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"DELO TOMBOWATA LO TABU WAU LABIYA": REFLECTION ISLAMIC CULTURAL VALUES IN CAPITAL ACCOUNTING PRACTICES

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Abstract: This study examines how local wisdom is reflected in capital accounting practices among *ilabulo* sellers in Gorontalo. The research aims to explain how cultural and familial values shape the way small businesses conceptualize and manage capital. Using a qualitative approach grounded in an Islamic paradigm and ethnomethodology, data were collected through structured and unstructured interviews. The analysis follows five interpretive stages: charity, knowledge, faith, revelation information, and courtesy, to understand how accounting practices are embedded within daily social interactions. The findings reveal that capital accounting among *ilabulo* sellers is strongly rooted in familial harmony, captured in the local expression *delo tombowata lo tabu wau labiya* (like a mixture of fat and sago), which symbolizes unity and interdependence within household-based businesses. These insights broaden the academic understanding of capital accounting by demonstrating how local wisdom and Islamic values shape financial practices in micro-enterprises. Practically, this study offers guidance for small businesses seeking to integrate cultural and religious values into their accounting processes and provides useful input for policymakers designing supportive programs for micro-enterprises. The study is context-specific to *ilabulo* sellers in Gorontalo, and its application may require adaptation to other settings.

Keywords: *Capital Accounting; Local Wisdom; Ethnomethodology; Family Values; Ilabulo*

Abstrak: Penelitian ini mengkaji bagaimana kearifan lokal tercermin dalam praktik akuntansi modal pada penjual *ilabulo* di Gorontalo. Tujuan penelitian ini adalah menjelaskan bagaimana nilai budaya dan kekeluargaan membentuk cara pelaku usaha kecil memahami serta mengelola modal. Menggunakan pendekatan kualitatif berbasis paradigma Islam dan etnometodologi, data dikumpulkan melalui wawancara terstruktur dan tidak terstruktur. Analisis dilakukan melalui lima tahapan, amal, ilmu, iman, informasi wahyu, dan *ihsan*, untuk memahami bagaimana praktik akuntansi tertanam dalam interaksi sosial sehari-hari. Hasil penelitian menunjukkan bahwa praktik akuntansi modal para penjual *ilabulo* sangat berakar pada nilai keharmonisan keluarga, yang tercermin dalam ungkapan *delo tombowata lo tabu wau labiya* (seperti campuran lemak dan sagu) sebagai simbol kesatuan dan saling ketergantungan dalam usaha berbasis rumah tangga. Temuan ini memperluas pemahaman teoritis tentang akuntansi modal dengan menunjukkan bagaimana kearifan lokal dan nilai-nilai Islam membentuk praktik keuangan pada usaha mikro. Secara praktis, penelitian ini memberikan panduan bagi usaha kecil untuk mengintegrasikan nilai budaya dan keagamaan dalam akuntansi, serta menjadi masukan bagi pembuat kebijakan dalam merancang program pendampingan usaha mikro. Penelitian ini bersifat kontekstual pada penjual *ilabulo* di Gorontalo sehingga penerapannya perlu disesuaikan di konteks lain.

Kata kunci: *Akuntansi Modal; Kearifan Lokal; Etnometodologi; Nilai Kekeluargaan; Ilabulo*

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INTRODUCTION

Capital is one of the key pieces of information presented in financial reports. Unfortunately, modern accounting knowledge tends to confine the concept of capital solely to the material level (in this case, money) while neglecting non-material values such as culture and religiosity. This is evident in Indonesian accounting reference books, which frequently present capital accounting information predominantly at the material level.[1] Accounting, including capital, is applied knowledge that is inherently value-laden. Rather than being value-neutral, accounting is deeply infused with values.[2]

Currently, theories, concepts, and accounting standards related to capital are predominantly adopted from Western nations. These frameworks, in addition to embodying modern values centered on materiality, are rooted in egoism and utilitarian principles.[3] These values sharply contrast with the philosophical foundations of the Indonesian nation, which prioritizes humanity and divinity.[4] The adoption and implementation of capital accounting imbued with modern values are not without their challenges. Conversely, this process risks marginalizing the nation's cultural values, potentially leading to the erosion and replacement of local cultural values by Western accounting practices.[5]

Furthermore, this situation appears to be exacerbated by the dominance of accounting science development in Indonesia, which tends to focus on research themes devoid of the nation's cultural values.[6] For example, Amalia et al. have conducted studies on this topic.[7] This is regrettable, given that Indonesia is a nation

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[1] Khairul Azwar et al., *Pengantar Akuntansi* (Tohar Media, 2022).

