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Computer Literacy and Financial Record Keeping of SMEs in Anambra State

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Abstract

This study examined the effect of computer literacy on the financial record keeping of small and medium-sized enterprises (SMEs) in Anambra State, with specific objectives to determine the effects of accounting software proficiency, cloud accounting proficiency, and digital financial literacy on financial reporting quality. The study adopted a survey research design to enable the systematic collection of quantifiable data from SME owners regarding their competencies in digital accounting practices and their reporting outcomes. The population comprised 481 registered SME owners in Anambra State, from which a sample size of 218 respondents was determined using Taro Yamane's formula and selected through snowballing sampling. Primary data were collected using structured questionnaires administered both physically and online, with responses measured on a five-point Likert scale. Data were analyzed using descriptive statistics and linear regression analysis in SPSS Version 26, and hypotheses were tested at a 5 percent level of significance. The findings revealed that: accounting software proficiency positively and significantly affects financial reporting quality ($\beta = 0.220$, $p = 0.001$); cloud accounting proficiency positively and significantly affects financial reporting quality ($\beta = 0.501$, $p = 0.000$); digital financial literacy has a positive but not significant effect on financial reporting quality ($\beta = 0.098$, $p = 0.103$). In conclusion, SMEs that integrate technology-driven accounting practices are likely to experience more systematic, reliable, and transparent financial processes, which can strengthen accountability and support informed managerial decisions. The study recommended that SME owners and managers should ensure that their staff are proficient in accounting software by providing practical training and hands-on workshops. Enhancing employees' ability to use accounting software will strengthen the accuracy, completeness, and reliability of financial records, directly supporting better financial reporting and informed decision-making within the enterprise.

Keywords: Computer Literacy, Financial Record Keeping, Accounting Software Proficiency, Cloud Accounting Proficiency

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1.0 Introduction

Small and medium sized enterprises play a crucial role in economic development, especially in emerging economies such as Nigeria. They generate employment, stimulate local production, encourage innovation, and contribute significantly to gross domestic product. In Anambra State, SMEs dominate the commercial landscape, ranging from trading businesses in Onitsha to manufacturing clusters in Nnewi and service enterprises in Awka. Similar to trends observed in other developing economies, these enterprises often operate as the backbone of local economic activity but remain vulnerable to structural and managerial weaknesses (Albert et al., 2025). Despite their importance, many of these businesses struggle with managerial and financial challenges that limit their growth and sustainability. Among these challenges is the issue of maintaining proper financial records, a concern that has been widely reported across SMEs in Nigeria and other African economies (Imasuen et al., 2026; Zotorvie et al., 2025). As business activities become more complex and competitive, the ability of SME owners to manage financial information effectively has become increasingly important. At the same time, rapid technological advancement has transformed how businesses operate, communicate, and keep records. The growing integration of digital tools into accounting and financial management processes has made computer literacy a critical requirement for business success, particularly for SMEs operating in technology driven markets (Nwankwo et al., 2025). Against this backdrop, examining how computer literacy influences financial record keeping among SMEs in Anambra State is both timely and necessary.

Financial record keeping is essential for the survival and growth of any business. Accurate and timely financial records enable business owners to monitor income and expenses, determine profitability, manage cash flow, and make informed decisions. For SMEs, proper financial reporting enhances transparency and accountability, which are important when seeking loans or attracting investors. Evidence from Nigeria and other developing contexts suggests that SMEs with structured accounting systems are better positioned to access external finance and comply with regulatory requirements (Mohammed, 2025; Chimucheka et al., 2025). It also supports compliance with tax regulations and reduces the risk of financial mismanagement. Poor record keeping, on the other hand, often leads to inaccurate reporting, loss of funds, and even business failure, as documented among SMEs that rely heavily on manual bookkeeping systems (Oktavia et al., 2026). In a dynamic and competitive environment, businesses that fail to maintain reliable financial records are disadvantaged when compared to those that do. Alongside the growing importance of financial reporting is the increasing relevance of computer literacy. Modern business operations rely heavily on digital tools for communication, marketing, inventory control, and financial management, a trend that has also been observed among SMEs in Anambra State (Anusi et al., 2025). Computer literacy goes beyond the ability to operate a computer. It includes proficiency in accounting software, understanding of cloud based accounting systems, and broader digital financial skills that enable users to interpret and manage electronic financial data. In today's business environment, transactions are frequently conducted electronically, records are stored digitally, and financial reports are generated using specialized software. SMEs that lack computer skills may find it difficult to adapt to these changes, while those that embrace digital competencies are better positioned to compete and grow, as demonstrated in studies across Nigeria, Ghana, and Indonesia (Nwankwo et al., 2025; Ibrahim and Aduah, 2025; Oktavia et al., 2026). As regulatory bodies and financial institutions increasingly demand standardized and accurate financial information, the intersection between computer literacy and financial record keeping becomes more pronounced.

Computer literacy influences financial record keeping in several important ways. Proficiency in accounting software allows SME owners and their staff to record transactions systematically and accurately. Software packages such as QuickBooks and Sage simplify tasks that were once done manually, including journal entries, ledger posting, and preparation of financial statements. Empirical evidence from Nigerian SMEs shows that automation, real time processing, and user training significantly reduce reporting errors and improve compliance with accounting standards (Chinda et al., 2026; Mohammed, 2025). When users understand how to use these tools effectively, the likelihood of errors is reduced, and financial reports become more reliable, thereby improving the overall quality of financial reporting. Cloud accounting proficiency further enhances record keeping practices by enabling real time access to financial data from any location with internet connectivity. Cloud based systems facilitate automatic updates, secure data storage, and easy sharing of information with accountants or auditors. Studies from different developing regions indicate that SMEs perceive these systems as improving speed, accuracy, and decision making efficiency (Tawakkal et al., 2026; Ojha et al., 2026). For SMEs in Anambra State that operate in multiple locations or engage in frequent transactions, the ability to access up to date financial records can improve decision making and oversight. However, without adequate knowledge of how to use cloud platforms, businesses may underutilize these systems or expose themselves to security risks, a concern echoed in research on digital application adoption barriers (Ojha et al., 2026).

