Islamic accounting: Ethics and contextualization of recording in Muamalah transactions

Muthoifin Muthoifin, Ishma Amelia, Aisha Bahaaeldin Eprahim Ali

Abstract This study aims to reveal the ethics of sharia accounting: the ethics and contextualization of documenting the economics of sharia, muamalah, and accounts payable, as well as their execution in an Islamic environment, and the ramifications of al-Baqarah: 282 if applied. This research method employs qualitative and descriptive research methods, the data source is literature study, specifically the collection of documents containing primary data from al-Baqarah: 282 and secondary sources, and the approach is content analysis, normative-theological, and phenomenological. The results of the study indicate that in the contextualization of sharia accounting, muamalah, accounts payable, and so on, must be based on the general principles of sharia, namely, responsibility, fairness, honesty, legitimacy, good personality, continuity (continuity), and muqabalah (matching). This is per the spirit of sharia accounting as stated in al-Baqarah: 282. If this implementation is violated, it can harm all actors of economic transactions, both major and minor, personal and social, in this world and the hereafter.

Keywords: islamic accounting, Muamalah, transactions, ethics, islamic perspective.

1. Introduction

Various frauds and their dynamics in the debt problem today are occurring in society, although some think that it is only a small and insignificant problem; perhaps he just has never experienced such a thing, and maybe he has never been involved in debt problems. There are many cases of fraud in accounts payable, which causes a person to experience a decline in the economy, stress, and even mental disorders due to continuing to be trapped in fraud cases within the scope of accounts payable (Alfishyari & Siswantoro, 2012). Even if some of the negative impacts and dangers posed in accounts are payable if not regulated and anticipated early on, including causing stress, it is not wrong if someone who is in debt often experiences stress due to their debts; the next impact is difficulty sleeping, and thoughts are not focused, even until no appetite is reached (Kamaruddin et al., 2021).

Debt is something that causes a person to easily feel sad at night because he thinks of ways to pay it off, while during the day, he will feel humiliated because he feels looked down on by others for his debt. (Irfan, 2015) In a depressed psychological condition, in addition to being physically weak, the stress level will be even greater. Those who always leave all matters to Allah SWT will be able to go through everything sincerely. Those who are narrow-minded often choose shortcuts, such as suicide, because they are no longer able to think about how to pay off the debt (especially if the debt has become a habit that will eventually accumulate and it will be increasingly difficult to find a way to pay it off) (Alam et al., 2021).

In addition, another impact is that it can damage morals. The habit of debt can damage a person’s character because debt is not included in good morals, such as the habit of lying. Prophet Muhammad SAW said, “Indeed, when a person is in debt, he often says and then lies, promises and then refuses.” (Narrated by Al-Bukhari). A person who is in debt is very easily influenced by the devil to commit immorality to be able to pay off his debt in various ways, including stealing or robbing (Hanif & Zafar, 2020).

Another impact is being punished like a thief. Rasulullah SAW said, “Whoever owes and intends not to pay it off, then he will meet Allah (on the Day of Resurrection) in the status of a thief.” Likewise, his body is not prayed for. As happened at the time of the Prophet Muhammad. He never wanted to pray for the corpse of someone who still has debt but has not been paid and has not left a penny of wealth to pay it off. Until then, there was a friend who was willing to bear the debt, and then, the Prophet Muhammad wanted to pray for the corpse (Mutamimah & Saputri, 2022; Rab & Anjum, 2011).

Another indicator is that his sins are not forgiven even if he is martyred. The Prophet Muhammad SAW said, “All the sins of a martyr will be forgiven (by Allah), except the debt.” Likewise, delayed entry to heaven. From Tsabun, the Prophet Muhammad SAW said, “Whoever separates his spirit from his body (read: dies) free from three things, surely he will enter heaven, namely, free from pride, free from betrayal, and free from dependents. debt.” (Hakimi & Taktak, 2022).
Even more tragic is the reward in exchange for the debt. From Ibn 'Umar, the Prophet Muhammad SAW said, "If a person dies in a state and still owes one dinar or one dirham, that debt will be paid off with his good deeds on the Day of Resurrection, because there will be no more there. Dinars and dirhams." That is, if someone who owes a debt does not have time to pay it off because he dies, then in the hereafter, his reward will be taken to pay off the debt. In addition, including his affairs are still hanging. The Prophet Muhammad said, "The soul of a believer is still dependent on his debt until he pays it off" (Azizah & Fitriyani, 2018)

Debt is permissible, but avoiding it is better. Every sustenance has been arranged by Allah SWT. It is just a matter of how we pick up the sustenance, especially to get it lawfully. Do not be easily tempted by momentary luxuries, multiply dhikr and pray to Allah SWT to be given halal sustenance and blessings. If it is very, very forced to go into debt, then it is better to do it than to sin, such as stealing. However, it must be remembered that the purpose of debt is to be used as well as possible in a good way. In addition, in my heart, I intend to pay off the debt as soon as possible so that it does not become a barrier in the afterlife (Budiman, 2018; Muhamad, 2009; Rusydiana, 2020).

The next indicator of the problem is what if the debts are carried out by moneylenders whose records are very neat and good according to modern accounting standards, are they still legal or according to sharia, or are there separate criticisms due to the activities of loan sharks that are considered deviant by the fatwa of the MUI (Indonesian Ulema Council) and DSN (National Sharia Council) fatwa? (Maulana et al., 2023).

