuwon (2023) investigated the influence of corporate governance practices on the quality of financial reporting in Nigerian public-sector institutions. Using regression analysis, they found that the adoption of robust governance mechanisms, including internal controls, board oversight, and compliance procedures, significantly enhances the accuracy and fairness of financial statements. Their findings suggest that organizations with strong governance frameworks are more likely to implement ethical reporting practices, reducing biases and manipulation in financial disclosures. However, the study's limitation is that it does not consider potential moderating factors, such as organizational culture or regional differences, which may affect the generalizability of the results.

Similarly, for ethics of integrity, Smith and Nguyen (2023) conducted a cross-sectional study on 250 firms across diverse industries and found that a strong ethical culture, particularly one emphasizing integrity, correlates with fairer financial reporting. Their research showed that firms with a robust integrity and ethical culture, measured through comprehensive internal guidelines and codes of conduct, were significantly less likely to manipulate earnings or issue financial restatements. The study's results underscore that ethical integrity is not only a moral imperative but also a practical tool for ensuring transparency and accuracy in financial disclosures. The study convincingly associates an integrity ethical culture with the fair presentation of financial reports, but its cross-sectional design limits the ability to draw causal inferences about the long-term effects of ethical integrity.

Brown and Johnson (2022) explored the long-term impact of the ethical culture of integrity on financial reporting quality through a five-year longitudinal analysis of publicly traded firms. Their empirical evidence revealed that organizations that consistently enforced ethical practices, through rigorous governance frameworks and ethical leadership, reported financial statements that were more transparent and less prone to bias. The study further indicated that sustained ethical integrity reduces incidences of earnings management and fosters an environment where fair presentation of financial data is prioritized. The longitudinal approach strengthens causal inference, yet the study's focus on publicly traded firms may not fully capture the dynamics of private entities, potentially narrowing the scope of its implications.

Additionally, for the ethics of objectivity, Anderson and Kim (2022) conducted a cross-sectional study of 300 firms to examine how objective ethical practices can be defined as adherence to standardized accounting principles and unbiased decision-making to influence the fair presentation of financial reports. Their findings indicated that organizations with robust ethics of objectivity are significantly less prone to reporting irregularities and earnings manipulation. The study highlights that the ethics of objectivity frameworks help minimize subjective distortions, thereby reinforcing transparency. The research effectively demonstrates the value of objectivity in financial reporting, but its reliance on standardized accounting principles may not account for industry-specific variations that influence ethical practices.

Furthermore, Garcia and Patel (2023) investigated the impact of objectivity-based ethical frameworks on financial reporting quality in a panel data study spanning five years. Their empirical analysis demonstrated a positive correlation between the consistent application of objective ethical standards and the accuracy of financial disclosures. The research revealed that firms with clear, unbiased reporting protocols exhibit fewer instances of financial misreporting. The limitation of the study is that while the study's panel data approach enhances its robustness, the analysis might benefit from considering the role of external regulatory environments that could affect the consistency of objective ethics.

In terms of the ethics of confidentiality, Lee and Chen (2023) conducted a cross-sectional study of 250 firms and found that robust confidentiality practices within internal audit processes significantly enhance the fair presentation of financial reports. Their research indicates that when sensitive financial data is securely managed, the risk of information distortion is minimized, leading to more reliable disclosures. The study underscores that ethical confidentiality not only protects proprietary information but also reinforces the integrity of financial reporting. The study's exploration of the ethical practice of confidentiality is valuable, yet the focus on internal audit processes without considering external verification mechanisms may limit a comprehensive understanding of ethical confidentiality.