Digital financial literacy also plays a significant role in shaping financial record keeping. This aspect of computer literacy involves understanding electronic payments, online banking, digital invoicing, and data security. As more customers and suppliers adopt electronic payment systems, SMEs must be able to reconcile digital transactions accurately. Evidence from household enterprises and micro businesses suggests that the ability to use digital financial services strengthens record completeness and financial control (Albert et al., 2025; Imjai et al., 2025). A business owner who understands how to track online payments, download bank statements, and integrate them into accounting systems is more likely to produce complete and accurate financial reports. In contrast, limited digital skills may lead to omissions or inconsistencies in records. Moreover, computer literacy enhances the speed and efficiency of financial reporting. Automated calculations and report generation reduce the time spent on manual computations and allow business owners to focus on strategic activities. Over time, consistent use of digital tools can improve transparency, reduce opportunities for fraud, and strengthen internal control systems, outcomes that have been linked to improved SME sustainability (Sumiati et al., 2026; Junaidi and Rismawati, 2025).

However, many SMEs in Anambra State struggle to maintain accurate and up to date financial records (Ogunmola et al., 2024). A significant number of business owners still rely on manual record keeping methods or incomplete documentation of transactions. Even when digital tools are available, some operators lack the knowledge and confidence to use accounting software effectively or to adopt cloud based accounting systems. Limited digital financial literacy also affects their ability to manage electronic payments, reconcile online transactions, and secure financial information. As a result, financial reports are often poorly prepared, inconsistent, or unavailable. The gap between the growing reliance on digital financial systems and the actual computer skills of many SME operators continues to widen, raising concerns about the quality of financial reporting within this sector.

The persistence of inadequate computer literacy and weak financial record keeping practices has serious implications. Poor quality financial reports make it difficult for business owners

to assess profitability, control costs, and plan for expansion (Ogunwale et al., 2024). Inaccurate or incomplete records can lead to poor decision making, cash flow problems, and increased vulnerability to fraud or financial mismanagement. Furthermore, SMEs with unreliable financial statements may struggle to secure loans from financial institutions or attract potential investors who require credible documentation. Non-compliance with tax regulations due to improper record keeping can also expose businesses to penalties and legal challenges. Over time, these challenges can limit growth, reduce competitiveness, and increase the likelihood of business failure. It is therefore necessary to examine how computer literacy affects the financial record keeping of SMEs in Anambra State in order to address these concerns.

Despite numerous studies on digital accounting and financial literacy among SMEs, notable gaps persist. Chinda et al. (2026), Nwankwo et al. (2025), Mohammed (2025), Zotorvie et al. (2025), and Tawakkal et al. (2026) emphasized software adoption and reporting efficiency rather than operators' computer literacy. Aini and Fikri (2026), Imjai et al. (2025), Sumiati et al. (2026), and Albert et al. (2025) linked financial literacy to sustainability, not reporting quality. Junaidi and Rismawati (2025), Hendrawati et al. (2024), and Ogunwale et al. (2024) treated record keeping as secondary. In Anambra State, Anusi et al. (2025), Nwanmuoh et al. (2024), and Ogunmola et al. (2024) overlooked specific computer literacy dimensions and financial reporting quality, hence, the need for this study.

1.1 Objectives of the Study

The main objective of the study is to examine the effect of computer literacy on the financial record keeping of small and medium-sized enterprises (SMEs) in Anambra State. The specific objectives are:

1. To determine the effect of accounting software proficiency on the financial reporting quality of SMEs in Anambra State.

2. To assess the effect of cloud accounting proficiency on the financial reporting quality of SMEs in Anambra State.

3. To examine the effect of digital financial literacy on the financial reporting quality of SMEs in Anambra State.

2.0 Review of Related Literature

2.1 Conceptual Review

2.1.1 Computer Literacy

Computer literacy refers to the ability of an individual to confidently and effectively use computers and related digital technologies to perform work tasks, process information, and support decision making in everyday activities, including business operations (Ogunniyi et al., 2025). In the context of small and medium sized enterprises, it reflects how business owners and employees interact with digital tools to manage records, communicate information, and carry out administrative and financial activities using computer based systems. Computer literacy extends beyond basic awareness of computers and involves practical capability in using digital devices to handle real business processes (Patrick & Benwari, 2014). Studies such as Nwankwo et al. (2025) and Mohammed (2025) show that SMEs with higher levels of computer related skills are better positioned to adopt automated accounting software and digital reporting tools, leading to improved reliability and timeliness of financial information. This highlights computer literacy as a foundation that supports the effective use of modern accounting and financial technologies. In a business setting,

computer literacy also reflects familiarity with software applications that support routine operations, including word processing, spreadsheets, internet platforms, and basic accounting programs. According to Ogunwale et al. (2024) and Okoh et al. (2023), the ability to use such tools influences how well SMEs maintain financial records, organize transactions, and produce reports needed for performance evaluation and regulatory compliance. Without sufficient computer related skills, even available digital systems may remain underutilized or misapplied.

Computer literacy further relates to confidence and adaptability in working with evolving technologies. As business environments become increasingly digitized, SMEs are expected to handle electronic payments, digital documentation, and online financial platforms. Research by Junaidi and Rismawati (2025) and Ibrahim and Aduah (2025) suggests that businesses with stronger digital capabilities are more likely to sustain growth and remain competitive. In this sense, computer literacy represents a practical capacity that supports accurate record keeping, operational efficiency, and informed financial management within SMEs.

2.1.2 Accounting Software Proficiency

Accounting software proficiency refers to the ability of an individual to competently use computer based accounting applications to record, process, and report financial transactions in an organized and accurate manner (Sinaga et al., 2025). Within SMEs, it reflects how well business owners or staff can operate accounting software to manage daily financial activities, generate financial statements, and maintain reliable records that support decision making and accountability. Accounting software proficiency involves familiarity with digital accounting environments where transactions are entered electronically and processed automatically. Chinda et al. (2026) demonstrate that users who are skilled in operating accounting software are more likely to produce financial reports that comply with accounting standards, contain fewer errors, and are prepared on time. This indicates that proficiency is closely linked to the quality of financial reporting, as the user's competence determines how effectively the software performs its functions.This proficiency also reflects the ability to transition from manual bookkeeping practices to digital systems. Studies by Imasuen et al. (2026) and Zotorvie et al. (2025) show that SMEs using accounting software efficiently experience better transaction management and improved financial performance compared to those relying on manual methods. Such outcomes are not driven by software availability alone but by the user's capacity to operate the system correctly and consistently (Nworie et al., 2022).

Accounting software proficiency further captures the confidence to rely on digital systems for financial documentation and reporting. According to Nwankwo et al. (2025) and Oktavia et al. (2026), businesses that demonstrate stronger competence in accounting applications tend to maintain more accurate, reliable, and transparent financial records. This proficiency supports better monitoring of income and expenses, preparation of financial statements, and communication of financial information to external stakeholders. In the SME context, accounting software proficiency represents an applied digital skill that links technology use with sound financial record keeping. It enables businesses to handle increasing transaction volumes, reduce manual errors, and maintain structured financial data. As highlighted by Mohammed (2025) and Hendrawati et al. (2024), when accounting software is effectively used, it strengthens the overall quality of financial records and supports sustainable business operations.