Another phenomenon is the number of debtors who are not recorded; just remember it because it is considered normal (understandably) and has become a custom in society at large. For this reason, the study was performed to evaluate and reveal how the sharia accounting system and the ethics of recording accounts payable and the procedures in the Islamic view, as well as the application and consequences of the verse al-Baqarah: 282 if applied, are implemented and function (Purwasari et al., 2023).

<table>
<thead>
<tr>
<th>No</th>
<th>Problem Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The problem of fraud and its dynamics in accounts payable transactions often occurs in society</td>
</tr>
<tr>
<td>2</td>
<td>Many cases of fraud in accounts payable cause a person to experience a slump in the economy,</td>
</tr>
<tr>
<td>3</td>
<td>These problems can make people stress</td>
</tr>
<tr>
<td>4</td>
<td>Another impact is difficulty sleeping, the mind is not focused, even to the point of not having an appetite</td>
</tr>
<tr>
<td>5</td>
<td>The number of debtors who are involved in debt transactions is not recorded, they are only remembered because they are considered normal and have become customary.</td>
</tr>
<tr>
<td>6</td>
<td>What if the accounts payable were done by moneylenders whose records are very neat and good according to modern accounting standards</td>
</tr>
<tr>
<td>7</td>
<td>How does sharia address this issue, especially the fatwa of the MUI (Indonesian Ulema Council) and the fatwa of the DSN (National Sharia Council)</td>
</tr>
</tbody>
</table>

2. Literature Review

Some of the reference search results related to the theme of this research include Muhammad Wahyuddin Abdullah in his research entitled "Sharia Accounting: Issues, Concepts, and Reflections confirms that sharia accounting activities are very much needed in answering muamalah problems that are developing rapidly thus far". In his argument, he emphasized that the breadth and current understanding of Sharia-based accounting is believed to provide added value for sharia or benefit and bring people (business actors) closer to Allah SWT. Conventional accounting is increasingly leaving gaps irrelevant in explaining accounting phenomena in society. Many things are no longer seen by accounting and business practices in which accounting is practiced (Alhaj et al., 2023; Setiawan & Dahliana, 2022).

It is also undeniable that the journey of mainstream accounting development started in Western civilization. However, the study of the history of sharia accounting denies that long before Luca Pacioli in 1494 AD, Islamic civilization made a major contribution to accounting. This is evidenced by the use of Arabic numerals, which have contributed to the development of accounting science. The influence of the paired bookkeeping technique in Europe in the 1135 M group was dominant (Kamaruddin et al., 2021; Vaillancourt et al., 2023).

Thus, Arab civilization made a major contribution to the development of accounting, including the method of accounting records. The discontinuation of the development of Islamic-based accounting opened up space for accounting with other paradigms to incorporate certain doctrines or ideologies to achieve its mission of greatness, namely, "capitalism", the environment in which accounting is practiced. This is what creates and raises accounting problems that cannot be resolved...
properly because conventional accounting imposes doctrine on an environment that has a strong Islamic civilization (Mahmudulhassan et al., 2023).

Implicitly, and naturally, Islamic accounting practices in society have been passed down from generation to generation, even traditional practices, ignoring "current" regulations. Uniquely, these practices cannot be explained by concepts or theories. Certain theories. Thus, this book provides a limited understanding of accounting practices based on Islamic concepts. These accounting practices have been around for a long time in remote communities, become mainstream issues, and require conventions to be regulated (Ahmad, 2017; Apriantoro et al., 2023; Hasim, 2017).

This research on Islamic accounting is also inseparable from the perspective of criticism of the implementation of Islamic accounting for certain entities, which have been labeled as Islamic regulatory regulations. This book refers to various primary references or scientific articles and is framed with Islamic concepts, such as Sharia Enterprise Theory, maqasid sharia, maslahah, trustworthiness, justice, truth, compliance, and other spiritual values, so that it has the power to build comprehensive sharia accounting. The conditions narrated or the ingredients of logical reasoning in his research are a reflection of the current reality (Asia et al., 2023).

This sharia accounting research idea was born from the thoughts and small debates of students who attended accounting seminar courses and research methodologies in their study programs. Constructive thinking to penetrate the strong shield of mainstream accounting is not easy; it requires reflection that not only involves rationality but also requires intuitive work (Rukhayati & Prihatin, 2023).

Muhammad concludes in his study, "Adjusting Shari'ah Accounting Theory: Social Accounting Perspectives and Accountability," that Islamic accounting is socially oriented and responsible on a practical level. Sharia accounting can present or reveal a company's social impact on society while also presenting accountability reports that are humanist, emancipatory, transcendental, and theological (Anurogo et al., 2023).

Therefore, zakat and trust are crucial to the foundational idea of sharia accounting. The expansion of accounting is seen as more than just a value-free universal science and technology. On the other hand, accounting is a byproduct of time and place. In other words, Islamic accounting is a universal science and technology that adapts to the unique circumstances of any community in which sharia accounting is practiced, whether social, economic, political, legal, cultural, perceptual, or value-based in nature. Compared to traditional accounting, Islamic accounting is not a "patchwork" of ideas cobbled together from various sources; rather, it represents a philosophical development of accounting based on the values of the Qur'an, as they are revealed in the field's theoretical and technical frameworks. Substantively speaking, sharia accounting has since been humanist, emancipatory, transcendental, and religious (Mahmudulhassan et al., 2023).