[2] Bobby Briando et al., 'Human Resources Competence in State Financial Management: Malay Cultural Perspective', *Jurnal Akuntansi Multiparadigma* 15, no. 1 (April 2024), https://doi.org/10.21776/ub.jamal.2024.15.1.11.

[3] Ari Kamayanti, 'Islamic (Accounting) Ethics Education: Learning from Shalat', *Imanensi: Jurnal Ekonomi, Manajemen, Dan Akuntansi Islam* 3, no. 1 (2018): 1–9, https://doi.org/10.34202/imanensi.3.1.2018.1-9.

[4] Ari Kamayanti, 'Integrasi Pancasila Dalam Pendidikan Akuntansi Melalui Pendekatan Dialogis', *Journal of Accounting and Business Education* 2, no. 2 (2016): 1–16, https://doi.org/10.26675/jabe.v2i2.6063.

[5] Ari Kamayanti and Nurmala Ahmar, 'Tracing Accounting in Javanese Tradition', *International Journal of Religious and Cultural Studies* 1, no. 1 (February 2019): 1, https://doi.org/10.34199/ijracs.2019.4.003.

[6] Mohamad Anwar Thalib and Widy Pratiwi Monantun, 'Konstruksi Praktik Akuntansi Tolobalango: Studi Etnometodologi Islam', *El Muhasaba Jurnal Akuntansi* 13, no. 2 (July 2022): 85–97, https://doi.org/10.18860/em.v13i2.12915.

[7] Fitri Amalia, Ogan Yigitbasioglu, and Stuart Tooley, 'The Institutionalisation of XBRL in a Developing Capital Market: The Indonesian Regulators' and Filers' Perspective', *Qualitative Research in Accounting & Management* 21, no. 5 (November 2024): 524–54, https://doi.org/10.1108/QRAM-12-2022-0209.

rich in cultural heritage, which remains largely unexplored in the accounting research.

Although many accounting studies tend to overlook local cultural values, some researchers have highlighted the accounting practices based on these values. For example, Hermawan and Nomleni found that the accounting mechanisms in *Belis* traditional marriages in East Sumba are influenced by traditional objects, local castes, and spiritual karma.[8] These mechanisms align with family norms to integrate assets and liabilities and cooperate between families in cultural harmony. Similarly, Tarjo et al. discovered that fraud risk management has a significant negative effect on asset embezzlement, an effect further strengthened by religiosity, ethical leadership, and local wisdom within the context of the regional government in Indonesia.[9] Triyuwono explored the concept of football club performance from the perspective of Malangan culture, emphasizing deep spirituality symbolized by the ball as the epicenter, embodying the cultural value of *greeting one soul*, and bridging material and spiritual interests through the principle of *malangkucecwara*.[10]

These studies reinforce the notion that accounting is a discipline interwoven with local cultural values and religion. However, while research on cultural accounting exists, studies focusing on Gorontalo's cultural values remain scarce, particularly those examining capital accounting practices among traditional *ilabulo* sellers. This gap distinguishes the present study from prior research.

Ilabulo is a traditional Gorontalo dish made from processed chicken, incorporating chicken liver, gizzards, and fat.[11] This study focuses on *ilabulo* sellers due to the limited accounting research addressing their practices. Additionally, the researcher chose traditional food sellers in Gorontalo because the province has a distinctive culture in Indonesia, rooted in the values of Islamic law. This cultural uniqueness is reflected in the local philosophy: *Adati Hula-Hula Syareati, Syareati Hula-Hula to*

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[8] Marko S. Hermawan and Andriani Grace Irene Nomleni, 'A Study of Accounting Mechanism from an Ethnic Lens; a Case of Belis Marriage in East Sumba, Indonesia', *Asian Journal of Accounting Research* 9, no. 1 (February 2024): 57–66, https://doi.org/10.1108/AJAR-08-2022-0252.

[9] Tarjo Tarjo et al., 'Religiosity, Ethical Leadership and Local Wisdom in Moderating the Effect of Fraud Risk Management on Asset Misappropriation: Evidence from Local Government in Indonesia', *Journal of Islamic Accounting and Business Research*, ahead of print, 18 July 2024, https://doi.org/10.1108/JIABR-09-2022-0227.

[10] Iwan Triyuwono, 'Akuntansi Malangan: Salam Satu Jiwa Dan Konsep Kinerja Klub Sepak Bola', *Jurnal Akuntansi Multiparadigma* 6, no. 2 (2015): 290–303, https://doi.org/10.18202/jamal.2015.08.6023.

[11] Tim Literasi Kanwil DJPb Provinsi Gorontalo, *Buku Kanwil DJPb Provinsi Gorontalo Semester II 2018: Kiprah ASN Perbendaharaan di Provinsi Gorontalo* (Kanwil Ditjen Perbendaharaan Provinsi Gorontalo, 2018).