2.1.3 Cloud Accounting Proficiency

Cloud accounting proficiency refers to the ability of an individual to competently use cloud based accounting systems to record, process, store, and access financial information through internet enabled platforms (Olomiyete, 2024). In the context of small and medium sized enterprises, it describes how business owners or employees manage accounting tasks using online accounting applications that allow real time data entry, remote access, and automated financial processing. Cloud accounting proficiency involves understanding how to operate accounting systems that are hosted on external servers rather than on local computers (Atadoga et al., 2024). This includes the ability to input transactions accurately, retrieve financial data when needed, and navigate cloud based dashboards and reporting tools. Studies by Oktavia et al. (2026) and Hendrawati et al. (2024) indicate that SMEs with stronger competence in cloud accounting systems maintain more organized and up to date financial records compared to those relying on traditional desktop or manual accounting methods.

Within SMEs, cloud accounting proficiency also reflects the ability to collaborate and share financial information securely. Cloud platforms allow multiple users to access the same financial data, which supports coordination between business owners, accountants, and external advisors (Nduokafor et al., 2024; Ikwuo et al., 2025). Research by Zotorvie et al. (2025) shows that businesses with adequate cloud accounting skills are better able to monitor transactions in real time and reduce delays in financial reporting.Cloud accounting proficiency further includes awareness of data security, backup procedures, and system updates associated with online accounting platforms. Proper use of these features helps protect financial information from loss and unauthorized access. According to Mohammed (2025), SMEs that demonstrate competence in cloud accounting are more confident in maintaining digital financial records and producing reliable financial reports. In the SME environment, cloud accounting proficiency represents a practical digital skill that supports accuracy, accessibility, and continuity in financial record keeping. It enables businesses to manage financial information efficiently, adapt to flexible work arrangements, and maintain consistent financial records that support sound financial reporting and decision making.

2.1.4 Digital Financial Literacy

Digital financial literacy refers to the ability of individuals to understand and use digital tools and platforms to manage financial activities, access financial services, and make informed financial decisions (Aini & Fikri, 2026). In the context of small and medium sized enterprises, it describes how business owners and employees apply digital knowledge to handle electronic payments, online banking, mobile financial applications, and other technology driven financial services used in daily business operations (Imjai et al., 2025). Digital financial literacy involves more than basic awareness of digital finance platforms. It includes the capacity to navigate online financial systems, interpret digital transaction records, and manage electronic financial data securely. Studies by Aini and Fikri (2026) and Sumiati et al. (2026) indicate that SMEs with stronger digital financial skills are better able to track electronic transactions and maintain organized financial records. This ability supports improved control over business finances and reduces the risk of errors associated with unmanaged digital transactions.

Within SMEs, digital financial literacy also influences how effectively businesses integrate digital payment systems with their internal accounting processes. As electronic transfers, point of sale systems, and mobile money services become more common, the ability to reconcile digital transactions with accounting records becomes increasingly important. Research by Albert et al. (2025) and Ibrahim and Aduah (2025) shows that businesses with

higher digital financial competence are more consistent in recording digital transactions and maintaining up to date financial records.Digital financial literacy further reflects awareness of financial risks and responsibilities associated with digital finance. This includes understanding data security, fraud prevention, and proper documentation of electronic transactions. According to Junaidi and Rismawati (2025), SMEs that demonstrate stronger digital financial knowledge are better positioned to maintain accurate records and ensure transparency in their financial activities. In this way, digital financial literacy supports reliable financial management and strengthens the overall quality of financial information in SMEs.

2.1.5 Financial Record Keeping

Financial record keeping refers to the systematic process of documenting, organizing, and maintaining records of all financial transactions carried out by a business (Alao et al., 2024). For small and medium sized enterprises, it involves recording income, expenses, assets, liabilities, and other financial activities in a manner that allows the business to monitor performance and maintain accountability. Effective financial record keeping requires consistency and accuracy in capturing daily transactions. Studies such as Ogunmola et al. (2024) and Anusi et al. (2025) show that SMEs with structured record keeping practices are better able to track cash flows, control costs, and assess profitability. These records form the foundation for preparing financial statements and support informed managerial decisions (Nketsiah, 2018).In many SMEs, financial record keeping includes both manual and digital methods. However, the quality of records largely depends on how well transactions are documented and organized. Research by Hendrawati et al. (2024) and Nwanmuoh et al. (2024) highlights that incomplete or poorly maintained records often lead to errors, missing information, and delayed reporting. This weakens the reliability of financial information and limits its usefulness for internal and external purposes.

2.1.6 Financial Reporting Quality

Financial reporting quality refers to the extent to which financial reports present accurate, complete, timely, and reliable information that reflects the true financial position and performance of a business (Yusran, 2023). For small and medium sized enterprises, it describes how well financial statements communicate useful financial information to owners, lenders, investors, and regulatory authorities. High quality financial reporting depends on the accuracy of underlying financial records and the methods used to prepare reports (Asyik et al., 2023). Studies by Chinda et al. (2026) and Zotorvie et al. (2025) indicate that SMEs with organized records and competent accounting practices are more likely to produce financial reports that are clear and dependable. Quality reporting supports better understanding of business performance and enhances confidence among stakeholders.Financial reporting quality also relates to timeliness and consistency in reporting. Delays or inconsistencies in financial reports reduce their usefulness for decision making. Research by Mohammed (2025) and Oktavia et al. (2026) shows that businesses that prepare financial reports regularly and on time are better positioned to respond to financial challenges and opportunities. This allows owners and managers to make informed decisions based on current financial information.In addition, financial reporting quality influences access to external finance and regulatory compliance. Lenders and investors rely on credible financial reports to assess business risk and viability. According to Nwankwo et al. (2025), SMEs with reliable and transparent financial reports have a higher likelihood of securing funding and maintaining good relationships with financial institutions. Thus, financial reporting quality represents a key outcome of effective financial management and record keeping practices within SMEs.

2.2 Theoretical Framework

The Diffusion of Innovations Theory was propounded by Everett Rogers in 1962 (Mbatha, 2024). It emerged from studies in communication and sociology, focusing on how new ideas, technologies, or practices spread through societies over time. Rogers examined the factors that influence the adoption of innovations, including communication channels, social systems, time, and the perceived characteristics of the innovation itself. The theory has been widely applied across disciplines such as education, health, agriculture, and business, providing a structured way to analyze how innovations gain acceptance and become integrated into regular practice (Owie & Ojeaga, 2025). Its foundational research laid the groundwork for understanding adoption patterns within organizations and communities.