In his research entitled Accounting Concepts in the Qur'an, Indri Astuti concluded that Islamic accounting concepts had been taught long before Luca Pacioli wrote "Summa De Arithmetic, Geometrica et Proportionality". When the Messenger of Allah was in Medina, the Messenger of Allah ordered financial records. This is reinforced by the revelation of the letter Al Baqarah verse 282, which contains an order to record transactions. The accounting principle emphasized in this paragraph is the principle of responsibility. There are differences between the Islamic accounting system and conventional accounting regarding core and principal issues, while the similarities are only axiomatic.

The Qur'an Surah Al Baqarah verse 282 instructs every believer to write transactions that do not cash correctly. The statement is a command to practice very simple accounting. Accompanied by orders to prepare witnesses who can be trusted to create justice for both parties. Broadly speaking, the accounting principles contained in this paragraph are (1) the principle of responsibility, (2) the principle of justice, and (3) the principle of truth. The study mentioned in the discussion shows that the difference between the Islamic accounting system and conventional accounting is related to core and principal issues, while the similarities are only axiomatic (Hakim et al., 2023).

Dyah Pravitiasri, in his research entitled Understanding the Code of Ethics of the Islamic Accountant Profession in Indonesia in the journal An-Nisbah, emphasized that the emergence of sharia accounting gave rise to a new profession, namely, accountants or auditors. The existing accountants focus more on conventional-based institutions or entities, and accountants for sharia entities are still minimal in number. Accounting rules in the Islamic concept are a collection of standard and permanent legal bases, which are sourced from Islamic Sharia and are used as rules or guidelines for an accountant in carrying out his professional work, both in recording, measuring, analyzing, and presenting reports, as well as explanations, in explaining events or occurrences (Dyah et al., 2018).

The measurement of truth and fairness involves the measurement of the wealth, debt, capital, income, costs, and profits of the company, thus requiring an accountant to measure wealth correctly and fairly. When presenting financial statements, an accountant should be prepared based on the evidence that exists in an organization (entity), both conventional and sharia-based, which is run by previously appointed management. A code of ethics in carrying out their professional profession is needed. This is to avoid unethical attitudes and behavior from accountants in carrying out their work. The code of ethics for Islamic accountants includes 1) Sharì'ah aspects as the basic principles of the accountant's code of ethics, 2) ethical principles for accountants, and 3) regulations of ethical behavior for accountants.

3. Theoretical Framework

https://www.malque.pub/ojs/index.php/mr
The Relationship between Shari'a Accounting and Accounts Payable. Sharia accounting is a type of sharia-based accounting in other languages, and sharia affects the world of accounting. Sharia accounting is a system or technique of recording, classifying summarizing, reporting, and analyzing financial data carried out in a certain way that can be used in making economic or corporate decisions using sharia principles contained in Islamic values (Erisna et al., 2020; Muthoifin, 2021).

The advantage of Islamic accounting is that it does not have an interesting system but uses a profit-sharing system by which all parties involved share risk. For example, there are two parties: the first party acts as the owner of capital, and the second party acts as the manager of capital. Both parties will know how the profits come and the distribution according to the agreement at the beginning.

The other advantages are as follows: First. Avoid Riba. Riba is the determination of interest in the Islamic accounting system when the return is based on a certain percentage of the principal loan amount charged to the borrower. Usually, the specified percentage can be more than the value of the goods transacted. In Islamic accounting, the presentation of a report does not use only the concept of the time value of money; rather, it is made in such a way that it looks better and meets the needs of investors. Islamic accounting shows that transaction business can also contain moral values and norms (Amri et al., 2024; Trisakti et al., 2023).

Second. Has an Element of Tolerance. Islamic accounting focuses not only on the implementation of accounting but also on an element of zakat, which is one of its advantages.

The theory of accounting not only regulates and takes into account business interests but also takes into account interests that have an element of tolerance for all parties. After discussing what sharia accounting is, this study also links the relationship between sharia accounting and accounts payable, why is it linked?, because these two things are linked in Baqarah verse 282, which is the subject of this research. Therefore, the relationship between sharia accounting and accounts payable is that sharia accounting is a solution to the problems of debt and receivables that often occur due to economic deficiencies (Hakimi & Taktak, 2022).

3.1. Ethical Foundation

1) Integrity: Integrity is the most important thing in Islam, and it is used as a guide for how people should act. Islam also looks at whether a person has the right skills, knowledge, and qualifications to do something. This is because the Qur’an says, “In fact, the best person for you to hire to work for us is strong and trustworthy,” and the Hadith of the Prophet Muhammad says, “Each of you is a leader, and each leader will be held accountable for what they lead”. The principle of the human caliphate on earth Allah says: “I will create a Caliph on earth”. This means that humans are entrusted with building and prospering on Earth.

2) Sincerity: This foundation means that accountants must seek the pleasure of Allah in carrying out their work, not looking for names. Faking, hypocrisy, and various other forms of falsehood. Being sincere means that accountants do not need to be subject to external influences or pressures but must be based on religious commitments and worship in carrying out their professional functions.

3) Piety: Taqwa is an attitude of fear of Allah both in hidden and overt conditions as a way to protect against negative consequences and behavior that is contrary to sharia, especially in matters relating to behavior toward the use of wealth or transactions that tend to be tyrannical and other things that are not according to sharia. Piety will be realized if we obey all the commands and stay away from the prohibition of Allah SWT. Allah says in the Qur’an, “O you who believe, fear Allah, truly fear Him.”

