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The Sociological Effects of Cashless Policy on Church Income in Surulere
Archdeaconry, Diocese of Lagos Mainland (Anglican Communion)

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ABSTRACT

This study explores the impact of Nigeria's cashless policy on church income within Surulere Archdeaconry, Diocese of Lagos Mainland (Anglican Communion). Introduced by the Central Bank of Nigeria to modernize payment systems and reduce cash-related issues, the policy has compelled churches to adapt to digital financial platforms. However, the transition has presented significant challenges, including poor network infrastructure, limited awareness, digital illiteracy, and theological concerns among members. These barriers have led to a noticeable decline in tithes, offerings, and other forms of giving. Using a descriptive survey research design, the study engaged 150 respondents—comprising clergy, wardens, accountants, and auditors—from five major parishes in the Archdeaconry. Data were collected through structured questionnaires and oral interviews and analyzed using simple percentages. Findings revealed that 84% of participants experienced disruptions in giving due to failed electronic transactions, lack of awareness of e-payment systems, and unreliable network services. Despite these challenges, the majority acknowledged the convenience and security of digital giving platforms and supported their continued implementation. The study recommends that

churches provide more electronic payment options such as POS terminals, mobile transfers, and USSD codes, while also raising awareness and offering training to members. Collaborative efforts with banks and government agencies to improve technological infrastructure and enforce fraud protections are also vital. In conclusion, while the cashless policy initially hindered church income, it presents long-term benefits if properly managed. Churches must adopt inclusive digital strategies to align with national financial reforms and ensure sustainable income flow.

Keyword: Cashless Policy, Church Income, Diocese of Lagos Mainland, Payment System, Online Transactions.

Introduction

Information and communication technology (ICT) has significantly transformed various aspects of human life and organisations, including the church. The Church has become increasingly connected to and using these facilities as modern evangelical tools for fellowship and Bible study, including payment systems (Ovia, 2005), and has evolved over generations, influencing the types of payments made during church services. Since the dawn of civilisation, numerous payment systems have been used to purchase goods and services, beginning with barter and progressing to money such as papers and coins to address concerns such as double coincidence and divisibility. Paper money, however, has drawbacks and might be replaced by more contemporary payment methods, such as e-banking or a cashless policy, which are the purview of each country's financial policy.

The Central Bank of Nigeria (CBN) has been actively promoting the importance of efficient payment systems to combat challenges associated with a cash-based economy. This includes addressing issues like armed robbery, counterfeit notes, fraud, and inconveniences like carrying large amounts of currency (Nnanna & Ajayi, 2005). The adoption of safe, accessible, and economical payment methods is critical to the growth of a national economy. Developed countries are transitioning from paper to electronic payment instruments, ensuring efficient and effective transactions for sustainable economic development by transitioning to a cashless policy (Humphrey, 2004). Therefore, the Central Bank of Nigeria has implemented various financial policy reforms, including the formalisation of electronic banking and the transition from cash-based to cash-less arrangements (Osazevbaru & Yomere, 2015).

The church, civilisation, and modernism are becoming increasingly intertwined, with information and communication technology being used in a variety of church activities, including Bible study, divine services, and payment systems (Hoover, 2005). Tithes, general offerings, special offerings, harvest, offertory, and gifts for building construction

are all examples of common payment forms. Sustainable economic development requires efficient payment systems, and Nigeria's cash-based system has proven insufficient because of problems with armed robberies, counterfeit banknotes, fraud, the inconvenience of carrying large amounts of cash, lengthy wait times, frequent bank visits, and bank note printing. Nigerian churches are starting to use cashless payment methods, namely cashless payment, in order to enhance parishioner experiences and operational data. Churches have also embraced cashless payment systems, which have been beneficial in enhancing customer loyalty programs for companies. However, some Christians have argued and criticised these systems, saying they are sinful (Nnanna & Ajayi, 2005). This study investigated the current payment system in churches, evaluated the constraints of the cashless policy, and analysed the effect of the policy on church income.