The theory postulates that the adoption of an innovation is influenced by five main characteristics: relative advantage, compatibility, complexity, trialability, and observability (Maharati & Entezarian, 2023). Relative advantage refers to the degree to which the innovation is perceived as better than existing practices. Compatibility measures how consistent the innovation is with existing values, experiences, and needs. Complexity considers how difficult the innovation is to understand and use. Trialability allows users to experiment with the innovation on a limited basis before full adoption, and observability refers to the visibility of the innovation's results to others. Additionally, Rogers categorized adopters into five groups based on the speed of adoption: innovators, early adopters, early majority, late majority, and laggards, which highlights the varying pace at which individuals embrace change (Mbatha, 2024).This theory is highly relevant to the study of computer literacy and financial record keeping in SMEs because it explains how new technologies, such as accounting software, cloud accounting, and digital financial tools, are introduced and adopted by business owners. SMEs' ability to adopt these technologies depends on their perception of usefulness, ease of use, and alignment with existing business practices.

2.4 Empirical Review

The literature on computer literacy and its influence on financial record-keeping in SMEs reveals a growing recognition of technology as a transformative tool in business operations. Chinda et al. (2026) demonstrated that accounting software adoption, automation, and real-time processing improve reporting accuracy in Nigerian SMEs, while user training ensures timely report generation. Similarly, Imasuen et al. (2026) confirmed that automated accounting systems enhance transaction management and overall performance. Mohammed (2025) and Nwankwo et al. (2025) highlighted that digital accounting tools improve accuracy, reliability, and timeliness, though skill gaps and high costs remain challenges. Across Ghana and Indonesia, Quarshie et al. (2026) and Tawakkal et al. (2026) found that ICT and digital accounting systems significantly enhance financial reporting efficiency and decision-making, reinforcing the centrality of technology in SME operations.

Financial literacy emerges as a complementary factor, enabling SMEs to maximize the benefits of computer literacy. Aini and Fikri (2026) showed that financial literacy positively influences digital financial literacy and mediates planning and control, supporting better financial outcomes. Imjai et al. (2025) and Sumiati et al. (2026) established that financial literacy and digital competencies contribute to micropreneurial success and sustainability, particularly when coupled with effective financial planning. In Nigeria, Albert et al. (2025), Ogunwale et al. (2024), and Okoh et al. (2023) reported that financially literate SME owners utilize technology efficiently for bookkeeping and record management, improving performance and reducing errors. Adewumi and Cele (2023) emphasized that financial

literacy is crucial for informed entrepreneurial decision-making, while Ogunmola et al. (2024) and Adeyemi and Akanji (2020) linked accurate record-keeping to business continuity and sustainable growth.

The adoption of digital technologies and accounting applications directly enhances record-keeping practices. Ojha et al. (2026) and Oktavia et al. (2026) found that ease of use, technical support, and integrated IT systems drive adoption, which, in turn, improves financial report quality. Hendrawati et al. (2024) and Junaidi and Rismawati (2025) demonstrated that digital accounting usage strengthens financial recording and reporting, although direct performance effects may require complementary competencies. In Ghana, Zotorvie et al. (2025) and Ibrahim and Aduah (2025) reported that ICT adoption, digital literacy, and digital intelligence jointly improve enterprise performance, with technology mediating sustainable outcomes. Ojobo et al. (2023) and Oluwakemi (2019) similarly documented that digital literacy expands transaction volumes, reduces service costs, and boosts productivity, emphasizing the operational benefits of technological competence in SMEs.

Several studies point to contextual and infrastructural challenges that moderate the effectiveness of computer literacy in financial record-keeping. Mohammed (2025), Nwankwo et al. (2025), and Zotorvie et al. (2025) noted high costs, insufficient technical support, and unreliable power supply as constraints to digital adoption. Putri and Salsabila (2025) highlighted that educational background and accounting understanding influence the ability of SMEs to leverage digital literacy effectively, while Wardani et al. (2022) and Okundaye et al. (2019) stressed the role of leadership, government policies, and organizational strategies in facilitating technology adoption. Mosweu et al. (2019) and Sumiati et al. (2026) showed that cloud computing and local policies further support record-keeping efficiency, illustrating the need for supportive ecosystems to maximize digital and computer literacy outcomes.

The synthesis of these studies underscores a multidimensional relationship between computer literacy, financial literacy, and financial record-keeping in SMEs. Consistent evidence from Nigeria, Ghana, Indonesia, Nepal, South Africa, and Thailand (Chinda et al., 2026; Aini and Fikri, 2026; Tawakkal et al., 2026; Ojha et al., 2026; Oktavia et al., 2026; Imasuen et al., 2026; Quarshie et al., 2026; Mohammed, 2025; Sumiati et al., 2026; Anusi et al., 2025; Nwankwo et al., 2025; Albert et al., 2025; Chimucheka et al., 2025; Junaidi and Rismawati, 2025; Zotorvie et al., 2025; Ibrahim and Aduah, 2025; Putri and Salsabila, 2025; Imjai et al., 2025; Nwanmuoh et al., 2024; Ogunmola et al., 2024; Hendrawati et al., 2024; Ogunwale et al., 2024; Okoh et al., 2023; Adewumi and Cele, 2023; Ojobo et al., 2023; Wardani et al., 2022; Adeyemi and Akanji, 2020; Oluwakemi, 2019; Mosweu et al., 2019; Okundaye et al., 2019) reveals that SMEs that integrate computer literacy with financial knowledge and digital skills achieve superior accuracy, reliability, and timeliness in financial records. Challenges such as inadequate infrastructure, high costs, and insufficient technical support persist, suggesting that successful adoption requires training, policy support, and robust ICT frameworks. Overall, these studies collectively indicate that computer literacy, when complemented by financial literacy, serves as a critical determinant of effective financial record-keeping and enhanced SME performance.

This synthesis captures the interconnected roles of technology, literacy, and organizational support in shaping financial record-keeping practices. It demonstrates that the adoption of automated systems, digital accounting, and ICT tools directly improves reporting quality and operational efficiency, while financial literacy strengthens the capacity to utilize these tools

effectively. Contextual factors such as government policies, infrastructure, education, and organizational strategies moderate outcomes, indicating that SMEs must combine technological competence with supportive environments to optimize financial management. The cumulative evidence reinforces the notion that computer literacy is not merely a technical skill but a strategic resource that, when aligned with financial knowledge and digital competencies, enhances transparency, accuracy, and sustainability in SME financial operations.