4) Truth and works perfectly: The job of an accountant is not limited to simply doing the obligations of their position; rather, they must seek and uphold the truth and perfection of their professional duties by completing what they are tasked with as well and perfectly as possible.

5) Fear Allah in everything: Muslims believe that Al lah is aware of and takes into account any actions taken by His slaves, whether good or bad. This means that an accountant or auditor must act in a way that shows “fear” of Allah regardless of whether his superiors approve. This restraint on himself is intentional so that he can consistently resist the temptations that arise from his line of work. Allah assures us, “In fact, Allah always protects and watches over you. "the responsibility for their actions rests with human beings, not with Allah. All actions, good and bad, are under Allah’s watchful eye, and the Muslim accountant will answer Allah for them hereafter (Kelkusa et al., 2023).

3.2. Ethical Principles

Based on the sharia basic framework of the accountant’s code of ethics above, the principles of the accountant’s code of ethics are drawn as principles that describe and do not conflict with the ethical foundations based on sharia above. Some of the principles of the Islamic accountant code of ethics are as follows:
1) Trustworthy: To be considered trustworthy, an accountant must possess a high degree of integrity and honesty as well as the ability to respect the confidentiality of information that he or she learns while doing his or her tasks and providing services to the company or its clients.

2) Legitimacy: All professional activities that must be carried out must have the legitimacy of sharia law as well as applicable laws and regulations.

3) Objectivity: Accountants must act in a fair, impartial, and conflict-free manner, both in fact and in appearance.

4) Professional and conscientious diligence: Accountants must possess professional competence and be appropriately trained to perform the tasks and services of their profession.

5) Faith-based conduct: Accountants must adhere to the Islamic ideals established from sharia principles and regulations.

6) Professional conduct and technical requirements: Accountants must observe professional laws, such as accounting and auditing requirements for Islamic financial organizations.

Moreover, several ethical regulations that must be met by sharia economic actors include the following:

1) The behaviour is based on the principle of trustworthiness.
2) Behave based on the principle of religious legitimacy.
3) Behave based on the principle of objectivity.
4) Behave based on the principle of professional competence and the principle of diligence.
5) Behave based on the principle of behavior that is driven by a belief in Allah.
6) Behave based on professional principles and technical standards.

The explanation of the ethical rules above is that the code of conduct is based on the principle of trustworthiness. Accountants must carry out their duties and obligations with the highest level of trust, integrity, honesty, and compliance. Present and convey all information, both favorable and unfavorable, and convey professional considerations correctly and by applying transparency. Protect yourself from disclosing confidential information obtained while carrying out professional duties and services to anyone who is not entitled unless required by regulations or according to accounting and auditing standards for Islamic financial institutions. Keep away from using confidential information obtained in the course of carrying out tasks for personal interests or the interests of third parties (Bintoro et al., 2023).

The rules of ethical behavior concerning the principle of religious legitimacy that should be fulfilled include the following: Accountants must perform their duties and services for the benefit of Allah SWT as best as possible and prioritize the implementation of these obligations above other interests and believe that by carrying out their duties to Allah will automatically release them. other tasks.

Accountants are responsible for always paying attention to the provisions and principles of sharia relating to financial transactions. Accountants are responsible for checking the religious legitimacy of all recorded or audited events with due observance of sharia principles and laws established by the Qur'an and the company's Sharia Supervisory Board. Accountants are responsible for complying with sharia principles and regulations as determined by the DPS, which takes into account the formal basis and sharia legal framework when ensuring all transactions, actions, and general behavior during the performance of their professional duties and services. Accountants are responsible for protecting the freedom of the profession both in reality and in appearance. Accountants must also stay away from the influence of other parties.

Therefore, an accountant must refuse all kinds of gifts for material or good purposes that can threaten the objectivity of his professional judgment. Conflicts that can threaten the objectivity of professional judgment should be avoided. Avoid situations that can damage the independence of the profession both in fact and in appearance, such as owning several shares in the company being audited or having a financial interest with the customer or other institutions related to the subscription. The assignment of other professional services should be avoided when auditing a subscription to avoid losing objectivity in conducting audits of financial statements. Avoid contingent fees (fees that depend on the results of the examination, for example, fees are calculated as a percentage of operating profit).

Furthermore, an accountant must be responsible and serve Allah SWT, the community, the profession, superiors, customers, and himself in carrying out his professional duties and services diligently and correctly by having a sufficient level of knowledge and professional ability and understanding sharia relating to transactions. finance and always maintain its capabilities through continuous skill development in the professional field, especially following new accounting and auditing standards.

Refrain from accepting professional assignments unless he or she has the competent staff or systems to carry out those duties and services. High-quality professionals should be carried out according to sharia principles and sharia rules. Develop an integrated plan to carry out obligations and duties and follow programs designed to ensure quality control of the system and subordinates in carrying out their professional duties. The reports presented by internal accountants should be complete, clear, and supported by relevant and reliable analysis and information.
Likewise, in carrying out professional duties and services, the actions and behavior of accountants must be consistent with religious values taken from sharia principles and rules, while being aware of the supervision of Allah SWT, remaining aware of responsibilities before Allah SWT in the hereafter, Sincere in carrying out duties and professional services and realizing the pleasure of Allah SWT and not to devote to parties other than Allah SWT, implementing and respecting all agreements, and cooperating with other parties so that all professional duties and services are carried out properly, smoothly and efficiently. Show affection and brotherhood for the sake of Allah’s pleasure and expand cooperation and trust between him and related parties (Endartiningsih et al., 2023; Mahmud, 2024).