Kitabullah (customs are based on sharia, and sharia is based on the book of Allah [the Quran]). [12]

Building on the issues discussed earlier, this study seeks to answer the following questions: How do *ilabulo* sellers practice capital accounting? What local cultural values underpin capital accounting practices? Based on these two research questions, the objective of this study is to construct a framework for capital accounting practices by *ilabulo* sellers that is grounded in local cultural values

In accounting studies, Triyuwono identified five paradigms that can be applied to accounting research: positivistic, interpretive, critical, postmodernist, and spiritual. This study adopts a spiritual perspective.[13] The researcher selected this paradigm because its foundational ontological assumption acknowledges that reality comprises both material and non-material dimensions, which together form an inseparable unity created by God.[14] The spiritual paradigm aligns with the aim of this study, which seeks to explore how *ilabulo* sellers practice accounting rooted in local cultural values and in religiosity.

This study employs an Islamic ethnomethodological approach, which is a development of Garfinkel's modern ethnomethodology. Modern ethnomethodology aims to study the way of life of a community, assuming that this way of life is shaped solely by the creativity of group members, without divine intervention.[15] In contrast, Islamic ethnomethodology examines the way of life of a community under the belief that it is created by community members with the Creator's permission.[16] The researcher chose the Islamic ethnomethodology approach because this study aims to explore how *ilabulo* sellers practice accounting, where their strategies and methods are believed to be shaped by divine guidance.

This study employed a qualitative approach. The researcher chose this method because the aim of the research was not to generalize the findings but to understand and explore the meaning behind how *ilabulo* sellers practice capital accounting in their business. This approach aligns with Creswell's explanation that qualitative methods

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[12] M. Muhdi Ataufiq, 'Penerapan Tradisi Payango Pada Rumah Tinggal Masyarakat Gorontalo Sebagai Upaya Pelestarian Budaya Lokal', *Seminar Ikatan Peneliti Lingkungan Binaan Indonesia (IPLBI)*, 2017, A033–40, https://doi.org/10.32315/sem.1.a033.

[13] Triyuwono, 'Akuntansi Malangan: Salam Satu Jiwa Dan Konsep Kinerja Klub Sepak Bola'.

[14] Ari Kamayanti, 'Paradigma Nusantara Methodology Variety: Re-Embedding Nusantara Values into Research Tools', *International Journal of Religious and Cultural Studies* 3, no. 2 (September 2021): 2, https://doi.org/10.34199/ijracs.2021.09.02.

[15] Harold Garfinkel, *Studies in Ethnomethodology* (Prentice Hall: New Jersey, 1967).

[16] Mohamad Anwar Thalib, *Akuntansi Cinta Dalam Budaya Pernikahan Gorontalo* (Jakarta: Perpusnas Press, 2022).

are suitable when the purpose of the research is to understand or interpret reality rather than to test impacts or generalize findings.[17]

This study employed two types of data collection: structured and unstructured interviews. Structured and unstructured interviews were used. Sugiyono explained that structured interviews are a data collection technique in which the researcher prepares a detailed list of interview questions related to the research theme before conducting the interview.[18] The researcher then gathers information based on this list of questions. In contrast, unstructured interviews involve the researcher gathering information spontaneously without a pre-prepared list of questions. In this study, the researcher combined both techniques: first, preparing a detailed list of questions related to how *ilabulo* sellers practice accounting based on local cultural values, and then asking additional questions outside the prepared list if further relevant information arises.

This study was conducted in the Limboto Regency, Gorontalo Province, Indonesia. The researcher chose this location for several reasons. First, Limboto is one of the centers for MSMEs, where many *ilabulo* sellers offer their products. Additionally, Gorontalo was selected because it has a unique culture compared to other provinces in Indonesia. The uniqueness of Gorontalo's cultural values is rooted in a culture based on Islamic law, as reflected in the local community's cultural philosophy: *Adati Hula-Hula Syareati, Syareati Hula-hula to Kitabullah* ("customs are based on sharia, and sharia is based on the book of Allah [the Quran]"). Interestingly, these cultural values serve as a guide in various aspects of local life, including the practice of selling *ilabulo*.[19]

This study uses both an Islamic ethnomethodology approach and data analysis techniques from Islamic ethnomethodology, namely, charity, knowledge, faith, revelation information, and courtesy.[20] The first analysis was charity. Charity refers to all expressions or statements from community members that reflect their lives.[21] In this study, the charity analysis focuses on identifying expressions or statements from *ilabulo* sellers that indicate how they practice accounting based on local cultural values.