2.6 Gap in Literature

Despite the extensive body of empirical studies on digital accounting systems, financial literacy, and technology adoption among SMEs, several important gaps remain in the literature. Many studies such as Chinda et al. (2026), Nwankwo et al. (2025), Mohammed (2025), Zotorvie et al. (2025), and Tawakkal et al. (2026) focused largely on the adoption or effectiveness of accounting software and digital accounting systems, with emphasis on accuracy, efficiency, or performance outcomes, rather than on the underlying computer literacy of SME operators that enables effective use of these tools. Other studies including Aini and Fikri (2026), Imjai et al. (2025), Sumiati et al. (2026), and Albert et al. (2025) examined financial literacy and digital financial literacy in relation to sustainability or enterprise participation, but did not explicitly link these competencies to the quality of financial record keeping. While Junaidi and Rismawati (2025), Hendrawati et al. (2024), and Ogunwale et al. (2024) acknowledged the role of technological literacy and record keeping, they treated financial recording either as a mediating variable or combined it broadly with performance outcomes, leaving limited clarity on specific dimensions of financial reporting quality.

Furthermore, studies conducted within Nigeria and Anambra State, such as Anusi et al. (2025), Nwanmuoh et al. (2024), and Ogunmola et al. (2024), concentrated more on ICT adoption, marketing technologies, or general accounting practices rather than isolating computer literacy components such as accounting software proficiency, cloud accounting proficiency, and digital financial literacy. This indicates a contextual and conceptual gap, as little empirical evidence exists that jointly examines these dimensions of computer literacy and their direct effects on financial reporting quality among SMEs in Anambra State. Addressing this gap is important for providing location-specific evidence that links digital competencies to financial record keeping outcomes in SMEs operating within a developing subnational economy.

3.0 Methodology

The study adopted a survey research design. The survey research design was considered appropriate because it enabled the systematic collection of primary data directly from owners and operators of small and medium-sized enterprises regarding their level of computer literacy and its influence on financial record keeping and reporting quality. The design allowed the researcher to capture respondents' experiences, competencies, and practices relating to accounting software usage, cloud accounting applications, and digital financial literacy within their business operations.The population of the study consisted of 481 registered owners of general service small and medium-sized enterprises operating in Anambra State (Odum et al., 2025). These SMEs were officially registered with the Anambra State Chamber of Commerce, Awka, and were actively engaged in business operations during the period of the study. The SME owners were considered appropriate respondents because they were directly responsible for, or closely involved in, financial record keeping,

accounting decisions, and the preparation or supervision of financial reports within their enterprises.

Given the population size of 481 registered SME owners, the sample size for the study was determined using Taro Yamane's (1967) formula at a 5 percent margin of error.

The formula is expressed as:

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

Where:

N is the total population (481)

e is the margin of error (5% or 0.05)

Substituting into the formula:

$$n = \frac{481}{1+481\ (0.05)^2}$$

$$n = 218.3881952326901$$

The application of the formula produced a sample size of 218 SME owners. Snowball sampling technique was used to select respondents for the study. Initial SME owners who met the study criteria were identified and subsequently referred other eligible SME operators within Anambra State. This approach was adopted to facilitate access to respondents and ensure adequate participation from SME owners who were actively involved in financial record keeping and reporting activities.

The study relied exclusively on primary data. Primary data were collected through the administration of structured questionnaires to the selected 218 SME owners across Anambra State. Both physical and online modes of questionnaire administration were utilized to improve accessibility and response rates, considering the varying levels of digital access among SME operators. The questionnaire was structured in sections corresponding to the study variables, including accounting software proficiency, cloud accounting proficiency, digital financial literacy, and financial reporting quality. Responses were measured using a five-point Likert scale, ranging from 5 = Very High Extent, 4 = High Extent, 3 = Moderate Extent, 2 = Low Extent, and 1 = Very Low Extent. The use of the Likert scale facilitated the quantification of respondents' perceptions and experiences, making the data suitable for descriptive and inferential statistical analysis.

The validity of the research instrument was established through face and content validity procedures. The questionnaire was reviewed by the research supervisor, whose expertise in accounting and business research ensured that the instrument adequately covered the study objectives and variables. The review process focused on the clarity, relevance, and appropriateness of the questionnaire items in measuring accounting software proficiency, cloud accounting proficiency, digital financial literacy, and financial reporting quality. Based on the feedback received, ambiguous statements were reworded, redundant items were

removed, and relevant items were refined to improve precision. This process ensured that the questionnaire accurately measured what it was intended to measure and aligned with the conceptual framework of the study.

Reliability refers to the consistency and stability of a research instrument in measuring variables across repeated applications. To ensure the reliability of the questionnaire, an internal consistency test was conducted using Cronbach's alpha coefficient. The reliability analysis was performed using SPSS Version 26.

Table 3.1 Reliability Statistics (Cronbach's Alpha Test)

S/N	Variable	Number of Items	Cronbach's Alpha
1	Accounting Software Proficiency	4	0.82
2	Cloud Accounting Proficiency	4	0.79
3	Digital Financial Literacy	4	0.81
4	Financial Reporting Quality	4	0.80
	Overall Instrument	**16**	**0.80**

Source: Researcher's Computation using SPSS Version 26 (2025)

The result yielded a Cronbach alpha value of 0.80, which exceeded the acceptable benchmark of 0.70. This indicated that the items in the questionnaire were internally consistent and capable of producing reliable measurements of the study variables. The reliability result confirmed that the instrument was suitable for use in the main study.To examine the effect of computer literacy on the financial reporting quality of SMEs in Anambra State, an econometric model was specified and adapted from Ogunwale et al. (2024) to reflect the study variables. The functional model was stated as follows:

$$FRQ_i = \beta_0 + \beta_1 ASP_i + \beta_2 CAP_i + \beta_3 DFL_i + \mu_i _____ eqi$$

Where:
FRQ represented Financial Reporting Quality of SMEs

ASP denoted Accounting Software Proficiency

CAP represented Cloud Accounting Proficiency

DFL denoted Digital Financial Literacy

β_0 represented the intercept

β_1 to β_3 represented the regression coefficients.

μ represented the error term

i denoted cross-sectional units.