Statement of the Problem

The Nigerian cashless policy was introduced to enhance financial efficiency and reduce the problems associated with cash transactions. While these reforms have gained traction in business and governmental sectors, their implementation within religious institutions like churches has not been seamless. Churches in the Surulere Archdeaconry have recorded a decline in financial inflow due to the transition. Members face difficulties in using electronic payment methods, primarily due to poor network infrastructure, lack of access to digital tools, and limited awareness of the benefits and procedures of cashless giving. Some parishioners have expressed theological or cultural concerns about the legitimacy of electronic offerings. Others have faced practical issues such as double debits, failed transactions, and lack of immediate receipts, which have discouraged them from giving electronically. These issues raise the question of how prepared the church is for a full transition to a digital financial environment. Without effective adaptation, the

church risks not only financial instability but also a disconnect between worship practices and the realities of a modern economy.

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Objectives of the Study

The main objective of this research is to evaluate the impact of Nigeria's cashless policy on church income in Surulere Archdeaconry, Diocese of Lagos Mainland. Specifically, the study aims to:

1. Examine the current payment systems used in Anglican churches within the Surulere Archdeaconry.
2. Assess the effects of the cashless policy on tithes, offerings, and donations.
3. Identify the major challenges faced by parishioners in utilizing cashless payment channels.
4. Evaluate the level of awareness and readiness of churches and members to adapt to a cashless economy.
5. Propose strategies to improve the church's adoption of and transition to electronic payment systems.

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Research Questions

To guide the study, the following research questions will be addressed:

1. What are the current payment systems in place within churches in Surulere Archdeaconry?
2. In what ways has the cashless policy impacted the income of churches in the Diocese of Lagos Mainland?
3. What technological, infrastructural, or social challenges do church members face in using cashless payment systems?

4. How prepared are church authorities and members for the transition to a cashless mode of financial operation?
5. What steps can be taken to improve church income stability through effective implementation of cashless systems?

Theoretical Framework on Cashless Policy

The interest rate, the marginal efficiency of capital, and the investment multiplier are the three main ideas in Keynes's theory of monetary policy and stages (Dickens, 2011). It covers a wide range of monetary economics subjects, such as game-theoretic methods, general equilibrium models, and the real impacts of monetary policy in the short term. Money and public finance, credit channel of money, money-in-the-utility-function models, cash-in-advance models, models of temporal inconsistency, monetary policy operating processes, and interest rates and monetary policy are among the topics covered (Carl, 1998). A credible commitment to buying and selling gilt-edged bonds can reduce the possibility that the monetary authority will act in the future, which is something that investors must factor in. According to the idea of monetary evolution, an economy evolves through three trade mediums: barter, money, and credit (Agu & Ogu, 2020). Nigeria's cashless policy, introduced in 2012, has impacted business transactions, population, and currency circulating outside banks. Muhibudeen and Haladu observed that the five global cashless policy initiatives were implemented; however, none had a significant influence on the value of money outside of banks in Nigeria. ATM and CHQ have a positive but not significant relationship with Cash Outside of Banks (COB). It is recommended to wait at least five years before drawing conclusions, with ten years being the most appropriate considering the cashless policy's infancy (Muhibudeen & Haladu, 2015).

The Central Bank of Nigeria's (CBN) cashless policy aims to reduce the reliance on physical cash and promote electronic transactions. This policy, under Modern Monetary

Theory (MMT), would seek ³ to improve the efficiency of the monetary system by reducing the costs associated with cash handling and promoting financial inclusion. However, some argue that a fully cashless economy may not be feasible and could have unintended consequences, particularly for certain segments of the population (Ekpeyong, 2019). In a cashless or digital economy, MMT principles can be applied to manage the money supply and address potential inflationary pressures (Ashutosh, et al, 2021). Key MMT concepts include the government as a currency issuer, having no financial constraints, prioritising real resources over financial constraints, and inflation as a primary constraint. Governments need to carefully manage the money supply to control inflation, which may involve adjusting interest rates, issuing bonds, or using other tools to manage ³⁶ the amount of money circulating in the economy (Chohan, 2020). MMT suggests that a government can maintain a desired price level by adjusting the money supply, even in a cashless environment. Financial policy and aggregate demand are also relevant in a cashless context (Prinz & Beck, 2021). Governments can use spending and ²⁰ taxation policies to manage aggregate demand and achieve their economic goals. The central bank plays a crucial role in managing the money supply and ensuring price stability in a cashless economy (Ekpeyong, 2019). Digital payment systems can be developed and implemented using MMT principles, ensuring they are not inflationary and support economic growth. Examples of MMT include quantitative easing (QE), taxation, and government spending (Palley, 2019). The CBN's cashless policy aligns with MMT's emphasis on efficient monetary management and the potential for governments to manage their finances without relying solely on borrowing (Amire & Omoare, 2015). However, the policy's success will depend on addressing the technological, financial literacy, and security challenges that it presents (Elechi & Anthony, 2016). A balanced approach that considers both ³ the benefits and challenges of a cashless economy is crucial for ensuring its successful implementation and long-term sustainability. (Tymoigne, 2023).