An accountant is also required to comply with applicable accounting and auditing standards for Islamic financial institutions. Perform professional duties and services diligently. Protect oneself from assignments or activities that jeopardize integrity, objectivity, or independence in carrying out professional duties and services that will discredit the profession and threaten its credibility. Protect yourself from marketing yourself and your skills in a way that is not justified by the profession or is embarrassing. Abstain from making excessive claims about the professional services that can be performed. Protect yourself from harassing the work of other accountants. Avoid paying commissions for assignments from customers, and when asked to replace another accountant, the new accountant must ascertain the reasons for the replacement (Hadi, 2018).

4. Materials and Methods

This study uses a qualitative method of a descriptive type because in its implementation, it uses descriptive-qualitative data collection. The data were collected from various sources, including journals, proceedings, books, the Koran, and other relevant sources. The data are analyzed and concluded so that it becomes a benchmark that is neatly arranged as a scientific work and deserves to be published.

The approach used in this study involves content analysis (tafsir) and phenomenology. Content analysis is conducted on laws and texts in the Quran, written documents, pictures, electronic documents, and mass media, as well as societal phenomena related to debit and credit transactions, which are then recorded. Additionally, this study employs the literature review analysis method. A literature review is a systematic, explicit, and reproducible method for identifying, evaluating, and synthesizing research works and ideas produced by researchers and practitioners (Muthoifin, 2019).

To identify areas for future research, the literature review seeks to assess and synthesize current knowledge about the subject under study. Okoli and Schabram provided a more thorough explanation of the goals, which included (1) providing a theoretical foundation or basis for the research to be conducted, (2) examining the depth or breadth of prior research on the subject to be studied, and (3) responding to practical questions by understanding the results of earlier research (Irami et al., 2023).

5. Results and Discussion

5.1. Accounting in the Qur’an

The Qur’an focuses on accounting in the letter al-Baqarah verse 282. This verse is the basis for a simple order to implement accounting. Prof. Dr. Hamka interpreted the verse with several things relevant to accounting, among which Hamka’s statements were “Pay close attention to the verse’s goal! For debts and debts to be recorded, that is to all who believe in Allah. That person is the one who works for Allah because Allah’s instruction is obeyed. Because of this, it is improper to be kind to both parties before asserting that there is no need to write it down because we already agree. Even though Allah determines both parties’ ages” (Apriantoro et al., 2023).

Hamka emphasized the obligation to maintain writing. This command is often ignored by Muslims. Sometimes some consider careful recording such as this as a form of distrust of others, when in fact this is God’s command. Hamka also stated, “In this way, justice in the sight of Allah is well maintained, so that what is true ‘because of Allah’, and if later it is necessary to testify again, there is already black and white on which to hold on and doubts are gone, because even the smallest thing is written down” (Nuha & Sudarno Shobron, 2020).

Thus, according to Hamka, the recording is intended for truth and justice for both parties so that they can be accounted for in the future, not only for humans but also for Allah. The following are the general principles of sharia accounting contained in the paragraph, among others:

1) Responsibility Principle: As a community, Muslims share a common understanding of the importance of taking responsibility for one’s actions. The concept of trust is intrinsically linked to the idea of accountability. In business and accounting, this means that those who carry out transactions must constantly be answerable for their actions and the consequences they bring. An accounting report is the standard form of documentation for accountability (Shobron & Rahman, 2019).

2) The Principle of Justice: Verse 282 of the letter al-Baqarah contains the idea of justice in performing transactions if it is read further. The value of justice is not only fundamental to social and commercial ethics but also inherent to human nature. This proves that people are capable and motivated to uphold justice in all spheres of their lives.
According to others, the word "fair" in verse 282 of the book Al-Baqarah simply signifies that all of the company’s transactions are accurately recorded. Thus, the term justice has two connotations in the context of accounting applications. The first component relates to moral behavior, specifically honesty, which is a very influential factor. Without this honesty, the supplied accounting information will be deceptive and extremely harmful to the public. Second, the concept of fairness is more fundamental (and nevertheless grounded in ethical/shari'ah and moral principles). This second realization is more of an impetus to dismantle modern accounting structures in favor of a superior (alternative) accounting structure (Alma et al., 2023).

3) The Principle of Truth: This truth premise cannot be isolated from the justice principle. In accounting, for example, we will always encounter challenges of recognition, measurement, and reporting. If this activity is based on the truth value, it can be executed effectively. This truth will facilitate the recognition, measurement, and reporting of economic transactions. Surah al-Baqarah verse 282 is not the only verse in the Qur'an that relates to the concept of accounting. These verses include the following: Asy Syuara verses 181-184, al-Hujuraat verse 6, and al-Isra' verse 35.

