

## Examining Accounting And Accountability Issues In Religious Context: *Insights From Literature*

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**Abstract** - Religious organizations play an important role in delivering social services in society and tend to control a sizeable proportion of human, financial and other resources of society (Berger, 2003). However, various financial scandals and lawsuits involving them have raised questions regarding the governance and accountability of these organizations (Siino, 2004; Hamilton, 2006). As such, the insights from the literature on the issues of accounting and accountability in the religious-based organizations, especially the Islamic religious organisations are discussed. In so doing, the nature of religious-based organizations, and the practices of philanthropic institutions in an Islamic context are examined. In addition, the scale of accountability in and insights from previous researches on accounting and accountability practices of religious-based organizations are presented in this paper.

**Keywords** : Accountability; Accounting; Religious-based organizations

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### Introduction

Religious-based organizations play a very important role in society, especially in the Muslim world, and tend to manage a sizeable proportion of human and financial resources. Their activities do not only focus on traditional domain of charity, but they also include other services such as community and economic development, refugee placement and many others (see also Berger, 2003, Alterman et al., 2005). The major sources of these religious-based organizations funding come from membership dues, grant from government and private donors as well as from the society at large. Therefore, they are accountable to society for the resources received and benefit they provide.

However, the literature on accounting and accountability practices in non-profit organizations indicates that accounting and accountability in religious organization are less developed and there lack of financial accountability (see for example, Siino, 2004; Hamilton, 2006). Thus, questions about financial improprieties, self dealing, conflict of interest, public disclosure are as likely to be raised about religious organizations as about secular ones (Hall, 2002). The purpose of this paper is to gain understanding of the accounting and accountability of religious organizations by evaluating the accounting and accountability literature on non-profit organizations, particularly religious institutions. Various aspects of accounting and accountability and their related topics will be discussed in this paper. The paper begins by looking at the nature of religious-based organizations, followed by the review of the practices of philanthropic institutions in an Islamic context. The final part of the paper elaborates the insights gained from previous researches on accounting and accountability aspects of religious organizations followed by a discussion of accountability in Islam.

### The Nature of Religious-based Organizations

Literature indicates that religious institutions are among the oldest of human organizations. These kinds of organizations or communities have been providing assistance to those afflicted by natural disaster, persecution, uprooting and war long before international humanitarian law was formalized (Elizabeth, 2005). However, there is no single accepted definition of what constitutes a religious-faith based organization. Martens 2002, as quoted by Berger (2003, p.1), defined religious organizations as:

“formal organizations whose entity and mission are self-consciously derived from the teachings of one or more religious or spiritual traditions and which operates on a non-profit, independent, voluntary basis to promote and realize collectively articulated ideas about the public goods at the national or international level”.

Kramer et al. (2002, p. 2) define a religious-based organization as “an organization that holds religious or worship services, or is affiliated with a religious denomination or house of worship”. They claim that these organizations include congregations or houses of worship, and non-profit organizations affiliated with religion.

Although, there is no generally accepted definition of religious-based organizations, they are characterized by having one or more of the following:

“Affiliation with religious body; a mission statement with explicit reference to religious values; financial support from religious sources; and/or a governance structure where selection of board members or staff is based on religious beliefs or affiliation and/or decision-making processes based on religious values” (Elizabeth, 2005, p. 312).

The World Conference on Religion and Peace (2001) claimed that religious organizations are the largest and best organized civil institutions in the world today, due to the allegiance of billions of believers and bridging the divides of race, class and nationality (Berger, 2003). Furthermore, religious-based organizations have a long history of transforming individual lives and helping to raise people out of poverty and despair. They provide services to tackle issues ranging from hunger to education with or without support from government.

Religion has been a primary motivator and shaper of many efforts to improve the life of humankind. Islam, for example, contributes to the welfare of one’s community through the giving of alms and doing works of mercy, which is essential to the practice of Islam. Buddhism teaches that acts of compassion are steps along the path to enlightenment, and Christianity promotes providing charity to the poor, medical care to the sick, and education for children. Since a society will be judged by the way it treats its weakest members, it is argued that the most important contribution of a religious organization is the commitment to act in the interest of others (see Elizabeth, 2005; Jeavons, 2003). This means that religious organizations exist for the benefit of others, not for the management or stockholders.