Conceptual Framework on Cashless Policy

Throughout history, various payment systems have been used by churches and societies worldwide. Before cowries in Asia Minor in 700 BC, barter was the primary mode of exchange. Issues like double coincidence of wants, lack of a common standard of value, storage issues, and indivisibility led to the development of money as a medium of exchange (Nnanna & Ajayi, 2005). Various scholars, such as Woodford (2003), Obodoekwe and his colleagues (2014), Okoye and Ezejiofor (2013), and Muhibudeen (2015), and others, assert that a cashless economy is a system where transactions are not primarily cash-based but rather electronic. It's not a barter system, but a system where goods and services are exchanged through electronic media. This approach eliminates transaction frictions, making money balances justified even if they earn a rate of return, allowing for more efficient and convenient transactions. A cashless economy focuses on large financial transactions with minimal cash use, primarily using electronic payment systems like bank checks, wire transfers, direct debits, credit cards, online transactions, and mobile banking in the 21st century globally, especially in the Nigerian economy. Payments are integral to our daily lives, and various payment technologies have been introduced since the 1900s. Cash and checks were the primary means of transactions, followed by credit and debit cards in the latter half of the century (Evans & Schmalensee, 2005). Electronic commerce emerged in the late 1990s (Slawsky & Zafar, 2010), leading to internet payments and the merger between the internet and banks. The recent introduction of mobile payment applications further expands the range of digital payment technologies (Chae & Hedman, 2015). Customers now have the responsibility to choose between goods and services, as well as payment technology options such as internet bank transfers, POS terminals, PayPal, or mobile bank transfers. The Church, as a subset of society, is also affected by this socioeconomic transformation, as its liturgy often involves giving money.

Nigeria's banking system is critical for controlling the economy, yet 65% of currency is outside the system, hampering the Central Bank of Nigeria's ability to stabilise prices and the economy (Itah, 2014). ICT breakthroughs have transformed commercial transactions by enabling online transactions. Economic competitiveness is dependent on the successful use of technology. Banking institutions must be equipped with the necessary information technology to promote trade, commerce, and industry while also supporting globalisation. The Central Bank of Nigeria and the Bankers Committee have implemented a cashless strategy to address the disparity between poverty and financial services in Nigeria and the Democratic Republic of the Congo. Implementing this approach will need major expenditures in ICT and other technologies (Ajayi, 2006).

Currency is a legally recognised form of payment that debtors can require their creditors to accept. Currency is more widely utilised in Nigeria and other West African nations than cheques or other forms of trade. In mature economies, checks account for 90% of corporate transactions (Ajayi, 2006). Checks, postal orders, money orders, bills of exchange, and postal stamps are all considered money. The excessive desire to hold money, which involves losing interest, is a concern for economists, as it could lead to losing interest. Additionally, the security of holding liquid money is a concern, as it may lead to ignorance, illiteracy, and a lack of appreciation for digital payment instruments like debit cards. Social miscreants and fraudsters have targeted banks, financial institutions, companies, churches, mosques, and wealthy individuals due to the Nigerian cash-based financial system. Nigerian churches are embracing electronic payments to streamline transactions and reduce cash handling, leveraging social and technological advancements. Traditional cash and checks are still used, but electronic payment instruments are being introduced. Nigerian banks have invested heavily in technology, offering services like mobile banking, online retail banking, point-of-sale terminals, USSD, and bank apps, allowing individuals, religious groups, and corporate bodies to benefit from new technologies at reasonable costs.