Ujan and Mukhlasin (2019) conducted a study to examine the effect of internal control disclosure and ethics disclosure on earnings quality, focusing specifically on investor perceptions. Using regression analysis, the study investigated how voluntary disclosure practices influence the perceived reliability and accuracy of financial statements among investors. The findings revealed that firms providing more comprehensive ethics disclosures tend to have higher-quality earnings, as perceived by investors, suggesting that transparent ethical communication enhances confidence in financial reporting. However, the study is limited in that it uses a cross-sectional design, which restricts the ability to infer causal relationships between disclosure practices and earnings quality over time. Although the study effectively links confidentiality ethics with reduced earnings manipulation, it may overlook the influence of organizational culture and leadership styles on ethical decision-making.

3. METHODOLOGY

This empirical research was based on a survey research design. The population of this study is four hundred and eighty-six (486) accountants in the corporate headquarters of seventeen (17) selected consumer goods manufacturing firms in Nigeria (Table 1). The sample size of 255 was determined using purposive sampling techniques based on the criterion that the selected respondents must be senior accountants and above, who are more likely to be responsible for the preparation and presentation of financial reports. Consequently, the sample size of 255 comprised 15 senior accountants from each of the 17 selected firms.

Table 1. Population distribution of respondents across the companies for this study.

S/No	Name of companies	No. of accountants
1	Bua foods	32
3	Champion Breweries Plc	26
4	Dangote Sugar Refinery Plc	33
5	DN Tyre and Rubber Plc	24
6	Flour Mills of Nigeria Plc	28
7	Golden Guinea Breweries Plc	20
8	Guinness Nigeria Plc	30
9	Honeywell flour mills	31
10	International Breweries Plc	24
11	Northern Nigeria Plc	26
12	Nestle Nigeria Plc	32
13	Nigeria Breweries Plc	33
14	PZ Cussons Nigeria Plc	28
15	Unilever Nigeria Plc	30
16	Union Dicon Salt Plc.	25
17	Vitafoam Nigeria Plc	27
	Total	486

Source: Human resources of the various firms as of 31st January 2025.

A 25-item structured questionnaire (five questions for each independent variable and five questions for the dependent variable) was used to collect data for the independent construct of the study (Professional Ethics), which was proxied by accountability, integrity, objectivity, and ethics of confidentiality. The reliability of the constructs was tested using Cronbach's alpha, with results of 0.76, 0.77, 0.85, and 0.72, respectively, indicating that the independent variables were reliable. The dependent variable was the fair presentation of financial reporting, with an average Cronbach's alpha result of 0.782, which indicated that they were all reliable enough for the study because they all exceeded the benchmark of 0.7. The modified five-point Likert response scale of Strongly Disagree, Disagree, Undecided, Agree, and Strongly Agree was used, with scores ranging from 1 2 3 4 and 5, respectively. The null hypothesis was tested using multiple regression through SPSS (Version 23) software to determine whether professional ethics significantly affect the fair presentation of financial statements.

3.1. Functional Relationship and Model Specification

The functional relationship of the multiple regression is given as follows.

FPRE= f (ACBI, ITGE, OBTI, CNFI)

Hence, the research model was stated as:

$$FPRE_{it} = \beta_0 + \beta_1 ACB_{It} + \beta_2 ITGE_{it} + \beta_3 OBTI_{it} + \beta_4 CNFI_{it}\, i_t + U_{it} \quad (1)$$

Where:

FPRE = Fair presentation of financial reports and as measured by responses from the questionnaire.

ACBI = Accountability as measured by responses from the questionnaire.

ITGE = Ethics of integrity as measured by the response to the questionnaire.

OBTI = Ethics of objectivity as measured by response from the questionnaire.

CNFI =Ethics of confidentiality as measured by response to the questionnaire.

β_0 is the intercept.

$\beta_{1\text{-}4}$ is the coefficient of the independent variables.

An a priori expectation is that all the independent variables will have a positive effect on the fair presentation of financial reports, that is, β_1 - $\beta_4 > 0$.

4. DATA ANALYSIS, RESULTS, AND DISCUSSION OF FINDINGS

4.1. Descriptive Analysis

Table 2 describes the data set in terms of its mean, standard deviation, minimum, and maximum values of each of the variables.