There are two characteristics that set religious organizations apart from secular non-profit organizations: “they are motivated by their faith and they have a constituency which is broader than humanitarian concerns. For believers, being a Jew or a Muslim or a Christian implies a duty to respond to the needs of the poor and marginalized” (Elizabeth, 2005, p. 316). This means that religious-faith based organizations are more focussed on social services, volunteer management and fund raising. Thus, religious-faith based organizations are not simply another type of organization; they are a link to God, moral, faith, and absence of ownership.

The absence of ownership and the lack of a profit motive have caused these organizations to become more dependent upon the external environment for resources in order for them to survive. In addition, the broader public interest missions of religious organizations also contrast with the narrower focus of profit making organizations, as they are not established in order to make profit. Certain phenomena, such as donations are likely to occur in the religious faith based sector, something that rarely occurs among business organizations. These phenomena very frequently involve a significant contribution to the financial support of the organization that serves to guarantee the continuance of their activities. These donations are usually in cash, but they can also take other forms such as goods. Clearly, faith based organizations have some particular characteristics that distinguish them from business organizations. In spite of this, they also share some common features with profit organizations. For example, these kinds of organizations buy goods and services. They provide services and sometimes sell goods and services. This means that religious-based organizations have to manage their resources just like any other non-profit organization.

### **Philanthropy in Islam**

The Islamic principle of property suggests that the poor have a right to the wealth of a rich person because everything belongs to God and He has gracefully bestowed some property on some so that they can be grateful and help others. The believers are advised to be proactive in philanthropy by using their wisdom to ascertain needs and provide charity to the needy instead of waiting for them to ask for it.

It is not surprising that the Islamic world has a long tradition of philanthropic institutions. As noted by Bremer (2004, p. 5) “Islamic societies have a rich heritage of philanthropic institutions, a heritage that reflects the central place of philanthropy within Islam”. Civil society, particularly

philanthropic institutions, is not a new phenomenon in the Islamic world. These institutions play an immeasurably important role in delivering social services. Philanthropy is defined as “the voluntary transfer of resources for charitable, civic and social purposes” (Saidi, 2001, p. 1).

*Waqaf* or Islamic endowment has been identified as the oldest form of charitable institutions in Islam. According to Bremer (2004, p. 5), “the *waqaf* is the most important charitable institutions, taking the span of Islamic history as a whole, but it is by no means the only in Islamic world”. As the scope for civil society broadens, old forms of institutions are being reinvented to meet society’s new requirements. Therefore, many other Islamic charitable institutions emerge as a new form of Islamic philanthropic organizations such as Islamic boarding schools, and institutions that collect and channel *zakat* (alms).

The Islamic charitable institutions including *waqaf* and *zakat* have been instrumental in promoting social welfare in the Muslim society throughout the ages. As part of their religious duty, Muslims are required to give a proportion of their incomes for the society’s welfare and for the economically disadvantaged in society. Some recent estimates indicate that in Muslim society the sums of money involved amount to one trillion dollars annually (see Murtuza, 2003; Alterman et al., 2005; Asia Pacific Philanthropy Consortium, 2006).

Indonesian society has enjoyed a long tradition of philanthropic giving, especially motivated by religious causes, mainly Islam. Muslims constitutes almost 90 percent of the Indonesian population and the donation is formally practiced through the mobilization of *zakat*, *infaq* and *sadaqah* (Saidi, 2001). A Muslim who has reached a certain level of income must pay the *zakat*, excluding, for example, jewellery that is worn and *zakat fitrah*, which is paid at the end of fasting Month, *Ramadhan*. There are rules for calculating the payments for *zakat*. In addition, Muslims are encouraged to voluntarily donate in other forms, irrespective of their level of income. Saidi (2001) notes that the government of Indonesia has been mobilizing resources derived from donations of individuals through official arrangements since the 1960s. The government encourages and controls a quasi-state institution for *zakat*, *infaq* and *sadaqah* mobilization called *Badan Amil Zakat, Infaq dan Sadaqah* (BAZIS).

### **Insights on Accounting and Accountability Practices of Religious Organizations**

Undertaking research on accounting and accountability in religious organizations is challenging since it is necessary to understand and classify the various activities undertaken by religious organizations. Religious organizations are unusual in their variety and complexity. These kinds of organizations are usually founded by charismatic individuals who feel some sort of divine purpose that they believe is more important than following man made rules or regulations.