Data collected from the questionnaires were coded, edited, and analyzed using SPSS Version 26. Descriptive statistics, including frequencies, percentages, and mean scores, were used to summarize the demographic characteristics of respondents and to describe patterns in responses relating to computer literacy and financial reporting quality. The mean score criterion was applied to determine the extent to which respondents agreed with statements in

the questionnaire. To test the study objectives and hypotheses, linear regression analysis was employed. This technique enabled the researcher to assess the magnitude, direction, and statistical significance of the effects of accounting software proficiency, cloud accounting proficiency, and digital financial literacy on financial reporting quality. The null hypothesis was rejected if the calculated p-value was less than or equal to 0.05, indicating a statistically significant effect of the independent variable on financial reporting quality. If the p-value exceeded 0.05, the null hypothesis was accepted.

4.0 Data Presentation and Analysis

4.1 Data Presentation

This study examined the effect of computer literacy on the financial record keeping of small and medium-sized enterprises (SMEs) in Anambra State. The sample size comprised 218 respondents.

Table 4.1 Response Rate

Response Category	Frequency	Percentage (%)
Completed & Returned	211	96.8%
Not Returned/Invalid	7	3.2%
Total	**218**	**100%**

Source: Field Survey (2026)

Table 4.1 presents the response rate for the study. Out of the 218 questionnaires distributed to SME owners in Anambra State, 211 were properly completed and returned. This represents 96.8 percent of the total sample, indicating a very high level of participation.

Table 4.2 Respondents' Demography

Variable	Category	Frequency	Percent (%)
Gender	Male	75	35.5
	Female	136	64.5
	Total	**211**	**100.0**
Educational Qualification	Secondary Education	92	43.6
	Undergraduate	74	35.1
	Graduate	29	13.7
	Postgraduate	16	7.6
	Total	**211**	**100.0**
Years of Experience in Business	Less than 5 Years	18	8.5
	6 – 10 Years	91	43.1
	11 – 15 Years	47	22.3
	More than 15 Years	55	26.1
	Total	**211**	**100.0**

Source: Field Survey (2026)

Table 4.2 presents the demographic characteristics of the 211 respondents used for the analysis. With respect to gender, the table shows that 75 respondents, representing 35.5 percent, were male, while 136 respondents, representing 64.5 percent, were female. This indicates that a larger proportion of the SME owners who participated in the study were women, suggesting strong female involvement in SMEs operations within the study area.

In terms of educational qualification, Table 4.2 reveals that 92 respondents, accounting for 43.6 percent, possessed secondary education as their highest qualification. This is followed

by 74 respondents, representing 35.1 percent, who had undergraduate qualifications. Furthermore, 29 respondents, equivalent to 13.7 percent, were graduates, while 16 respondents, representing 7.6 percent, had postgraduate qualifications. The distribution suggests that the majority of SME owners had at least basic formal education, with a reasonable proportion attaining tertiary education, which may influence their capacity to adopt digital and accounting technologies.

Regarding years of experience in business, the table indicates that 18 respondents, representing 8.5 percent, had less than five years of experience. A larger group of 91 respondents, accounting for 43.1 percent, had between six and ten years of experience, making this the most represented category. Additionally, 47 respondents, or 22.3 percent, had operated their businesses for eleven to fifteen years, while 55 respondents, representing 26.1 percent, had more than fifteen years of experience. This shows that a significant proportion of the respondents had considerable business experience, which strengthens the credibility of their responses concerning financial record keeping and reporting practices.

4.2 Descriptive Analysis of Data

Responses to the questionnaire items were measured using a five-point Likert scale, where 5 represented Very High Extent (VHE), 4 indicated High Extent (HE), 3 denoted Moderate Extent (ME), 2 signified Low Extent (LE), and 1 reflected Very Low Extent (VLE). This scaling method enabled the quantification of respondents' perceptions regarding accounting software proficiency, cloud accounting proficiency, digital financial literacy, and financial reporting quality. The results of the analysis are presented in Table 4.3.

Table 4.3 Descriptive Analysis

S/N	Accounting Software Proficiency	VHE	HE	ME	LE	VLE	Mean
1	I am proficient in using accounting software for recording daily business transactions.	78	62	23	15	33	3.65
2	Accounting software enables me to prepare accurate financial records for my business.	64	76	30	26	15	3.70
3	The use of accounting software reduces errors in my business financial records.	69	67	29	26	20	3.66
4	My level of skill in accounting software improves the quality of my financial records.	58	80	28	20	25	3.60
S/N	**Cloud Accounting Proficiency**	**VHE**	**HE**	**ME**	**LE**	**VLE**	**Mean**
5	I am familiar with cloud-based accounting platforms used for financial record keeping.	75	62	26	20	28	3.64
6	Cloud accounting allows me to access my business financial records anytime and anywhere.	79	69	23	20	20	3.79
7	I can securely store and retrieve financial records using cloud accounting systems.	63	67	30	20	31	3.53
8	Cloud accounting improves the timeliness of my financial record keeping.	51	67	44	30	19	3.48
S/N	**Digital Financial Literacy**	**VHE**	**HE**	**ME**	**LE**	**VLE**	**Mean**
9	I understand how to use digital tools to manage my business finances.	62	73	35	24	17	3.66
10	I am knowledgeable about using digital platforms for financial transactions and record keeping.	60	76	30	23	22	3.61
11	My digital financial skills help me interpret financial information correctly.	60	65	34	30	22	3.53

12	Digital financial literacy improves my ability to maintain proper financial records.	62	76	28	24	21	3.64
S/N	**Financial Reporting Quality**	**VHE**	**HE**	**ME**	**LE**	**VLE**	**Mean**
13	My business financial records are accurate and free from major errors.	68	77	26	27	13	3.76
14	Financial records of my business are prepared in a timely manner.	71	78	30	19	13	3.83
15	My financial records are complete and properly documented.	70	65	31	25	20	3.66
16	The financial reports of my business can be relied upon for decision-making.	67	66	34	17	27	3.61

Source: Field Survey (2026)

Table 4.3 presents the descriptive analysis of respondents' views on accounting software proficiency, cloud accounting proficiency, digital financial literacy, and financial reporting quality. For accounting software proficiency, the responses to the first item show that 78 respondents indicated Very High Extent and 62 indicated High Extent in their proficiency in using accounting software for daily transactions, while 23 reported Moderate Extent, 15 Low Extent, and 33 Very Low Extent, producing a mean score of 3.65. On whether accounting software enables accurate financial record preparation, 64 respondents selected Very High Extent and 76 High Extent, compared to 30 Moderate, 26 Low, and 15 Very Low responses, with a mean of 3.70. Similarly, 69 respondents reported Very High Extent and 67 High Extent that accounting software reduces errors, whereas 29 chose Moderate, 26 Low, and 20 Very Low, yielding a mean of 3.66. Regarding the improvement of financial record quality through accounting software skills, 58 respondents indicated Very High Extent and 80 High Extent, while 28, 20, and 25 selected Moderate, Low, and Very Low Extent respectively, resulting in a mean score of 3.60, suggesting generally positive perceptions of accounting software proficiency.