Table 2. Descriptive statistics of variables.

Variables	Obs.	Minimum	Maximum	Mean	St deviation
FFRE	204	2.000	5.000	4.096	0.686
ACBI	204	2.800	5.000	4.391	0.421
ITGE	204	2.600	5.000	3.975	0.550
OBTI	204	2.000	5.000	3.909	0.809
CNFI	204	2.400	5.000	4.188	0.596

FFRE has a minimum of 2, a maximum of 5, a mean of 4.096, and a standard deviation of 0.685, indicating a moderate dispersion from the mean. The implication of this is that there is no uniform standard of fair presentation of financial reports among participants in the study. The mean of ethics of accountability (ACBI) is 4.391, with a standard deviation of 0.421 and minimum and maximum values of 2.8 and 5, respectively. This implies non-uniform compliance with accountability as an ethical principle in financial reporting.

Furthermore, the ethics of integrity had a mean of 3.975 and a standard deviation of 0.5495, indicating moderate dispersion, implying that demonstration of integrity in the presentation of financial statements is relative to each participating entity. The ethics of integrity also had minimum and maximum values of 2.6 and 5, respectively. This connotes that respondents' perceptions of integrity among the entities differ; some are rated low, while others are rated high. Similarly, the mean and standard deviation of ethics of objectivity were 3.908 and 0.809, respectively, implying significant differences in respondents' perceptions of the level of objectivity exhibited by the entities in their financial reporting practices. This was corroborated by the minimum value of 2 and the maximum value of 5.

The descriptive statistics of confidentiality (mean = 4.188; standard deviation = 0.595; minimum = 2.4; maximum = 5.00) follow the same pattern as the other ethical principles considered in this study. There were significant differences in participants' perceptions of adherence to the principle of confidentiality among respondents/entities.

Table 3 illustrates the correlation between the dependent and independent variables, with a fair presentation of financial reports (FFRE) as the dependent variable, while ethics of accountability, ethics of integrity, ethics of objectivity, and ethics of confidentiality all had a positive correlation with the fair presentation of financial reports. This meant that when the degree of principles of accountability, integrity, objectivity, and confidentiality increased, so did the level of fair presentation of financial reports.

Table 3. Correlation matrix of dependent and independent variables.

Variables	FFRE	ACBI	ITGE	OBTI	CNFI	VIF
FFRE	1.000					
ACBI	0.444	1.000				1.270
ITGE	0.563	0.442	1.000			1.658
OBTI	0.649	0.330	0.488	1.000		1.499
CNFI	0.483	0.276	0.505	0.496	1.000	1.509

According to Hussain, Islam, and Andrew (2006), multicollinearity can occur when the correlation between independent variables is 0.9 or greater; however, Emory (1982) considered more than 0.80 to be problematic. The extent of the correlation among the explanatory components normally exhibited no major multicollinearity challenges in the study, as evidenced by the greatest correlation coefficient of 0.649 between Fair presentation of financial reports and the ethical principle of objectivity. The results of the Variance Inflation Factor (VIF) test equally confirmed the absence of multicollinearity, as the results ranged from a minimum of 1.270 to a maximum of 1.658, with a mean of 1.484. According to Neter, Kutner, Nachtsheim, and Wasserman (1996) VIF of 5.00 can be used as proof of the absence of a multicollinearity problem.

4.2. Inferential Statistical Analysis

4.2.1. Test of Hypothesis

The results of the test of the hypothesis are given in Table 4.

Table 4. Inferential statistical analysis showing the effect of professional ethics on the fair presentation of financial reports.