Another challenge to evaluate the level of accountability of religious organisation is because much of the work and output of such organizations deals with issues concerning the soul, which is not easily measured. The mission statements of religious organizations usually emphasize worthy goals such as spreading the Gospel, saving souls and ministering to the poor. It is difficult to fully measure the results of these activities. Furthermore, one of the major products of religious organizations and their activities is religion itself. How is it measured? Thus, it is very difficult to measure the true result of religious activities. Nevertheless, religious organizations still face the same demand for accountability as other secular organizations. Consequently, the need for regulations concerning their accountability has intensified (see Canning, 2002).

The majority of the researches on religious organizations, particularly those published in academic journals, relate mainly to the Christian organizations, especially the Western churches. Only a small number of studies deal with other religious organizations. To date, the existing researches have been dominated by issues such as the authority, structure, size, and other administrative components of such organizations. However, recently, other issues concerning the accounting and accountability aspects in religious organizations have emerged (see for example Abdul Rahman and Goddard, 1998; Lewis, 2001, 2006; Booth, 1993; Siino, 2004; Laughlin 1988, 1990; Hall, 2002; Jacobs and Walker, 2004, Carmona and Ezzamel, 2006). An extensive study conducted in this area, especially concerning Islamic organizations, was undertaken by Abdul Rahman and Goddard (1998). Similar researches into Christian organizations, such as churches, were conducted by Laughlin, (1988, 1990). To gain some insights into accounting and accountability in religious organizations, the following will review the studies conducted on Islamic religious organizations, and Christian organizations, specifically the western churches.

Abdul Rahman and Goddard (1998) examine accounting practices in Islamic religious organizations through conducting case study of two State Religious Councils (SRC) in Malaysia. The

objective of their study was to examine accounting practices in these two organizations by using an interpretive methodology. Unlike the Christian church organizations, the dichotomy of the sacred and secular world is not applicable to the cultural mechanisms of Islamic religious organizations. This is because Islam does not concede to such a dichotomy (Abdul Rahman and Goddard, 1998). They argue that the worldview of Islam encompasses both worldly and religious activities. The worldly must be related in a profound and inseparable way to the religious aspect, but the religious aspect has ultimate and final significance. The worldly activities are seen as preparatory to the religious aspect. Everything in Islam ultimately focuses on the religious aspect without thereby implying any attitude of neglect or heedlessness of the worldly aspect.

Seen in this light, the practices considered as secular in Christianity are part of the sacred domain in Islam. Accountability in Islam encompasses both the vertical accountability to Allah, and the horizontal accountability to other individuals and the community. Both accountabilities are essential to a Muslim's faith (see Sulaiman, 2005, p. 31; Lewis, 2006).

The findings of Abdul Rahman and Goddard's (1998) study indicate that the use of sophisticated accounting techniques is minimal in the two aforementioned Islamic religious organizations. The role of accountants in these organizations is meaningful only as an organizational practice but does not enhance accountability. Thus, accounting is regarded as no more than a technology to record accounting and financial information and the role of the accountant has been reduced to the role of bookkeeper. Abdul Rahman and Goddard (1998) note that there is no separation between accounting works and other religious activities in both organizations because the organizations need accounting to function properly to financially organize the activities, which could not otherwise be properly carried out.

Such studies of Islamic religious organizations have indicated the existence of the interaction between religious belief systems and accounting practices. Similar to the findings of other researches into religious organizations, religious belief systems have a dominant role in organizational practices within the Islamic religious organizations. Lewis (2001) highlights the differences between the Islamic and Western business practices. He claims that the Islamic accounting and financial perspective is based on the strict enforcement of the Holy Qur'an. The examples for that are "the payment of *riba* and taking of interest as occurs in a conventional banking system" (Lewis, 2001, p. 117). This is also stated by Karim (1990, p. 34) in his study of the independence of religious and external auditors in Islamic banks, "the distinctive feature of Islamic banks is that Islamic precepts govern their financial transactions". Clearly, the studies demonstrate that the belief systems have a strong influence over all aspects of organizational practices within the religious organization, including accounting and accountability practice.

Similar studies on Christian institutions have also been carried out by Booth, 1993; Laughlin (1988, 1990); Jacobs and Walker (2004,); and Siino (2004) just to name a few. Booth (1993), in his review of accounting literature on churches, found that it was mainly concerned with the accounting practices in churches. However, he notes that those studies mainly focused on "prescribing 'good' accounting practices" based on the criteria of accounting practices set in commercial organizations.