Cashless policies in Nigeria benefit consumers, corporations, banks, and the economy by increasing convenience and reducing fraud and theft. Corporations benefit from increased access to funds, cost savings, and improved efficiency. Banks reduce staff and operational costs, increasing banking penetration (Oyetade & Ofoelue, 2012). The Nigerian economy improves the standard of living, while the government benefits from easier tax collection and financial inclusion. E-payment systems increase company profitability, industrial growth, innovation, payment channels, and the customer base in Nigeria.

Theological Framework on Church Income

According to 2 Corinthians 9:8, Philippians 4:19, and Proverbs 8:20–21, God is the origin of all things. He makes grace rich, fills treasures, and leads righteousness. Work and prayer are the solutions when we need money or belongings. Seek the Lord, and He will supply it in the way that He pleases. This idea highlights how God is the source of all things, guiding us towards righteousness and providing for all of our needs (George, 2024). Human giving and religious donation are influenced by three theological concepts: gratitude, the Lordship of God, and the recognition of God's work through His church. The Lordship of God allows us to assist God as stewards of His creation, revealing the value of His grace and providing a valid purpose for our existence. The third motivation is the recognition that God is working through His church for humanity's salvation, and offering and church mission fulfilment are inseparable. Christians' selfless love for God and fellow human beings motivates them to give offerings, as only through Christ's sacrificial offering can they be accepted by God. Salvation is an undeserved gift accepted through faith in Christ, and God is the greatest giver in the universe. The Old Testament sacrificial system depicts God's wrath resolved through sacrifices, but humans lack valuable possessions to resolve sinfulness and rebellion. God always provides the sacrifice for reconciliation, represented in the Old Testament by expiatory sacrifices and

offerings (Gen. 22:8, 13; Lev. 17:11; Mal. 3:10; John 1:29). There are several sources of church income in the Surulere Archdeaconry of the Diocese of Lagos Mainland (Anglican Communion), such as tithes (Gen. 14:16-20; Num 18:21f; Lev 27:30-33; Num 18:21-32, Deut 12:5, 6, 11, 18, and Malachi 3:7-12) (Gladys, et al, 2021; Igbo, 2021), offertory, which is for charitable purposes (Acts 4:34-35), first fruits (Exodus 23:19; Deuteronomy 26:1-11; Romans 11:16) (Rigsby, 1992), family and general harvest, general offerings (Psalms 119:108; 1 Corin. 16:1-2) (Elwell, 2001; Garrett, 2014)), and kingdom seed (evangelism or mission seed).

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Research Design

This study employed a descriptive survey research design. The design was appropriate for obtaining detailed and factual responses from a large population to evaluate the effects of the cashless policy on church income within Surulere Archdeaconry. The approach enabled the researchers to systematically collect, describe, and analyze data reflecting the perceptions and experiences of church officials and members. The research was conducted in Surulere Archdeaconry of the Diocese of Lagos Mainland (Anglican Communion), comprising five major parishes: Bishop Adedokun Howells Memorial Church, Hogan Bassey Crescent, Surulere; All Saints Anglican Church, Clegg Street, Surulere; St. John's Anglican Church, Imam Dauda Street, Eric Moore; Our Saviour Anglican Church, Adebola Street, Surulere and St. Peter's Anglican Church Surulere, Akobi Crescent.

Sample size and sampling technique

In the Diocese of Lagos Mainland (Anglican Communion), Surulere Archdeaconry has over 1,500 confirmed parishioners. Using a simple random sampling procedure to guarantee fair and impartial representation, the research population consisted of 150 people, including church wardens, clergy, auditors, and accountants who are directly

involved in handling church finances, donations, financial management, and transparency.

Research Instruments

Two major instruments were utilized for data collection:

1. **Structured Questionnaire:** Designed with close-ended questions using a three-point Likert scale format (Agree, Undecided, Disagree) to assess respondents' views on various aspects of the cashless policy.
2. **Oral Interviews:** Conducted with key church officials to gain deeper insight and contextual understanding of challenges and perceptions regarding the cashless transition.