The second stage of the analysis is knowledge. Knowledge refers to the rational meaning of the expressions or statements of community members that reflect their

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[17] W. John Creswell, *Penelitian Kualitatif Dan Desain Riset Memilih Antara Lima Pendekatan. Terjemahan. Ahmad Lintang Lazuardi* (Yogyakarta: Pustaka Pelajar, 2014).

[18] Sugiyono, *Metode Penelitian Kuantitatif, Kualitatif Dan R&D* (Bandung: Alfabeta, CV, 2018).

[19] Ataufiq, 'Penerapan Tradisi Payango Pada Rumah Tinggal Masyarakat Gorontalo Sebagai Upaya Pelestarian Budaya Lokal'.

[20] Thalib, *Akuntansi Cinta Dalam Budaya Pernikahan Gorontalo*.

[21] Thalib.

lifestyles.[22] In this study, the analysis of knowledge focuses on uncovering the rational meaning behind the expressions or statements of *ilabulo* sellers that relate to how they practice accounting based on local cultural value. The third stage is faith. Faith encompasses non-material values (local cultural values) that serve as the spirit behind community members' daily activities.[23] In this study, faith analysis aims to explore the local cultural values underlying the way *ilabulo* sellers practice accounting.

The fourth stage is the analysis of the revelation information. This analysis connects the non-material values of a community's way of life with the values in Islamic law, specifically the Qur'an and Hadith.[24] In this study, the analysis of revelation information aims to link the local cultural values underlying how sellers practice accounting with the values found in the Qur'an and Hadith. The fifth stage is the analysis of courtesy itself. This analysis integrates the four previous stages to form a cohesive understanding of the community's way of life.[25] In this study, courtesy functions were analyzed to unify the findings from the previous four stages, allowing for a holistic understanding of how *ilabulo* sellers practice accounting, which is deeply rooted in local cultural values.

To ensure analytical rigor, each stage of the Islamic ethnomethodological analysis was systematically linked to specific empirical findings. The charity stage focused on identifying the informants' expressions related to capital accounting practices, such as statements concerning the use of personal funds, financial support from husbands or parents, and reliance on memory rather than written records. The knowledge stage then interpreted the rational meanings behind these expressions, revealing that informal accounting practices were considered practical and sufficient in small family based businesses. Furthermore, the faith stage uncovered the non-material values underlying these practices, particularly mutual assistance, familial solidarity, and responsibility within the household economy.

The revelation information stage connected these local cultural values with Islamic teachings, particularly the Qur'anic principle of protecting and supporting family welfare, as reflected in Surah At-Tahrim (66:6). Finally, the courtesy stage integrated all previous analytical stages into a holistic understanding that capital accounting practices among *ilabulo* sellers are not merely material and technical activities, but are deeply embedded in Gorontalo local wisdom and Islamic values. Through these interconnected analytical stages, this study demonstrates that accounting practices are socially, culturally, and spiritually constructed within the daily lives of the informants.

[22] Thalib.
[23] Thalib.
[24] Thalib.
[25] Thalib.

This study involved five informants consisting of female *ilabulo* sellers operating in Limboto Regency, Gorontalo Province. The informants were selected using purposive sampling based on several criteria: actively selling *ilabulo*, directly managing business capital, and possessing experience in running the business for several years. The researcher selected female traders because they play a dominant role in managing household-based *ilabulo* businesses, including decisions related to capital sources and financial management. Data were collected through structured and unstructured interviews. The process of data collection continued until data saturation was achieved, indicated by the repetition of similar information regarding sources of capital, informal recording practices, and the role of family values in business activities. At this stage, no substantially new themes emerged from subsequent interviews.

DISCUSSION

One of the reasons *ilabulo* traders sell this type of merchandise is that there are still few traders offering traditional dishes. As expressed by Mrs. Yuli:

> I noticed that there were still a few traders selling traditional foods like *ilabulo*, so I became interested in trying it. In this business, I managed to sell up to 700 pieces or more. I learned how to make *ilabulo* from my mother, who previously ran a restaurant business. Every time my mother made *ilabulo*, I would watch her and felt that the process was quite easy. From there, I started learning to make *ilabulo* myself. Additionally, I saw that selling *ilabulo* had good profit potential.

Based on the previous interview excerpt, Mrs. Yuli provided the researcher with insight into why she chose to sell traditional *ilabulo* cuisine: she recognized a business opportunity because of the rarity of traders offering this food. She typically prepares over 700 *ilabulo* pieces to sell. Mrs. Yuli learned how to make *ilabulo* from her mother, and she believes that selling *ilabulo* is quite profitable.