Ind. Variables	Coefficients OLS	T Statistics OLS	P-Values
Constants	-201	-0.531	0.596
ACBI	0.175	3.201	0.002
ITGE	0.220	3.538	0.001
OBTI	0.429	7.247	0.000
CNFI	0.111	1.864	0.064
No of Obs.	204		
R-Squared	0.534		
Adj. R-Squared	0.525		
F-Statistic	57.027		
P-Value	0.0000		

4.2.2. Interpretation of Result

Table 4 shows the results of the regression analysis on the effect of professional ethics on the fair presentation of financial reports of Nigerian consumer goods manufacturing firms. The results revealed that professional ethics, in terms of accountability, integrity, objectivity, and confidentiality, altogether significantly affect the fair presentation of financial reports of Nigerian consumer goods manufacturing firms, with F-statistics of 57.027, P-value at 0.000, and an adjusted R-squared of 0.525. The 0.525 adjusted R-squared implies that the components of professional ethics within the research model were responsible for 52.5% of the variations in the fair presentation of financial reports of the consumer goods manufacturing firms in Nigeria. This further implies that the remaining 47.5% would be explained by other factors or variables that can affect the fair presentation of financial reports but were not considered in the research model. These consumer goods manufacturing firms in Nigeria should continually ensure that employees display a high level of professional ethics in their conduct and dealings.

4.2.3. Decisions

Since the P-value of 0.000 is less than the 5% significance level, and with an F-statistic of 57.077, the study rejected the null hypothesis. Hence, professional ethics have a significant effect on the fair presentation of financial reports. Parameter estimates of the relative contributions of Professional Ethics to fair Presentation of the Financial Report. From Table 4, the β coefficients of accountability are 0.175. This suggests that a change of 1% in accountability will cause a 0.175 increase in the fair presentation of financial reports, which was significant at a P-value of 0.002 and T-statistics of 3.201. The β coefficient of 0.220 for integrity indicates that a change of 1% in integrity will cause an increase of 0.220 in the fair presentation of financial reports of consumer goods manufacturing firms in Nigeria. This was significant at a P-value of 0.001 with a T-statistic of 3.538. Additionally, the β coefficient of 0.429 for objectivity implies that a change of 1% in objectivity will be responsible for a 0.429 increase in the fair presentation of financial reports. This was highly significant, as indicated by the P-value of 0.000 and a T-statistic of 7.247. Although, for confidentiality, the β coefficient of 0.111 indicates that a change of 1% in the level of confidentiality was responsible for a 0.111 increase in the fair presentation of financial reports of consumer goods manufacturing firms in Nigeria; however, the effect as presented in the statistical results was not statistically significant. Hence, the regression model can be restated as follows.

$$FPRE_{it} = -201 + 0.175ACB_{It} + 0.220ITGE_{it} + 0.429OBTI_{it} + 0.111CNFI_{it} \quad (2)$$

5. DISCUSSION OF FINDINGS

The findings of this study are consistent with the findings of Enofe et al. (2015), who have demonstrated from empirical studies that adherence to accounting ethics has a significant relationship with financial reporting quality, leading to more faithful representation of economic events. Thus, upholding accountability within ethical standards is essential for achieving transparency and integrity in financial reporting. Also, Smith and Lee (2022) supported this study by observing from their studies that the ethics of accountability had a positive and significant effect on the fair presentation of financial reports of listed consumer goods manufacturing firms in Nigeria. For integrity, the findings of Smith and Nguyen (2023) and Brown and Johnson (2022) were consistent with the findings of this study. Their study showed that the ethics of integrity had a positive effect on the fair presentation of financial reports of listed consumer goods manufacturing firms in Nigeria. Furthermore, Anderson and Kim (2022) and Garcia and Patel (2023) identified a positive relationship between fair presentation of financial reports and ethics of objectivity, which was in tandem with the findings of this study. Additionally, the findings of Lee and Chen (2023) on confidentiality supported the findings of this study. Although the effect of ethics of confidentiality on the fair presentation of financial reports was positive but not statistically significant in this study, Lee and Chen (2023) in their study identified a positive relationship between the fair presentation of financial reports and ethics of confidentiality. However, the consistency in the direction of the relationship with prior empirical findings suggests a potential underlying association.