<table>
<thead>
<tr>
<th>No</th>
<th>Sharia Accounting Principles</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Responsibility Principle</td>
<td>accountability in the form of trust in the form of accounting reports.</td>
</tr>
<tr>
<td>2</td>
<td>Principle of Justice</td>
<td>Every part of a human life has the potential and the energy for justice.</td>
</tr>
<tr>
<td>3</td>
<td>Principle of Truth</td>
<td>Identifying, measuring, and fairly reporting economic transactions entails recognizing the truth.</td>
</tr>
</tbody>
</table>

The principles of sharia accounting according to M. Syafii Antonio include the following:

1) Muamalat Legitimacy Principle: The legitimacy of muamalat here must be viewed widely because it is obligatory for people who carry out accounting activities to refuse the presentation of any financial information if it is known or because there is doubt that the purpose of its use is to perfect transactions or trades that are not legal according to the Shari’ah. If someone who works in the field of accounting for some reason must provide analysis or information regarding finances that contain deviations from Islamic Shari’a, either vaguely or openly, then at least he must give a signal or sign in his description or interpretation of the information (Shobron & Anshori, 2020). The legitimacy of muamalat is not limited in scope as above; it even includes parties who are muamalah, in addition to aspects of accounting activities. What is meant by the parties to muamalat are the two parties to the muamalat. The first party is those who form the company or the shareholders, and the second party is the people who have an interest in them.

2) The Principle of the Noble Personality: There are several types of this principle, including the following:
   a. Principle of Shakhshiyah I’tibariyyah (Spiritual Entity): This variable is the separation of investment activities from the person who finances the investment activity. Two problems affect and will be affected by this syakhshiyah i’tibariyyah concept. First, it relates to the invested assets themselves and their relation to these personal assets. Second, it relates to the rights and obligations of the owners of external ownership, as a result, or the result of their investment activities (Muthoifin, 2020).
   b. Syakhshiyah Qanuniyyah (Legal Entity): An expression of a separate entity, which allows it to sue another directly in its nature as a person, as it is also possible for others to sue it directly, in its nature as a person.
   c. Wahdah Muhasabiyyah (Accounting Unit): This is the basic framework that determines the scope of accounting activities in terms of what accounting books should include and what financial reports should include in the form of known or other financial data. Therefore, the problem that must be studied when determining wahdah muhasabiyyah is the problem of the need for financial information. It is the need for financial information that will be realized at the end, which is disclosed in financial statements (Effendi & Arifi, 2023).

3) The third principle, Istimrariyyah (Continuity): Istimrariyyah is a principle whose existence can give the view that the company will continue to carry out its activities indefinitely, and its liquidation is a matter of exception unless indications point to the opposite. Based on the definition of this principle, the following conclusions can be drawn: The age of the company does not depend on the age of the owners
   a. This principle is part of the nature of humans, and Allah SWT created humans based on that nature.
b. This principle about the investment business is a rule generally.

c. As a result of this principle, all transactions and management actions, both internal and external, must take this principle as a lesson, starting from determining the principle of funding investment activities to measuring final results and illustrating the results of activities and activities. A balance sheet that determines the rights and obligations.

d. The application of this principle must consider the following factors: market, both in terms of addition, subtraction, expansion, and narrowing of factors that have a direct relationship with the continuity of activities.

4) The fourth principle, Muqabalah (matching): Muqabalah is a mirror that reflects the causal relationship between the two sides and reflects the result of the relationship from the other side. Because, everything that happens, must be because of an action that precedes it, which is based on a certain purpose. Henceforth, the two events must be related to each other to determine the effects they cause (Nia Indah Firdausiyah, 2016).

<table>
<thead>
<tr>
<th>No</th>
<th>Sharia Accounting Principles</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Muamalat Legitimacy</td>
<td>Its validity is clear and must be viewed widely because it is mandatory for those who carry out accounting activities to refuse the presentation of any financial information if there are known doubts.</td>
</tr>
<tr>
<td>2</td>
<td>Great Personality.</td>
<td>Principle of Shakhshiyah 'tibariyyah (Spiritual Entity). Syakhshiyah Qanuniyyah (Legal Entity) Wahdah Muhasabiyyah (Accounting Unit)</td>
</tr>
<tr>
<td>3</td>
<td>Istimrariyyah (Continuity)</td>
<td>the principle of sustainability whose existence can give the view that the company will continue to run indefinitely</td>
</tr>
<tr>
<td>4</td>
<td>Muqabalah (Matching)</td>
<td>a mirror that reflects the causal relationship between two sides.</td>
</tr>
</tbody>
</table>

Meanwhile, the characteristics of financial reporting within the framework of sharia as disclosed by Ali Mauludi are as follows:

1) Must be reported correctly (Qur’an 10:5)
2) Quick and quick to report (QS 2:202; 3:19; 5:4; 13:41)
3) Made by experts (Qur’an 13:21; 13:40; 23:117; 88:26)
4) Bright, distinct, resolute, and instructive (Qur’an 17:12; 14:41; 84:3)
5) Exhaustive information (6:52; 39:10)
7) Exhaustive and exhaustive (Qur’an 65:8)
8) No data tampering (Quran 69:20; 78:27)
9) Done continuously and continuously (Surah 21:1)

Sharia accounting concepts and conventional accounting are comparable in the following areas:

1) The principle of separating financial guarantees from the principle of economic units.
2) The principle of annual (hauliyah) with the principle of a period or years of financial accounting.
3) The principle of direct bookkeeping with dated records.
4) The principle of testimony in bookkeeping with the principle of determining goods.
5) The principle of comparison (muqabalah) with the principle of comparison of income with expenditures (costs).
6) The principle of continuity.
7) The explanation (idhah) concept with explanation or notice.