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Validity and Reliability of Research Instrument

The research instruments were designed to be valid in both face and content, with questions aligned with the study's objectives. Samples were presented to the supervisor, who provided professional comments and corrections, ensuring the final draft was accurate. The study's reliability was assessed through a corrected questionnaire administered to selected members of the Surulere Archdeaconry, Diocese of Lagos Mainland. The results were consistent from the first and second pre-tests, confirming the instrument's reliability. This approach was repeated with the same group after a two-week period, ensuring the objectives were achieved reliably and meaningfully.

Procedure of Data Analysis

The method of analysing the data collected was done using simple percentage.

Data Analysis

Section A: Demographic Data of Participant's ⁵ on the Effects of Cashless Policy on Church Income ² in Surulere Archdeaconry, Diocese of Lagos Mainland (Anglican Communion)

² Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	78	52%
	Female	72	48%
Age	20–35 years	45	30%
	² 36–50 years	61	40.67%
	51 years and above	44	29.33%
Marital Status	Single	32	21.33%
	Married	109	72.67%
	Widowed/Divorced	9	6%

Variable	Category	Frequency (n)	Percentage (%)
2 Education Level	Tertiary (Diploma/Bachelor's)	27	18%
	Postgraduate (Master's/PhD)	39	26%
	Professional Certifications (ICAN, FRC, ANAN, CITN, CIBN, CIMA, CIFCFIN)	84	56%
Occupation	Civil Servants	56	37.33%
	Private Sector Workers	72	48%
	Clergy/Church Workers	22	14.67%

(Source: Field Survey, August 2024)

The demographic data from the survey participants in Surulere Archdeaconry reveal a fairly balanced gender distribution, with males representing 52% and females 48% of the respondents. This balance ensures that insights drawn from the study reflect both male and female perspectives. Age-wise, the majority of participants were between 36 and 50 years old (40.67%), followed by those aged 20 to 35 years (30%) and 51 years and above (29.33%). This indicates a diverse age range, with a concentration in the active working and church-participating age group. Regarding marital status, most respondents were

married (72.67%), suggesting that family units are likely a significant part of church membership and income contributions. Singles constituted 21.33%, while widowed or divorced participants made up 6%. Educationally, the participants were well qualified; more than half (56%) held professional certifications such as ICAN, FRC, and CIBN, 26% had postgraduate degrees, and 18% had tertiary education at diploma or bachelor's level. This high level of education may influence the respondents' comprehension and acceptance of financial policies like the cashless system. In terms of occupation, nearly half of the respondents (48%) worked in the private sector, 37.33% were civil servants, and only 14.67% were clergy or church workers. This occupational distribution suggests that most participants earn income outside the church environment, which could shape their interaction with and attitude toward church income collection methods under the cashless policy. Overall, the demographic profile presents a mature, educated, and professionally engaged sample, providing a reliable foundation for assessing the effects of the cashless policy on church income in this context.

Section B: Cashless Policy in Church Settings in Surulere Archdeaconry, Diocese of Lagos Mainland (Anglican Communion)

S/N	Questions	Agree (n, %)	Disagree (n, %)	Undecided (n, %)
1	²⁷ Adoption of cashless policy in Nigeria has led to significant behavioural changes among church members.	128 (85.3%)	19 (12.7%)	3 (2%)
2	Poor network connectivity prevented some parishioners from using cashless payment	145	5 (3.3%)	0 (0%)

S/N	Questions	Agree (n, %)	Disagree (n, %)	Undecided (n, %)
	channels (e.g., USSD, bank apps).	(96.7%)		
3	Nigeria's current technological infrastructure can support the cashless policy if managed properly.	60 (40%)	78 (52%)	12 (8%)
4	Cashless payment methods provide a safer and improved form of church donations.	130 (86.7%)	12 (8%)	8 (5.3%)
5	Some parishioners have been debited twice while using cashless payment methods for church offerings.	145 (86.7%)	3 (2%)	3 (1.3%)
6	The church should introduce more cashless payment channels (e.g., POS, ATM machines).	131 (87.3%)	7 (4.7%)	12 (8%)
7	The church should raise more awareness about cashless donation advantages.	150 (100%)	0 (0%)	0 (0%)

(Source: Field Survey, August 2024)

A large portion of the respondents (85.3%) agreed that Nigeria's implementation of the cashless policy has brought about noticeable behavioural shifts among church members. This suggests that financial reforms in the wider society are also influencing patterns of giving and spending within the church. Only a small number (12.7%) did not share this view, while an even smaller group (2%) expressed uncertainty.