In her interview, Mrs. Santi explained that she decided to sell *ilabulo* to generate additional income. She shared:

> Actually, I am just a housewife. However, realizing that my family's financial situation was insufficient, I began thinking about ways to earn extra income. That’s when I decided to start selling, with the goal of meeting my children's daily needs. I used my personal funds to invest in this business. As for the capital, I just remember it; I did not write it down.

Based on the previous interview excerpt, Mrs. Santi explained that her decision to sell *ilabulo* was driven by the need to earn additional income. She stated that her family's financial situation required extra resources, particularly to meet her children's needs. She revealed that she used her personal funds to start the business but did not record the initial capital on paper, choosing instead to rely on her memory.

This aligns with the findings of Tetteh et al., who observed that, like women in the beauty industry in Ghana who identified opportunities during the COVID-19 pandemic,[26] Mrs. Santi also demonstrated the ability to recognize economic opportunities amid challenges. Although Tetteh et al. focused on women entrepreneurs in Ghana's beauty industry during the COVID-19 pandemic, their findings illustrate how women respond to economic challenges by engaging in entrepreneurial activities. Similarly, Mrs. Santi established her *ilabulo* business as a strategy to improve her household's economic conditions, despite the different social and industrial contexts. Furthermore, Ameen et al. underscored the role of innovation, such as the use of technology and mobile applications, in helping women entrepreneurs overcome economic challenges and improve family welfare.[27]

Next, Mrs. Ellen revealed something similar: she sells *ilabulo* to help finance her household's needs. The following is an excerpt from her interview.

> I decided to sell *ilabulo* to earn a living, especially as additional pocket money for my children. Coincidentally, my parents also sell *ilabulo*, and they suggested that I sell it too. As a mother, I feel the need to contribute to meeting my child's needs. My parents also helped me start my business. The business capital came from my personal funds and money provided by my husband. However, I have not made any special records of the capital I have spent.

Based on Mrs. Ellen's previous statement, the researcher understands that she decided to sell *ilabulo* to earn additional income, as she currently has the responsibility of supporting her child. Mrs. Ellen's parents helped her set up the *ilabulo* selling business, but she explained that the capital used came from her personal funds. She did not record the capital on paper, but she remembered the amount she spent to sell *ilabulo*.

In Mrs. Ellen's previous statement, the researcher identified accounting practices by *ilabulo* traders. One practice is related to capital. This practice is reflected

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[26] Sangmorkuor Tetteh et al., 'Opportunity Recognition during the COVID-19 Pandemic: A Case Study of Ghanaian Women Entrepreneurs in the Beauty Industry', *Continuity & Resilience Review* 5, no. 2 (June 2023): 158–84, https://doi.org/10.1108/CRR-07-2022-0011.

[27] Nisreen Ameen, Nnamdi O. Madichie, and Amitabh Anand, 'Between Handholding and Hand-Held Devices: Marketing Through Smartphone Innovation and Women's Entrepreneurship in Post Conflict Economies in Times of Crisis', *Information Systems Frontiers* 25, no. 1 (February 2023): 401–23, https://doi.org/10.1007/s10796-021-10198-6.

in the statement, “The business capital came from my personal funds.” The understanding of this statement is that Mrs. Ellen used her personal funds to start her *ilabulo* business. Although her parents suggested she open the same type of business they ran, the capital for the business came from her own personal funds. Additionally, in the same interview excerpt, another accounting practice was found, which is related to capital recording. This practice is expressed in the statement, “I have not made any special records of the capital I spent.” The understanding of this statement is that when starting the *ilabulo* business, Mrs. Ellen did not keep formal records of the capital she spent; instead, she simply remembered the capital expenditures.

Furthermore, Mrs. Sunarti revealed that she used the money given by her husband as initial capital to sell *ilabulo*. This is expressed by her as follows:

> Initially, I only assisted my parents in selling the products. However, I decided to sell it myself instead. The capital to start this *ilabulo* business came from my husband’s savings. My husband works as a *Bentor* (Becak Motor/Motorized Rickshaw) driver, and we collect his income to use as business capital. However, I have not recorded this business capital in the writing.

Based on Mrs. Sunarti's previous explanation, the researcher understood that initially, she only helped her parents sell at a restaurant; however, over time, she decided to sell on her own. She used her personal money, which was given by her husband, as the initial capital to sell *ilabulo*. She did not record the business capital in a book.