In principle, there are fundamental differences between conventional accounting and accounting. Islamic accounting, where conventional accounting prioritizes fairness (relative truth), refers to applicable standards, while Islamic accounting is required to prioritize moral truth that must be accounted for before God. This means that what is
reported is not only by human standards but also according to Allah’s law (N. L. Ahmad et al., 2017; Al-Hunnayan, 2020; Kamaluddin et al., 2018).

5.2. Distinctive features of Islamic Accounting Compared to Typical Accounting

Sharia accounting derives its legal basis from the Qur’an, the Sunnah of the Nabawiyyah, Ijma (agreements of the scholars), Qiyas (the equation of a particular occurrence), and ‘Uruf (customs) that do not contradict Islamic Sharia. Accounting standards in Islam are distinguished from conventional accounting principles by their unique qualities. The laws of sharia accounting are based on Islamic societal values and include social science disciplines that serve as public servants at the location where accounting is practiced. The preparation of conventional accounting with Islamic accounting in terms of technology does not differ. The recording technique does not indicate a particular ideology, and proven accounting techniques are the result of neutral scientific research.

<table>
<thead>
<tr>
<th>Equality</th>
<th>Sharia Accounting Technical</th>
<th>Conventional Accounting Techniques</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Technical separation of financial guarantees</td>
<td>Economic unit technical</td>
</tr>
<tr>
<td>2</td>
<td>Annual technical (hauliyah)</td>
<td>The technical period or year of financial Accounting;</td>
</tr>
<tr>
<td>3</td>
<td>Direct bookkeeping techniques</td>
<td>Technical recording dated;</td>
</tr>
<tr>
<td>4</td>
<td>Technical testimony in bookkeeping</td>
<td>Technical determination of goods;</td>
</tr>
<tr>
<td>5</td>
<td>Technical comparison (muqabalah)</td>
<td>Technical comparison of income with costs (costs);</td>
</tr>
<tr>
<td>6</td>
<td>Technical continuity (istimrariah)</td>
<td>Technical continuity of the company;</td>
</tr>
<tr>
<td>7</td>
<td>Technical information (idhah)</td>
<td>Technical explanation or notification.</td>
</tr>
</tbody>
</table>

According to Husein Syahatah, the differences between conventional accounting and Islamic accounting include the following:

1) Experts in the field of modern accounting disagree on how much it is worth ensuring principal capital and what exactly is meant by the term “basic capital” (capital). Meanwhile, the Islamic approach applies the concept of valuation based on the prevailing exchange rate to safeguard fundamental capital in terms of future production capabilities within the context of the company’s continued existence;
2) While basic goods are split into assets in the form of money (cash) and assets in the form of goods (cash) in the Islamic idea, the basic goods are divided into assets in the form of stock); subsequently, the goods are divided into property and merchandise;
3) According to the Islamic notion, money—such as gold, silver, and other items of equal status—does not serve as the ultimate objective of anything but rather as a means of estimating price or value;
4) Conventional concepts put into practice reserve theory and precision from bearing all losses in the calculation, as well as putting aside possible profits, while the Islamic concept is very concerned about this by determining the value or price based on the prevailing exchange rate and forming reserves for possible dangers and risks;
5) The conventional concept applies the principle of universal profit, which includes trading profits, principal capital, and transactions, as well as money from unlawful sources, whereas in the Islamic concept, it is distinguished between profits from main activities and profits from capital (principal capital) and those from transactions, and it is also obligatory to explain income from unlawful sources, if any, and try to avoid and distribute them to locations that have been determined by Islamic law. Profits from illegal sources are not permitted to be shared with business partners or combined with principal capital.
6) The conventional notion holds that profit exists only when there is a sale and purchase, whereas the Islamic
understanding holds that profit exists when there is a development and growth in the value of things, including those that have been sold and those that have not. To report profits, however, buying and selling must occur, and profits should not be distributed until they are realized (Hadi, 2018; Muhamad, 2009; Sahrullah et al., 2022).

### 5.3. Islamic Accountant Ethics

The ethics of Islamic accountants must present an ethical framework that is taken and formulated from Islamic principles and sharia; thus, a Muslim accountant will be motivated to comply with sharia provisions and not carry out activities that are contrary to sharia. This ethics will be obtained in terms of being able to help build an accountant's attitude of prudence by drawing attention to ethical issues in professional practice so that he can separate ethical and nonethical behavior according to sharia provisions as another dimension of general professional practice. Ensuring the accuracy and confidence in the information presented in the financial statements will expand credibility and promote confidence in the services of the accounting profession.

This ethical structure generally consists of several parts, including the following:

1. Shari'ah aspects as the basic principles of the accountant's code of ethics
2. Ethical principles for accountants
3. Regulations of ethical behavior for accountants

The first aspect is the basis of the code of ethics in the form of sharia principles. The second aspect is the general principle of the code of ethics, which is based on the basic principles of the first aspect and includes the general principles of the code of ethics, which are commonly known in the accounting profession. The third aspect is a procedural aspect or rules taken from the second aspect.

### 5.4. Implications for violators of economic transactions (debts and receivables)

From the various discussions above, it can be discussed that the ethics of recording debt and the Islamic economy must be recorded in an orderly, legal, justice-based, correct, and accountable (accountable) manner. Therefore, if not, it will hurt the perpetrators of economic transactions both worldwide and hereafter, and even some of the negative impacts and dangers caused by accounts payable if not regulated and anticipated early on can cause stress, as stated in the introduction in this article.