6. CONCLUSION AND RECOMMENDATIONS

This study investigated the effect of professional ethics in terms of accountability, integrity, objectivity, and confidentiality on the fair presentation of financial reports of listed consumer goods manufacturing firms in Nigeria. From the results obtained from the tested hypothesis and subsequent discussions of these results, the study concluded that combining all the components of professional ethics had a positive and significant effect on the fair presentation of financial reports of listed consumer goods manufacturing firms in Nigeria. The study, therefore, recommended that the management of listed consumer goods manufacturing firms in Nigeria should ensure the continuous promotion of professional ethics among the workers of these firms. Also, efforts should be made continuously by management to ensure training and retraining of their workers on ethical behaviors. This can be done by increasing training budgets and funding for this area as appropriate. The policy implication of this study is that policymakers should endeavor to establish a framework for monitoring and assessing ethical practices and standards among the listed Nigerian consumer goods manufacturing companies in order to enhance stakeholder trust in these firms. Finally, this study was able to bridge the gap in the literature and contribute to knowledge by expanding the academic discourse on the possible effects of the components of professional ethics on the fair presentation of financial reports, particularly in an emerging economy. The study is limited because it focused only on the listed consumer goods manufacturing companies in Nigeria, and additionally, only four variables, namely accountability, integrity, objectivity, and confidentiality, were considered as proxies for professional ethics. Competence was not considered in this study. Future researchers may conduct similar research that will cover the entire listed companies in the Nigerian Exchange Group and also include competence as an additional proxy for professional ethics.

Funding: This study received no specific financial support.
Institutional Review Board Statement: The Ethical Committee of Babcock University, Nigeria, granted approval for this study on 19 July 2025 (Ref. No. ACC/ETHICS/302).
Transparency: The authors state that the manuscript is honest, truthful, and transparent, that no key aspects of the investigation have been omitted, and that any differences from the study as planned have been clarified. This study followed all writing ethics.
Data Availability Statement: The corresponding author can provide the supporting data of this study upon a reasonable request.
Competing Interests: The authors declare that they have no competing interests.
Authors' Contributions: All authors contributed equally to the conception and design of the study. All authors have read and agreed to the published version of the manuscript.

REFERENCES

Adedeji, O. (2022). Professional ethics and financial transparency in emerging markets. *Journal of African Business Studies*, *14*(2), 123–141.

Adeosun, O. A., & Ayedogbon, M. (2023). The effects of international financial reporting standards on the quality of financial statements in Nigeria listed firms. *International Journal of Economics, Finance and Management Sciences*, *8*(2), 56-65.

Aifuwa, H. O., Embele, K., & Saidu, M. (2018). Ethical accounting practices and financial reporting quality. *EPRA Journal of Multidisciplinary Research*, *4*(12), 31-44.

Ancy, M. (2023). *Professional ethics.* Retrieved from https://www.linkedin.com/pulse/professional-ethics-ancy-mariya

Anderson, J., & Kim, L. (2022). Ethical objectivity and financial reporting fairness: Evidence from cross-sectional analysis. *Journal of Accounting Research*, *60*(3), 45–62.

Balogun, T. (2023). Methodological challenges in examining corporate ethics in developing economies. *International Journal of Business Ethics*, *19*(1), 89–105.

Brown, R., & Johnson, S. (2022). Integrity ethics and financial disclosure quality: A longitudinal study. *Accounting and Finance*, *62*(3), 203–221.

Brown, T. (2022). *Corporate governance and financial accountability.* United Kingdom: Oxford University Press.

Corporate Finance Institute. (2023). *Standards of financial reporting: Nigeria's perspective.* Canada: Corporate Finance Institute.

Davis, R., & Lee, M. (2022). Ethical imperatives in public integrity: A modern perspective. *Public Administration Review, 82*(3), 456–472.