In Mrs. Sunarti's previous statement, the researcher identified accounting practices employed by the *ilabulo* traders. The first practice relates to capital, as evidenced by the statement, “The capital to start this *ilabulo* business came from funds given by my husband” This indicates that Mrs. Sunarti used funds from her husband, who works as a *bentor* driver, to finance the business. Additionally, the researcher identified an accounting practice related to the recording of capital, found in the statement, “I have not recorded this business capital in writing.” This suggests that, while operating the *ilabulo* business, Mrs. Sunarti does not keep a written record of the capital spent but instead relies on memory to recall the amount invested in starting the business.

Furthermore, Yuli explained that the initial capital she used to sell *ilabulo* came from her parents. The following is an excerpt from her interview:

> In the past, when my father was still around, he worked as a tax collector in the market. From that income, my parents always provided all the ingredients to make *ilabulo*, so I only needed to make

> the cake. My father was responsible for buying the ingredients for the meal.

Based on Mrs. Yuli's previous statement, the researcher understood that she initially obtained the capital to sell *ilabulo* cakes from her father. At first, all the ingredients for making *ilabulo* were purchased by her father, while she only needed to prepare the cakes. However, she now uses her own money to buy the ingredients for making *ilabulo*.

In Mrs. Yuli's previous explanation, the researcher identified the accounting practices implemented by *ilabulo* traders, particularly in the form of a source of capital. This practice is reflected in the statement, "My parents always provided all the ingredients to make *ilabulo*." The knowledge gained from this is that at the start of her business, Mrs. Yuli was supported by her father, who purchased all the necessary ingredients for making *ilabulo*. Mrs. Yuli then prepared the *ilabulo* and sold it to customers. In other words, the initial capital used by Mrs. Yuli to start her *ilabulo* business came as a gift from her father.

Furthermore, regarding capital recording, Yuli explained that she did not document the capital used to purchase *ilabulo* ingredients; instead, she relied on her memory to recall the price of each ingredient. She expressed this as follows:

> I do not record the capital provided or spent each time I shop at the market. However, the current capital required to purchase *ilabulo* ingredients, such as sago and various spices, is approximately millions of rupiah. Additionally, the price of spices has been rising recently. The main ingredients for making *ilabulo* include 10 to 15 kilograms of chicken skin, approximately 20 liters of sago, and various spices such as garlic, chili, shallots, Royco, and several other seasonings.

Based on Mrs. Yuli's previous explanation, the researcher gained an understanding that she did not record the capital used to make *ilabulo* merchandise. However, she remembered all the types of ingredients and their prices. She mentioned that the ingredients used to make *ilabulo* include chicken skin, sago, and other spices.

In Mrs. Yuli's previous statement, the researcher identified the accounting practices implemented by *ilabulo* traders. One such practice is the method of recording capital. This is reflected in her statement, " I don't record the capital provided or spent each time I shop at the market." The insight from this practice is that in running her *ilabulo* business, Mrs. Yuli does not document her expenses on paper. Instead, she relies on her memory to keep track of all the types of materials and their prices used to produce *ilabulo* merchandise.

Furthermore, Mrs. Asna Lolu revealed something different from the previous informants' accounts. The capital she used to start her *ilabulo* business did not come from her personal funds but was obtained through debt. The following is an excerpt from her interview.

> Previously, I worked for my brother as a part-time employee. This business location originally belonged to him, but after it was renovated, he decided to stop selling it. Eventually, I took over and started selling independently. I obtained my business capital through a loan from a non-bank financial institution, and I pay the installments on a weekly basis. One of the reasons I started selling to earn additional income for my family.

Based on the interview excerpt, Mrs. Asna explained that she initially helped her brother sell *ilabulo* at a restaurant; however, her brother decided to stop selling it over time, and she eventually took over and started selling *ilabulo* herself. She relied on capital obtained through loans to start her business.

In Mrs. Asna's previous statement, the researcher identified the accounting practices implemented by the *ilabulo* traders. The practice is in the form of capital sources. This practice is found in the statement "I obtained my business capital through a loan from a non-bank financial institution." The knowledge gained from this statement is that Mrs. Asna used capital from a non-bank financial institution loan to start her *ilabulo* business. She chose to take out a loan because, at the time, she did not have sufficient funds to open the business. This finding aligns with the research by Gourène et al. (2018), which shows that families running small businesses tend to rely on loans from non-bank financial institutions because of limited access to formal credit, influenced by factors such as corporate governance, formal business strategies, and good managerial practices.[28] Additionally, Kaya (2024) found that small business owners prefer loans from non-bank financial institutions as an alternative, particularly when faced with limited access to formal loans, which can be exacerbated by cash flow uncertainty due to late payments.[29]

Based on the results of the previous data analysis, the researchers found that *ilabulo* traders practice capital accounting, with sources of funds originating from personal funds, gifts from husbands, parental assistance, and loans. The capital is recorded informally in the traders' memories. Reflection on this capital accounting

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[28] Grakolet Gourène et al., 'How Credit Constrained Are Family-Owned SMEs in Arab Countries?', *Emerging Markets Review*, December 2024, 101249, https://doi.org/10.1016/j.ememar.2024.101249.