Booth (1993) then develops a skeletal framework for further research on accounting in churches. He identifies three main groups of researches in this area. The first group belongs to those concerned with the inferiority of accounting practices in the churches. The researchers in this group assert that churches have primitive accounting systems, poor internal control, and a lack of expertise in financial administration.

The second group, in contrast to the first, finds that there are good accounting practices in some churches even though this is not the case for the majority. Both groups utilize a similar measurement in judging the fairness of accounting practices in the churches, i.e., using those of the commercial accounting standards. The third group, utilizing a more prescriptive approach, recognizes the role of the so-called "secular" and "non-secular" aspects in the practice of accounting in churches. Such aspects are considered to play an important role in the design of any accounting system in the church. Both find that accounting belongs to the secular world and has to serve the spiritual or divine goals of the organizations. Therefore, this group questions the appropriateness of 'commercial practices' that are translated into and adopted by the churches as their accounting systems.

Another detailed case study investigating accounting practices in relation to the particular nature of religious belief systems was undertaken by Laughlin (1988, 1990). His study demonstrates how accounting practices interact with religious belief systems held by the participants of the Church of England. In Laughlin (1988)'s view, accounting practices are closely related to the financial elements of

the organization. He says “current accounting practices in the Church of England (as with other institutions) are related to and located with the financial elements of the organization” (Laughlin, 1988, p. 21). Four major units of the organization, which are financially interrelated, are identified in his study. First, the parishes and dioceses, which are considered as the primary units of the church – both are geographically based and cover the whole of England. The other two units are the Church Commissioners who are responsible for managing past endowments of the church and the central board, which, primarily, involves the ongoing governance of the Church of England.

Laughlin (1988) found that accounting systems in the four major units of the church are unique. The design of the accounting systems in each unit is partly determined by the financial arrangements in the unit in which the accounting systems are located. Laughlin (1988) notes that parish accounting systems, in general, are highly rudimentary and are deemed largely irrelevant to the ongoing life of a parish. Where they do intrude into evaluating and determining parochial behaviour, they are seen as an unhealthy intrusion. Budgets are occasionally produced, but are not usually seen as binding on future parochial activities. Annual accounts are always produced, but are invariably simple receipt and payment accounts that are largely ignored, and rarely used to evaluate past actions. The Diocesan accounting systems are considerably more elaborate. However, they are not used to determine and rationalize expenditure, which is made up of a number of clearly defined items over which little control is permitted (see also Saerang, 2003).

Instead, the accounting systems are primarily aimed at ensuring that the income required to meet a largely fixed expenditure is generated. The accounting system of the Church Commissioners is more concerned with accountability and decision-making. It does not have to generate the required resources to meet these demands. It does not need to sell its budget, but needs to make itself accountable for its actions. Laughlin (1988) viewed the financial accounts used to discharge this accountability concern by the Church Commissioners, as highly sophisticated and a dominant element in the accounting systems, while the accounting systems of the central board are indicated as being less constrained. The traditional function of the accounting systems in the central board is to make the activities manageable by ensuring that they are set in clearly defined responsibility centres. However, the influence of the accounting system is also restricted, and is not seen as an appropriate vehicle for actually formulating what the particular responsibility centres should be doing.

Laughlin (1990) also presented an analysis of the accounting practices of the Church of England. He argues that the underlying structure of financial accountability in the main Church-based units was dominated by the sacred-secular divide. In this context, he argues that all Church organizations are dominated by this perception. Laughlin (1990) notes that accounting and accountability matters are seen as secular and secondary to the organizations.

However, the findings of Laughlin (1990) and Booth (1993), concerning the sacred-secular divide of accounting in church, are opposed by Jacobs and Walker (2000). The findings of their study show that the sacred-secular divide is not supported in the research of accounting and accountability practices in this community. According to Jacob and Walker (2000) the findings indicate that within the Iona community “accounting served to support the sacred practices and spirituality of individual members through a process of socialising accountability”. Thus, accounting and accountability in this community are regarded as part of the observance by its members of the rules and as an integral component of their Christian practices.