Most respondents (96.7%) indicated that unreliable network connectivity prevented some parishioners from successfully using digital payment platforms like USSD codes and mobile banking apps during church services. This response highlights a major obstacle to effective implementation of cashless systems in religious settings. Just 3.3% disagreed, showing that poor connectivity is a nearly universal concern.

In terms of infrastructure, 40% of those surveyed believed that with proper management, Nigeria's existing technological framework could support the government's cashless initiative. However, 52% did not share this optimism, and 8% were undecided. These figures suggest general doubt about the country's readiness to sustain a fully digital financial system, particularly in religious communities.

When asked about the safety and efficiency of cashless donations, 86.7% of respondents agreed that these methods are both safer and more effective for church giving. Meanwhile, 8% disagreed, and 5.3% were unsure. This majority response points to a favorable view of electronic donations despite some hesitations.

On the issue of transaction errors, 86.7% of participants acknowledged that there had been cases where parishioners were charged twice during cashless payments for tithes and other contributions. Only 2% disagreed with this observation, and 1.3% were undecided. This suggests that while the technology is useful, system glitches remain a challenge that needs addressing.

A high percentage (87.3%) of respondents expressed the need for churches to provide additional digital payment options such as Point of Sale (POS) and ATM machines to ease the giving process. Only 4.7% disagreed, and 8% were uncertain. This shows a strong call for churches to expand their digital financial infrastructure.

Finally, all participants (100%) agreed that churches should do more to educate members about the benefits of cashless giving. This unanimous response underlines the importance of awareness campaigns to boost understanding and acceptance of digital financial tools in church life.

Discussion of Findings

The demographic composition of respondents in this study provides useful insight into how the implementation of a cashless policy might affect church income within Surulere Archdeaconry. The gender distribution, nearly equal with 52% male and 48% female, reflects balanced representation. This suggests that both men and women are actively engaged in church financial life and are likely to experience and respond to changes in church income systems similarly, particularly in relation to adopting cashless transactions (Adeyemo, 2019).

The age distribution indicates that a significant number of respondents (40.67%) are within the 36–50 years bracket, which generally represents the most economically productive phase of life. This suggests that many respondents are likely to be financially capable and involved in regular giving. Respondents aged 20–35 (30%) represent the younger, technologically savvy generation, more open to cashless innovations. In fact, youth contribute to their churches, communities and nations in various ways, including supporting the elderly, spearheading technological advancements, advocating for justice, and fostering healthy environments (Ogunbiyi, et al, 2025). Meanwhile, those aged 51 and above (29.33%) may be more accustomed to traditional giving patterns, potentially

less adaptable to digital methods, and may require orientation or support to embrace cashless systems (Onwuka & Eze, 2021).

The marital status profile reveals that a majority of respondents (72.67%) are married, a demographic often associated with more stable financial contributions, particularly where family income supports regular church giving. Singles (21.33%) and widowed/divorced individuals (6%) also form part of the church economy, albeit with possibly different financial behaviors and capacities. Prior studies have shown that marital status can influence spending and charitable patterns in church communities (Eze & Okeke, 2020).

Educational qualifications among participants were notably high. Over half (56%) held professional certifications, and an additional 26% had postgraduate degrees. This reflects a church membership with considerable academic and professional exposure. Individuals with such qualifications are often more financially literate and more likely to use and trust digital financial platforms. As such, they are better positioned to adapt to the cashless policy and understand its implications for church finance (Ojo, 2023).

Occupational data further supports this finding. The majority of participants are either employed in the private sector (48%) or civil service (37.33%), which suggests a relatively stable economic base. Only a smaller proportion (14.67%) were clergy or church workers. The dominance of lay professionals in the data indicates that most financial contributions are likely from the working class, whose adoption of digital banking practices can greatly influence church income under the cashless policy (Ibrahim & Salihu, 2021). It also emphasizes the need for clergy to engage lay members effectively in discussions on financial reforms within the church. The demographic analysis suggests that the church membership in Surulere Archdeaconry is largely composed of educated, working-class, and financially active individuals. These characteristics are favorable for the successful adoption of a cashless policy. However, awareness, inclusiveness, and appropriate training must be ensured to accommodate older

and less tech-savvy members. The findings confirm²⁴ that demographic factors such as age, education, and occupation play a crucial role in determining the ease and success of implementing financial reforms in church settings (Adesina & Okafor, 2020; NBS, 2022).