[29] Orcun Kaya, 'The Impact of Late Payments on SMEs' Access to Finance: Evidence from Credit Rationing and Loan Terms', *Economic Modelling* 141 (December 2024): 106896, https://doi.org/10.1016/j.econmod.2024.106896.

practice reveals the existence of mutual assistance values within the family, which form the basis of the practice.

This value can be seen in the informants' efforts to find business capital to sell in order to help their husbands earn a living. As conveyed by several informants: “Actually, I am just a housewife. However, because I realized that my family's financial condition was insufficient, I started to think about finding additional income” (Mrs. Santi). “I decided to sell to earn a living, especially as additional pocket money for my child” (Mrs. Ellen). “One of the reasons I sell is to get additional income for my family” (Mrs. Asna).

The value of mutual assistance in the family is also reflected through the role of husbands who provide capital so that their wives can sell, as expressed by Mrs. Sunarti: “The capital to start this *ilabulo* business I got from the funds given by my husband.” In addition, the role of parents in providing capital is also evident, as expressed by Mrs. Yuli: “My parents always provide all the ingredients to make *ilabulo*.”

In the Islamic culture of Gorontalo, Indonesia, there is an expression (*lumadu*): "*Delo tombowata lo tabu wau labiya,*" which means a mixture of fat and sago. The meaning of this expression refers to a harmonious household life. In the Gorontalo community, there is a dish called “*yilabulo*” (locally known as *ilabulo*), which is a mixture of chicken or beef fat with sago, seasoned, wrapped in banana leaves, steamed, and grilled. After cooking, this mixture of fat and sago tastes so good that it is impossible to distinguish which is fat and which is sago. In a household, a husband and wife are expected to be like sago and fat: full of affection, mutual understanding, and inseparable from each other. This creates a harmonious and peaceful household, colored with faith and piety, which in Islam is called *sakinah*. Such a household is expressed in the *lumadu*, “delo *tombowata lo tabu* wau *labiya*”[30]

The phrase teaches family members to help one another. The actions of the informants, who support each other in seeking business capital, reflect this. In other words, the capital accounting applied by *ilabulo* sellers is not limited to material management (money) but also brings to life non-material values in the form of local wisdom based on the spirit of the family. This finding is consistent with the research results of Antonelli et al., who showed that the Fascist regime in Italy used accounting to spread political values and beliefs through popular culture and propaganda.[31] Additionally, Costa and Habib showed that local creative culture can

[30] Farha Daulima, *Lumadu (Ungkapan) Sastra Lisan Daerah Gorontalo* (Gorontalo: Galeri Budaya Daerah Mbu’i Bungale, 2009).

[31] Valerio Antonelli et al., ‘Popular Culture and Totalitarianism: Accounting for Propaganda in Italy under the Fascist Regime (1934–1945)’, *Critical Perspectives on Accounting* 96 (November 2023): 102524, https://doi.org/10.1016/j.cpa.2022.102524.

influence accounting decisions and corporate risk, reflected in increased audit costs and greater potential risks.[32] Although Antonelli et al. and Costa and Habib examined different institutional contexts, their studies collectively demonstrate that accounting is not a value-neutral practice but is shaped by social and cultural norms. Consistent with this broader perspective, this study shows that capital accounting among *ilabulo* sellers is embedded in local cultural values, particularly family solidarity and mutual assistance, despite the different organizational and institutional settings.

The presence of family values among family members is recommended in Islamic law. This is stated in the Qur'an, Surah At-Tahrim (66:6): "O you who believe, protect yourselves and your families from a Fire whose fuel is people and stones, and is overseen by rigorous and stern angels, who never disobey whatever Allah commands and do whatever they are commanded."

The alignment of family values in capital accounting practices with the word of God provides researchers with an understanding that, in essence, capital accounting applied by *ilabulo* sellers does not only focus on material aspects but is also based on local wisdom and strong religious values. This is in line with the findings of Kuma et al., who showed that accounting not only functions as a material-based control tool but also integrates local wisdom and religiosity values that play a role in decision-making and stewardship functions.[33] Furthermore, these findings support Abu Talib et al., who state that accounting practices are influenced not only by technical or material aspects but also by institutional pressures and religious logic that reflect local wisdom and religious values in decision-making and in financial reporting.[34] These findings suggest that capital accounting should not be understood merely as a financial recording practice. Instead, capital accounting in micro-enterprises is socially embedded, with financial capital intertwined with family support, reciprocal obligations, and religious values. This finding extends the conceptual understanding of capital accounting beyond the conventional economic perspective.