Another research on Churches was conducted by Siino (2004) who surveyed 548 Southern Baptist Churches. This survey found that Churches lacked basic control against mismanagement or abuse of their funds. More than 70 percent of the Churches surveyed did not have written financial procedures. Twenty percent of the Churches did not require any written documentation before funds were disbursed. Only 22 percent required written explanation for budget variances, and only 52 percent reported monthly the budgeted versus actual spending.

Furthermore, Carmona and Ezzamel (2006) presented an analysis on the relationship between accounting and religion or religious institutions. They show some historical-based studies and contemporary researches that have been conducted relating to religion or religious institutions. One of the papers is that by Quattrone (2004) who examined the accounting and accountability practices in the society of Jesus, Italy during the sixteenth centuries. Quattrone (2004) notes that, “the emergence of accounting and accountability practices was tightly linked to the absolute ideology of Roman Catholic

doctrine of the Counter-Reformation” (Carmona and Ezzamel, 2006, p. 119). It is argued that such doctrine was the site of compromises involving theological, religious, political, institutional and social dimension. However, there is lack of research on accountability in Islamic religious-based organizations that can enhance understanding of the role of accounting and accountability in Islamic religious organizations. Furthermore, as mentioned, insights from previous researches in this area has shown that Islamic based religious organizations showed lack of accountability and the minimal role of accounting in the organizational daily activities. Why is that so? To answer this questions, first and foremost an understanding the Islamic view of accountability is needed. Thus, the next section explains how accountability is viewed in Islam.

### **The Scale of Accountability in Islam**

The Islamic view of accountability is based on two main themes. These are the concept of *Tawhid* (unity and oneness of God) and the concept of ownership (Maali et al., 2003; Maali and Napier, 2007). The first main theme is the concept of *Tawhid*, which implies total submission to God’s will, and adherence to the religious requirements in all aspects of life. Muslims have to devote themselves to God as the fundamental aspect of their behaviour. A Muslim is required to believe in the things mentioned in the *Hadith* of the Prophet and in the Holy Qur’an (see Al Safi, 1992).

According to Hameed (2001, p. 9) “the concept of *Tawhid* implies that since there is only one God who is the creator and sovereign of all (human and non humans), Islam (literally meaning submission) requires total submission to him in all aspects of life”. It is argued that the concept of *Tawhid* has a broader concept of accountability than that which exists in the Western societies. This is understandable as the Muslim’s belief in God’s judgment implies that every act in this world will have to be accounted for to Allah. In the Islamic framework, human beings are accountable to God on the Day of Judgment for their actions during their lives as stated in Al Qur’an:

“...Certainly, Allah is ever a careful account taker of all things (An Nisa: 86)  
(Taqi-ud-din and Muhsin 1984, p. 122)

The second main theme is the concept of ownership in Islam. God is the ultimate owner of everything. “God has appointed man His vicegerent on earth and entrusted him with stewardship of God’s possessions” (Lewis, 2001,p. 110). This does not imply that Islam does not recognize private ownership. Everyone has the right to own property, but ownership is not absolute. Ownership of property is a trust (*amanah*) to be enjoyed conditionally so long as man follows the *Shari’ah* and remains worthy of the trust. Therefore, a person holds property in trust for God, and should use this property according to God’s will. Individuals are seen as trustees for that which they have been given by God in the form of goods, property and less tangible assets (Lewis, 2001, p. 110).

Seen in this light, the concept of accountability in Islam is parallel with the concept of trustworthiness in which man, in his or her judgment of his or her actions, is influenced by the fear that he will be held to account by Allah. This concept of trustworthiness is one of the highly regarded virtues in Islam. The Holy Prophet says “a truthful merchant will be raised on the day of Judgment together with the truthful and the martyrs” (Asri and Fahmi, 2004, p. 5). Therefore, every individual within an organization is required to subscribe to ethical and moral practices while carrying out their activities and they are seen as trustees.

Good governance, the whole system of rights, process and controls established internally and externally over the management of an entity with the objective of protecting the interests of all stakeholders (see Hameed, 2007), is a necessary pre- condition for accountability in Islam. An organization committed to the highest standard of accountability also needs to foster practices that create an environment of transparency, accountability and integrity. An effective system of good governance requires an effective system of financial reporting, and an effective system of financial reporting requires good accounting and accountability practices, as at the institution level good governance is essentially about how the organization is managed and controlled, and the manner of ensuring proper accountability for those in charge (Aziz, 2005). As far as Islam is concerned, the management of the organization should perform their duties with the objective of satisfying the needs of the stakeholders and to Allah as well. There should be no fraud, materials misstatement or other malaise in the organization.