Another impact in addition to stress is that people easily feel sad at night because they think about how to pay it off, while during the day, they feel humiliated because they feel looked down on by others for their debt. In a depressed psychological condition, in addition to being physically weak, the stress level will be even greater. Another impact is that it can damage morals. The habit of debt can damage a person's character because debt is not included in good morals, such as the habit of lying. Prophet Muhammad SAW said, "Indeed, when a person is in debt, he often says and then lies, promises and then refuses." (Narrated by Al-Bukhari). A person who is in debt is very easily influenced by the devil to commit immorality to be able to pay off his debt in various ways, including stealing or robbing.

Another impact is being punished like a thief. Rasulullah SAW means "Whoever owes and intends not to pay it off, then he will meet Allah (on the Day of Resurrection) in the status of a thief." (Narrated by Ibn Majah). Likewise, his body is not prayed for. As happened at the time of the Prophet Muhammad. He never wanted to pray for the corpse of someone who still has debt but has not been paid and has not left a penny of wealth to pay it off. Until then, there was a friend who was willing to bear the debt, and then, the Prophet Muhammad wanted to pray for the corpse (Asroni, 2011; W. Hidayat, 2019).

Another indicator is that his sins are not forgiven even if he is martyred. Prophet Muhammad SAW said, "All the sins of a martyr will be forgiven (by Allah), except the debt." (HR Muslim). Likewise, delayed entry to heaven. From Tsabun, the Prophet Muhammad SAW said, "Whoever separates his spirit from his body (read: dies) free from three things, surely he will enter heaven, namely, free from pride, free from betrayal, and free from dependents. debt."

Even more tragic is the reward in exchange for the debt. From Ibn 'Umar, the Prophet Muhammad SAW said, "On the Day of the Resurrection, anyone who passes away with an outstanding debt of one dinar or one dirham will have it paid off with his goodness because there will not be any more debts in the afterlife. dirhams and dinars." (Narrated by Ibn Majah). That is, if someone who owes a debt does not have time to pay it off because he dies, then subsequently, his reward will be taken to pay off the debt. In addition, including his affairs are still hanging. From Abu Hurairah, the Prophet Muhammad SAW said, "The soul of a believer is still dependent on his debt until he pays it off." (HR Tirmidhi).

<table>
<thead>
<tr>
<th>No</th>
<th>Impact</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Can cause stress</td>
<td>Someone who is in debt often experiences stress, thinks about the debt, has trouble sleeping, the mind is not focused and has no appetite</td>
</tr>
<tr>
<td>2</td>
<td>Can be punished like a thief</td>
<td>The Prophet considers anyone who owes a debt and intentionally does not want to pay it off, then he has the status of a thief</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>3</td>
<td>Can destroy morals</td>
<td>When someone is in debt, he tends to say and then lie, and promises and then betray.</td>
</tr>
<tr>
<td>4</td>
<td>The body can not be prayed for</td>
<td>The Prophet never wanted to pray for a corpse that still had debts and prayed after it was paid off</td>
</tr>
<tr>
<td>5</td>
<td>Can be delayed into heaven.</td>
<td>Humans can enter heaven if they are free from three things: free from pride, free from betrayal, and free from debt</td>
</tr>
<tr>
<td>6</td>
<td>His sins are not forgiven even if he is martyred</td>
<td>All the sins of the martyr will be forgiven, except the debt</td>
</tr>
<tr>
<td>7</td>
<td>The reward is to replace the debt</td>
<td>The debt will be repaid with kindness</td>
</tr>
<tr>
<td>8</td>
<td>The business is still hanging</td>
<td>His soul still hangs until the debt is paid off.</td>
</tr>
</tbody>
</table>

Although problems related to debts are addressed by moneylenders whose records are very neat and good according to modern accounting standards, Islamic ethics is still forbidden and cannot be justified because the activity of moneylenders by lending money with an interesting system is prohibited and considered deviant by the MUI (Indonesian Ulema Council) fatwa and the DSN (National Sharia Council) fatwa (Haris et al., 2022; Santika et al., 2024).

### 6. Conclusion

The results of the study state that in the contextualization of sharia accounting and economic recording, muamalah, accounts payable, and so on, as well as in implementing them in an Islamic view, they must be based on general principles, namely, being responsible, fair, honest, having legitimacy in muamalah, having a good personality, being sustainable (continuity), and having a muqabalah (matching). In addition, the principle of agile and fast reports, made by experts, clear, firm, and informative, contains comprehensive information. Information is addressed to all parties involved both horizontally and vertically, is detailed and thorough, does not manipulate data, and is carried out continuously and continuously.

### Limitations

Regarding sharia accounting issues, this study discusses only the issue of registrars or accounting transactions, accounts payable, the ethics of an accountant, and its implications according to the Qur’an letter al-Baqarah verse 282.

### Acknowledgments

With the ID PID-2164 from this Lecturer and Student Collaborative Research Grant, we express our deepest gratitude to all those involved in the completion of this research, both directly and indirectly involved, especially to Mr. UMS Chancellor, Dean FAI, HES Study Program, Student Team, LPPI, and all those involved from making proposals to compile this research report, especially research partners from abroad who are willing to help complete this manuscript, may Allah SWT respond with a better reply, Amin.

### Ethical considerations

Not applicable.

### Declaration of interest

The authors declare no conflicts of interest.

### Funding

This research did not receive any financial support.

### References