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[32] Mabel D. Costa and Ahsan Habib, 'Local Creative Culture and Audit Fees', *The British Accounting Review* 55, no. 2 (March 2023): 101151, https://doi.org/10.1016/j.bar.2022.101151.

[33] Clayton Kuma, Peni Fukofuka, and Sue Yong, 'Accounting and Religious Influence in the Seventh Day Adventist Church in the Pacific Islands', *Pacific Accounting Review* 35, no. 5 (November 2023): 773–99, https://doi.org/10.1108/PAR-03-2021-0040.

[34] Nori Yani Abu Talib, Radziah Abdul Latiff, and Aini Aman, 'An Institutional Perspective for Research in *Waqf* Accounting and Reporting: A Case Study of Terengganu State Islamic Religious Council in Malaysia', *Journal of Islamic Accounting and Business Research* 11, no. 2 (January 2020): 400–427, https://doi.org/10.1108/JIABR-11-2016-0132.

CONCLUSION

This study examines the local wisdom behind the practice of capital accounting by *ilabulo* sellers. The results indicate that *ilabulo* sellers obtain capital from personal funds, family gifts, and loans from non-bank financial institutions, and then record the capital accounting in memory rather than on paper. This practice of capital accounting is imbued with family values. These values are reflected in the role of husbands who provide capital so that their wives can sell, and the role of parents in providing capital so that their children can sell *ilabulo*. In the Islamic culture of Gorontalo, Indonesia, there is an expression (*lumadu*) "Delo *tombowata lo tabu* wau *labiya*" which means like a mixture of fat and sago. The meaning of this expression is a harmonious household life.

The theoretical implications of this research are that it enriches the literature on accounting by highlighting the importance of local and religious values in accounting practices, especially in the context of small and micro businesses, such as those operated by *ilabulo* sellers in Gorontalo. This finding leads to the understanding that accounting is not only related to material and technical aspects but is also influenced by cultural and religious values that involve the family as an economic unit. Thus, this research contributes to the development of a more holistic and contextual accounting theory, which recognizes the important role of social and cultural aspects in accounting practices. This study contributes by extending the concept of capital accounting beyond its conventional financial meaning. The findings demonstrate that capital accounting in micro-enterprises is not merely concerned with monetary resources but is also socially constructed through family relationships, mutual assistance, and religiosity.

Furthermore, the practical implications of this study are that the results can be used by small and micro-business owners, especially in the informal sector, to optimize financial records even with limited resources. *Ilabulo* sellers who rely on memory as a medium for recording capital can pay more attention to the importance of a more structured and transparent recording system. In addition, these findings can also serve as a reference for non-bank financial institutions to understand the cultural and family context in managing small finances, allowing them to provide services that are more aligned with the needs of local communities. Policymakers can also use these findings to formulate more inclusive policies that support the small business sector by considering existing local values.

The limitation of this study lies in its generalizability, as it was conducted only with *ilabulo* sellers in Gorontalo, who represent a community with a specific culture. Therefore, the findings may not be fully applicable to all small business groups or regions. Additionally, this study relies on interviews with a number of informants who may not be fully representative of the entire population of *ilabulo* sellers, which could affect the study's objectivity and conclusions. Another limitation is that this study did not explore other external factors that may influence capital accounting practices, such as government policies or broader economic changes. Furthermore, this study 's focus on capital accounting practices among *ilabulo* sellers in Gorontalo may not fully represent accounting practices in other cultural or business contexts. Future research should explore other forms of accounting practices and different local cultural settings to enrich the understanding of culturally and religiously embedded accounting practices.

DISCLOSURE

Conflicts of Interest

The authors declare no conflict of interest regarding the publication of this paper

Disclaimer Statement

This work is not part of a thesis submitted to any university for the award of a degree

Declaration of generative AI in scientific writing

The authors used ChatGPT to assist with language editing and to improve the clarity of the manuscript. All scientific content, data analysis, interpretation, and conclusions were developed and verified by the authors, who took full responsibility for the final manuscript.

Research Ethics Statement

Participation in this study was entirely voluntary, and informed consent was obtained from all participants before the interviews. Informants were fully informed of the purpose of the research, their rights as participants, and their freedom to withdraw at any time without consequence. All data collected were used solely for academic purposes and were handled with strict confidentiality.

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Author 1: Conceptualization, methodology, data analysis, and writing (original draft preparation). Author 2: Validation, investigation, and editing, and supervision. Author 3: Validation, investigation and editing

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