With respect to cloud accounting proficiency, Table 4.3 shows that 75 respondents indicated Very High Extent and 62 High Extent in their familiarity with cloud-based platforms, while 26, 20, and 28 reported Moderate, Low, and Very Low Extent respectively, with a mean of 3.64. On access to financial records anytime and anywhere, 79 respondents selected Very High Extent and 69 High Extent, compared to 23 Moderate and 20 each for Low and Very Low Extent, producing a mean of 3.79. Concerning secure storage and retrieval of records, 63 respondents reported Very High Extent and 67 High Extent, whereas 30 indicated Moderate, 20 Low, and 31 Very Low Extent, resulting in a mean of 3.53. For the timeliness of financial record keeping, 51 respondents selected Very High Extent and 67 High Extent, while 44 indicated Moderate, 30 Low, and 19 Very Low Extent, with a mean score of 3.48, reflecting moderate to high agreement overall.

In relation to digital financial literacy, the table indicates that 62 respondents reported Very High Extent and 73 High Extent in understanding digital tools for managing finances, while 35, 24, and 17 selected Moderate, Low, and Very Low Extent respectively, with a mean of 3.66. On knowledge of digital platforms for transactions and record keeping, 60 respondents chose Very High Extent and 76 High Extent, compared to 30 Moderate, 23 Low, and 22 Very Low responses, resulting in a mean of 3.61. Regarding the ability to interpret financial information correctly, 60 respondents indicated Very High Extent and 65 High Extent, while 34, 30, and 22 selected Moderate, Low, and Very Low Extent respectively, producing a mean of 3.53. Furthermore, 62 respondents reported Very High Extent and 76 High Extent that

digital financial literacy improves proper record maintenance, whereas 28 indicated Moderate, 24 Low, and 21 Very Low Extent, yielding a mean of 3.64.

For financial reporting quality, Table 4.3 reveals that 68 respondents indicated Very High Extent and 77 High Extent that their records are accurate and free from major errors, while 26 selected Moderate, 27 Low, and 13 Very Low Extent, giving a mean of 3.76. On the timeliness of financial record preparation, 71 respondents selected Very High Extent and 78 High Extent, compared to 30 Moderate, 19 Low, and 13 Very Low responses, resulting in a mean of 3.83, the highest among the items. Regarding completeness and proper documentation, 70 respondents reported Very High Extent and 65 High Extent, while 31, 25, and 20 indicated Moderate, Low, and Very Low Extent respectively, with a mean of 3.66. Finally, 67 respondents indicated Very High Extent and 66 High Extent that their financial reports can be relied upon for decision-making, whereas 34 selected Moderate, 17 Low, and 27 Very Low Extent, producing a mean score of 3.61.

4.3 Test of Hypotheses

To test the study objectives and hypotheses, linear regression analysis was employed. This technique enabled the researcher to assess the magnitude, direction, and statistical significance of the effects of accounting software proficiency, cloud accounting proficiency, and digital financial literacy on financial reporting quality.

Table 4.4 Test of Hypotheses

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.758[a]	.574	.568	2.305

a. Predictors: (Constant), Digital Financial Literacy, Cloud Accounting Proficiency, Accounting Software Proficiency

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1483.642	3	494.547	93.118	.000[b]
	Residual	1099.372	207	5.311		
	Total	2583.014	210			

a. Dependent Variable: Financial Reporting Quality
b. Predictors: (Constant), Digital Financial Literacy, Cloud Accounting Proficiency, Accounting Software Proficiency

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.995	.750		3.994	.000
	Accounting Software Proficiency	.220	.064	.229	3.421	.001
	Cloud Accounting Proficiency	.501	.058	.520	8.658	.000
	Digital Financial Literacy	.098	.060	.102	1.637	.103

a. Dependent Variable: Financial Reporting Quality

Source: SPSS V. 26 (2026)

Table 4.4 presents the test of hypotheses examining the effect of computer literacy (measured through accounting software proficiency, cloud accounting proficiency, and digital financial literacy) on the financial reporting quality of SMEs in Anambra State. The model summary shows an adjusted R-squared value of 0.568, indicating that approximately 56.8 percent of the variation in financial reporting quality is explained by the three predictors combined. This suggests a moderate to strong model fit, meaning the independent variables together account for a substantial proportion of differences in the quality of SMEs' financial reporting. The ANOVA results indicate a significant overall model (Sig. = 0.000), confirming that the predictors collectively have a statistically meaningful effect on financial reporting quality at the 5% level.

The constant term in the regression model is 2.995 and is statistically significant (p = 0.000). This implies that if accounting software proficiency, cloud accounting proficiency, and digital financial literacy were all zero, the baseline financial reporting quality of SMEs would be approximately 2.995 on the measurement scale. The significance of the constant highlights the reliability of the regression equation as a baseline for predicting financial reporting quality.

4.3.1 Test of Hypothesis I

H_{01}: Accounting software proficiency has no significant effect on the financial reporting quality of SMEs in Anambra State.

Focusing on the individual coefficients, the first hypothesis examined the effect of accounting software proficiency on financial reporting quality (H01). The coefficient for accounting software proficiency is 0.220 with a p-value of 0.001. This indicates that a one-unit increase in accounting software proficiency is associated with a 0.220-unit increase in financial reporting quality, holding other variables constant. Since the p-value is less than 0.05, the effect is statistically significant. Therefore, accounting software proficiency positively and significantly affects the quality of financial reporting among SMEs, meaning improvements in proficiency lead to measurable enhancements in accuracy, completeness, and reliability of financial records.

4.3.2 Test of Hypothesis II

H_{02}: Cloud accounting proficiency has no significant effect on the financial reporting quality of SMEs in Anambra State.

The second hypothesis assessed the effect of cloud accounting proficiency on financial reporting quality (H02). The coefficient for cloud accounting proficiency is 0.501 with a p-value of 0.000. This shows that a one-unit increase in cloud accounting proficiency is associated with a 0.501-unit increase in financial reporting quality, holding other factors constant. The marginal effect is larger compared to accounting software proficiency, indicating that cloud accounting skills have a stronger influence on financial reporting quality. The p-value confirms this effect is statistically significant at the 5% level. This finding suggests that SMEs that are more proficient in using cloud-based accounting platforms tend to produce timelier, more accurate, and more reliable financial reports.

4.3.3 Test of Hypothesis III

H_{03}: Digital financial literacy has no significant effect on the financial reporting quality of SMEs in Anambra State.