¹³ The Central Bank of Nigeria's Cashless Policy has raised concerns among religious institutions, particularly Christian organisations, as tithes and offerings are declining. Nairametrics reports that clergy are struggling to meet church running costs due to a lack of funds. Lagos churches have advised congregations to deposit donations into designated accounts due to low offerings. The cash constraint occurred during rising fuel costs and petroleum supply scarcity, prompting black market purchases in churches and organisations across Nigeria.

Nigeria's internet penetration is largely 2G, with 3G developing slowly at 9.17%. 4G surpasses 3G at 32.11%, while 5G penetration is modest at 1.18%. The first wireless network was 1G, followed by 2G, 3G, 4G, and 5G. 5G offers faster data transfer, higher voice quality, and more capacity. However, Nigeria's internet and telephone services are sometimes faulty due to infrastructural constraints, vandalism, taxes, insufficient investment, expensive running costs, and a blame game between the Nigerian Communications Commission (NCC) and telecom operators; this prevents individual and corporate organisations from making transactions and communications easily (Adaramola, 2023).

Nigeria's digital and financial infrastructure has come under fire from the World Bank for its inability to support the quick transition to a cashless society. Due to³⁴ the Central Bank of Nigeria's unsuccessful naira redesign plan and cashless policy, there was a lack of currency and poor economic activity in the first part of 2023. There are a number of technical problems that contribute to the unreliability and scalability of these apps and channels. Some of these challenges include inadequate technological infrastructure and weak public telecom access. The problem was made worse by the brief switchover period

and limited access to bank accounts. Transaction costs went risen as a result of the black market for new notes. Customers are advised by the bank to utilise other channels, such as eNaira, USSD, mobile, online, and point-of-sale (POS) banking (Jaiyeola, 2021).

Nigeria's cashless policy, though introduced to modernise the economy and reduce cash-related crimes, has also brought emotional and psychological challenges, especially for vulnerable groups. During key phases like the 2023 currency redesign and cash shortages, many Nigerians struggled to access their money or carry out daily transactions. This created serious anxiety, especially among rural dwellers, small-scale traders, and those without access to digital tools or banking services. The stress of financial uncertainty, long queues at banks, and the fear of being excluded from the economy contributed to growing cases of frustration and, in some instances, depression (Ogunbiyi, et al, 2025). These experiences point to the need for more inclusive planning and public awareness campaigns to ensure that such policies do not unintentionally harm people's mental well-being.

The cashless policy in Nigeria has potential benefits, but attitudes toward it differ. Some are concerned that transaction fees contribute considerably to bank profitability, potentially leading to "armchair banking," in which banks do little to mobilise deposits and grow credit assets. Others are hopeful, believing that if two-thirds of the entire cash in the economy is received, banks will have the necessary resources to conduct their operations (Osazeybaru & Yomere, 2015). Cashless contributions are a simple and time-saving alternative to traditional methods, eliminating the need for cash or bank visits before donating to the church using internet means such as mobile banking and QR code payments. To prevent fraud and theft, payments use a variety of security layers such as OTP, PIN, tokens, information encryption, biometric identification, and two-factor authentication, and these methods speed up transactions and make data collection and record-keeping easier. In fact, the implementation of a cashless policy, which encourages the use of electronic transactions instead of physical currency, is increasingly supported

by advancements in artificial intelligence (AI). AI plays a vital role in making digital financial systems more secure, efficient, and user-friendly. It helps detect fraud, personalize banking services, and streamline payment processes by analyzing large amounts of transaction data in real-time. In nations like Nigeria, where the move toward a cashless economy aims to reduce corruption and enhance transparency, AI technologies can also promote financial inclusion by making mobile banking and other digital services more responsive and accessible to a wider population (Ogunbiyi & Oyebanji, 2025).