There is no doubt that control mechanisms play a very important role in achieving an appropriate level of accountability practice. However, these control mechanisms alone cannot make such improvement, as explained by Parvez (2004, p. 9). From Islamic perspective, control and laws that are to be employed for guiding personal and business conduct should be enacted to protect minimums of standards or deterrents to wrongdoing. More than this there is a need to cultivate a higher consciousness, morals, and a sense of accountability as a prerequisite since they develop an inner respect for societal values and laws.

Seen from this point of view, accountability in Islam is broader than what is generally understood in the traditional view of accountability. In Islam accountability is designed not only to the stakeholders but also to Allah. This clearly differentiates the Islamic accounting model from that of the western model, where accountability to stakeholders such as owners is given priority.

### **Discussion and Conclusion**

The literature suggests that there is no generally accepted definition of religious-based organizations. The best way to recognize organizations as religious-based organizations may be by identifying the characteristics of such organizations, because these kinds of organizations are unique and distinct from other Non-Profit Organizations (NPOs). According to Elizabeth (2005, p. 316), there are two characteristics that set religious organizations apart from secular non-profit organizations: "they are motivated by their faith and they have a constituency which is broader than humanitarian concern". It is argued that the most important contribution of religious organizations is the commitment to act in the interest of others.

As other NPOs, these religious-based organizations are not established in order to make profit. This phenomenon very frequently involves a significant contribution to the financial support of the organizations, which serves to guarantee the sustainability of their activities. This means that religious-based organizations have to manage their resources the same as any other NPOs.

In the context of Islamic religious organizations, it is well documented in the literature that Islamic societies have a rich heritage of philanthropic institutions, a heritage that reflects the central place of philanthropy within Islam. *Waqaf* or Islamic endowment has been identified as the oldest of charitable institutions in the Islamic history. However, as the scope for civil society broadens, old forms of institutions are being reinvented to meet society's new requirements. Therefore, many other Islamic charitable institutions have emerged as a new form of Islamic philanthropic organization. These institutions play a very important role in delivering social services, especially in the countries where the majority of their population are Muslim

As far as Islam is concerned, the management of the organization should perform their duties with the objective of satisfying the needs of the stakeholders as well as be accountable to God, because from the Islamic point of view, accountability encompasses both the vertical accountability to God and the horizontal accountability to other individuals and the community. This means that organizations should comply with all the applicable laws and ethical standards, adhere to the organizations mission, be ethical and protect the rights of their members. Therefore, those in charge of economic resources are obligated to present an account of the execution of their stewardship, irrespective of whether the transactions and resources in question are those of government, business or NPOs.

Even though research into these organizations is relatively limited, along with the growth of this sector academic interest in religious-based organizations has increased as well. During the past few years there has been a growing number of studies in this sector, particularly relating to the issues of accounting and accountability, including those conducted by Laughlin (1988, 1990), Booth (1993), Abdul Rahman and Goddard (1998), and Lewis (2001, 2006). However, the researches, particularly those published in academic journals, relate mainly to Christian organizations, especially the Western churches and only a small number of studies deal with other religious organizations. In the studies of Laughlin (1988, 1990) and Booth (1993), it is argued that accounting belongs to the secular world and is subservient to sacred needs. Consequently, resistance to the use of accounting is very strong in the church domain. Whereas, the findings of Abdul Rahman and Goddard (1998) indicate that in Islamic religious organizations the interaction between accounting and religious belief systems exist because there is no separation between accounting works and other religious activities. This is because the worldview of Islam encompasses both worldly and religious activities. Thus, unlike the Christian church organizations, the dichotomy of sacred and secular world is not applicable to the cultural mechanisms of Islamic religious organizations. As such,

every Muslim either as individual or as the head of organization needs to ensure that their deeds and words in this world are in accordance with God given rules. It would be interesting to investigate further the issues of accounting and accountability in Islamic religious-based organizations and also in order to gain richer understanding of whether accounting plays a minimal role in the organisational activities and how these Islamic organisations show their accountability given that being accountable is a fundamental issue in Islam. Comparative studies in different religious-based organizations are also needed so as to provide comparative insights which can subsequently help to enhance accountability and governance of these religious-based organisations in view of the important role that they play in society.

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