The third hypothesis tested the effect of digital financial literacy on financial reporting quality (H03). The coefficient for digital financial literacy is 0.098 with a p-value of 0.103. This implies that a one-unit increase in digital financial literacy is associated with a 0.098-unit increase in financial reporting quality, holding other predictors constant. However, the p-value exceeds the 0.05 significance threshold, indicating that this effect is not statistically significant. While there is a positive direction of effect, the result suggests that digital financial literacy, on its own, does not significantly influence the quality of financial reporting in the SMEs sampled. This could imply that basic familiarity with digital tools may not translate directly into measurable improvements in financial documentation without practical application through software systems.

4.4 Discussion of Findings

The findings from this study indicate that accounting software proficiency positively and significantly affects financial reporting quality among SMEs in Anambra State ($\beta = 0.220$, $p = 0.001$). This suggests that SMEs whose owners and staff are skilled in using accounting software are better able to maintain accurate, reliable, and timely financial records. The positive effect can be explained by the way accounting software automates calculations, reduces human error, and ensures consistent application of accounting principles, which enhances the overall quality of reporting. These results align closely with the findings of Chinda et al. (2026), who reported that automation and real-time processing through accounting software improved compliance and reduced reporting errors in Nigerian SMEs. Similarly, Nwankwo et al. (2025) found that automated accounting software increased the accuracy, reliability, and timeliness of financial operations, reinforcing the value of software proficiency. Supporting this, Zotorvie et al. (2025) highlighted that accounting software adoption improved the accuracy of financial reports and enhanced cash flow tracking in Ghanaian SMEs, while Ogunmola et al. (2024) emphasized that systematic record-keeping through software strengthened budgeting and financial monitoring practices, demonstrating that the practical application of accounting tools is critical to financial reporting quality.

The study also reveals that cloud accounting proficiency has a stronger positive and significant effect on financial reporting quality ($\beta = 0.501$, $p = 0.000$). This indicates that SMEs with greater ability to use cloud-based accounting platforms are more likely to generate timely, secure, and accurate financial reports. The larger coefficient reflects the substantial impact of cloud technology, which allows real-time access, centralized data storage, and collaboration across locations, improving decision-making and operational efficiency. These findings are supported by Mohammed (2025), who noted that SMEs adopting digital accounting systems experienced improved accuracy, transparency, and timeliness in reporting. Tawakkal et al. (2026) similarly reported that digital accounting system implementation enhanced financial report efficiency, explaining a significant portion of the variance. Mosweu et al. (2019) also found that cloud computing enhanced organizational efficiency and records management, while Ojha et al. (2026) highlighted that technical support and ease of use positively influenced adoption, showing why cloud skills have a strong measurable effect on reporting quality.

Finally, digital financial literacy shows a positive but not statistically significant effect on financial reporting quality ($\beta = 0.098$, $p = 0.103$). Although SME owners with higher digital literacy tend to have slightly better reporting quality, the result indicates that general knowledge of digital tools alone does not directly translate into measurable improvements in financial records without application through specific software or cloud systems. This outcome resonates with the findings of Imjai et al. (2025) and Aini and Fikri (2026), who suggested that digital literacy supports entrepreneurial performance when combined with financial planning or applied skills. Similarly, Ogunwale et al. (2024) observed that technology use in record-keeping, rather than general literacy, drove improvements in SME financial performance. Putri and Salsabila (2025) also highlighted that digital literacy moderated interest in reporting but was insufficient alone to improve reporting quality, explaining why the observed effect in this study was positive but not significant.

5.0 Conclusion and Recommendations

The results of this study highlight the critical role that digital competencies play in shaping the financial management practices of SMEs in Anambra State. The significant positive effect of practical software and cloud-based accounting skills on financial reporting quality highlights the extent to which proficiency in technological tools enhances the accuracy, completeness, and reliability of financial records, suggesting that the integration of these skills into daily business operations strengthens the overall management of enterprise resources. The influence of these competencies also reflects how technology can streamline financial processes, reduce errors, and enable real-time monitoring of transactions, thereby improving organizational efficiency and decision-making capacity. Although general digital financial literacy showed a positive but non-significant effect, the broader interpretation of the findings indicates that technical skills embedded in actual accounting applications are more closely tied to measurable improvements in record keeping and reporting. The findings collectively indicate that SMEs that integrate technology-driven accounting practices are likely to experience more systematic, reliable, and transparent financial processes, which can strengthen accountability and support informed managerial decisions. The study recommends the following:

1. Based on the findings, SME owners and managers should ensure that their staff are proficient in accounting software by providing practical training and hands-on workshops. Enhancing employees' ability to use accounting software will strengthen the accuracy, completeness, and reliability of financial records, directly supporting better financial reporting and informed decision-making within the enterprise.

2. For cloud accounting proficiency, SME operators and business administrators should actively integrate cloud-based accounting platforms into their financial management systems. By adopting these tools and encouraging staff to become skilled in their use, businesses can improve the timeliness, accessibility, and security of financial records, which enhances overall operational efficiency and responsiveness to financial demands.

3. Regarding digital financial literacy, business support organizations, such as trade associations or chambers of commerce, should offer targeted educational programs to improve SME owners' understanding of digital financial tools and online transaction platforms. Even though the effect on reporting quality was not statistically significant, building broader digital knowledge among business operators will complement software and cloud accounting skills, equipping them to make more informed financial decisions and effectively leverage technology for future growth.

5.1 Contribution to Knowledge

This study makes a clear contribution to knowledge by providing empirical evidence on how specific dimensions of computer literacy influence the financial record keeping of SMEs in Anambra State. Rather than concentrating broadly on technology adoption, business performance, or general financial literacy, the study isolates accounting software proficiency, cloud accounting proficiency, and digital financial literacy as measurable competencies and examines their direct effect on financial reporting quality. By doing so, it offers a more focused understanding of the link between digital skills and the quality of financial records. The study also enriches existing research by supplying location specific evidence from Anambra State, thereby strengthening the body of knowledge on SMEs within a developing regional economy and clarifying the role of computer literacy in improving financial reporting practices.

5.2 Suggestions for Further Studies

Future studies can expand this research in several ways. Researchers can carry out similar studies in other states of Nigeria or in different countries to compare results and improve general understanding. Further research may also include employees, accountants, and managers as respondents to obtain broader views on financial record keeping practices. Other factors such as internet availability, training opportunities, cost of digital tools, and government support can be examined alongside computer literacy. Future studies may also use interviews or case studies to gain deeper explanations beyond questionnaire responses.

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