Nigerian banks are dealing with digital banking issues such as unstable applications, service problems, and failed transactions. This has resulted in a move towards mobile banking, which has becoming increasingly popular among those who are short on cash. Other difficulties include employee knowledge gaps, an insufficient legal framework, an ineffective workforce, and unethical staff attitudes. Chargebacks are bank-initiated transactions in which a consumer rejects a charge or transaction, typically due to customer discontent, fraud, or technological problems. It acts as a consumer protection mechanism by addressing unauthorised transactions and product or service dissatisfaction. To improve financial service delivery and attain global best practices, stakeholders must overcome certain obstacles. Banks must create and maintain trust with their clients through face-to-face contact. With the fast growth of online banking, banks must establish smooth client experiences, simplify services, and provide efficient operations (Imo-Udokang, 2022).

In Surulere Archdeaconry, a few churches have installed point-of-sale systems on their property. The introduction, according to church administration, would lessen the burden of finding change on Sundays and assist members in adjusting to life in the digital era. At certain locations, members can use their ATM cards to obtain receipts, which are subsequently offered at the altar. This action is consistent with the church's goal of going digital. Non-profit organisations, especially churches, which act as pillars of the community and guardians of trust, must be open and accountable. It is imperative to

preserve honesty and foster confidence among congregants and the community by consistently depositing every gift received. Churches must meticulously document and account for every gift to guarantee that regulations are followed and to reaffirm the organization's dedication to openness. Regulatory agencies such as the Charity Commission hold churches accountable. Accurate income records have a direct influence on a church's capacity to get finance, as banks and lending organisations rely on complete financial information. Banking every cash gift boosts the church's chances of obtaining funding for essential initiatives. To ensure good governance, churches should avoid utilising member funds to meet expenditures and instead keep a petty cash account, displaying their commitment to serving their flock with honesty and integrity.

Summary and Recommendation

The study examines the evolution of payment systems over time, focusing on the ³ Cashless Policy introduced by the Central Bank of Nigeria (CBN) to address excess cash in circulation ³⁸ outside the banking sector. The policy has transformed the financial landscape by introducing electronic payment channels like Internet banking, USSD, and POS. It has also challenged traditional payment systems in sacred institutions like churches, forcing behavioral changes in giving tithes, offerings, and donations. The research focused on Surulere Archdeaconry, Diocese of Lagos Mainland, and found that most churches' income was adversely affected by the Cash Crunch in early 2023. A field survey revealed that 84% of respondents confirmed that the Cashless Policy affected their giving in church at some point due to an erratic network, inadequate information technology infrastructure, and a lack of awareness of alternative cashless payment channels.

Biblical reasons for giving should be taught in the church to Christians. These include being thankful for God's grace, blessings, deliverance, protection, growing closer to God, and upholding moral principles. Giving in a morally upright manner influences one's

interest and dedication to God and God's confidence in the church's leadership depends on one's ability to manage finances faithfully. The church should transition to cashless payment systems to adapt to economic changes and reduce its impact on income in case of a 2023 cash crunch. Education and advertisement on electronic payment channels should be provided by churches, banks, and policymakers. Partnering with banks to make cashless payment channels like POS available for church use and providing POS terminals can further promote the cashless giving culture. Government investment in Information Technology Infrastructure can improve communication networks and enhance cashless payment functionality. Legal and regulatory frameworks should be put in place to check electronic fraud, and anti-graft agencies like the Economic and Financial Crimes Commission should be expanded to cover fraudulent practices associated with the cashless economy. Implementation should be gradual.

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Conclusion

The study explores the impact of Nigeria's cashless banking policy on church income, specifically in the Surulere Archdeaconry of the Diocese of Lagos Mainland. It suggests that cashless payment channels can negatively affect church income during cash shortages but can also benefit the church by enabling online streaming of live services on social media. The policy has led to behavioural changes among church members, with some preferring cashless payment channels like USSD and bank online applications for convenience and promptness, while others are discouraged due to poor network infrastructure and internet security concerns. The study concludes that the central bank's cashless policy can be a blessing in disguise if leveraged effectively. However, 64% of church members criticise the poor state of technological and networking infrastructure in Nigeria as a major stumbling block to cashless payments. To survive economically in the cashless policy era, churches must adopt modern and cashless payment channels, such as point-of-sale terminals, and train members on mobile transactions.

Conflicts of Interest: ²³ The authors declare that there is no conflict of interest.

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