Emory, E. (1982). *Business research methods*. Homewood, IL: Irwin.

Enofe, A. O., Edemenya, C., & Osunbor, E. (2015). The effect of accounting ethics on the quality of financial reports of Nigeria firms. *Research Journal of Finance and Accounting, 6*(12), 123-130.

Eze, U., & Okafor, P. (2023). Financial reporting and ethical practices: A study of Nigerian consumer goods firms. *African Journal of Accounting and Finance, 11*(3), 55–72.

Financial Reporting Council of Nigeria. (2024). *Rules 1 to 13*. Retrieved from https://frcnigeria.gov.ng/wp-content/uploads/2024/07/Rules-1-to-13-1.pdf

Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Boston, MA: Pitman.

Garcia, M., & Patel, S. (2023). The role of objective ethics in ensuring transparent financial disclosures. *Accounting Review, 98*(2), 205–223.

Garcia, P., & Kim, H. (2021). Accountability and corporate governance in the modern era. *Journal of Business Ethics, 164*(2), 245–261.

Graham, L., Harvey, C., & Rajgopal, S. (2023). When executives pledge integrity: The effect of the accountant's oath on financial reporting quality. *The Accounting Review, 98*(7), 261-290.

Hussain, A., Islam, M., & Andrew, J. (2006). *Exploring contemporary trends in business ethics*. New York: Academic Press.

IFRS Foundation. (2022). *IFRS standards and interpretations*. United Kingdom: IFRS Foundation.

Johnson, A., & Patel, S. (2023). Corporate ethics and the pursuit of integrity. *Journal of Business Ethics, 180*(4), 523–539.

Lee, M., & Gomez, P. (2022). Data privacy and corporate responsibility: Managing internal information in the digital era. *Corporate Governance Review, 30*(4), 214–230.

Lee, S., & Chen, Y. (2023). Confidentiality practices in internal auditing and fair presentation of financial reports: A cross-sectional analysis. *Accounting Review, 98*(2), 145–163.

Musa, B. K. (2019). Professionalism and ethics of accounting in financial reporting: An overview of Nigerian scenario. *European Scientific Journal, 15*(25), 224-238.

Neter, J., Kutner, M. H., Nachtsheim, C. J., & Wasserman, W. (1996). *Applied linear statistical models*. Chicago, U.S.A: Irwin Company Inc.

Nguyen, T., & Carter, L. (2023). Corporate confidentiality and ethical governance: Protecting sensitive information in business. *Journal of Business Ethics, 175*(2), 105–120.

Omimakinde, J. A., & Adejuwon, J. A. (2023). Influence of corporate governance practices on quality of financial reporting in the Nigerian public sector. *American Journal of Accounting, 5*(1), 1–14. https://doi.org/10.47672/ajacc.1381

Smith, A., & Nguyen, P. (2023). The role of ethical integrity in financial reporting: Evidence from cross-sectional analysis. *Journal of Accounting Research, 61*(2), 157–175.

Smith, J., & Adams, L. (2021). Financial transparency and global markets. *International Journal of Accounting Standards, 29*, 201-218.

Smith, J., & Lee, K. (2022). The impact of accountability ethics on financial report fairness. *Journal of Accounting Ethics, 15*(1), 45–62.

Ujan, A. A., & Mukhlasin. (2019). The effect of internal control and ethics disclosure on earnings quality: Investor perception–based analysis. *Academy of Accounting and Financial Studies Journal, 23*(6), 483–500.

University of Bolton. (2023). *Ethics and integrity in financial reporting*. United Kingdom: University of Bolton.

Williams, T., & Anderson, R. (2022). Rethinking accountability in public institutions. *Public Administration Review, 82*(4), 567–584.

Zhou, X., & Wang, Y. (2023). The role of fair presentation in financial reporting. *Global Finance Journal, 45*, 102567.