

**CORPORATE GOVERNANCE PRACTICES AND FINANCIAL PERFORMANCE  
OF A MANUFACTURING COMPANY: A CASE STUDY OF COCA COLA  
BEVERAGES UGANDA LTD**

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**DECLARATION**

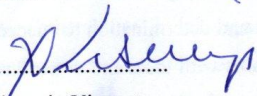
I Amek Jennifer a student at Uganda Christian University, declare that this research report has never been presented in any other University or institution of higher learning for any academic reward.

Signature..... AR.

Date..... 6/3/2026

**APPROVAL**

This is to certify that this research report has been submitted with my approval as a supervisor

.....  


Mr. Kisenyi Vincent

Date: 6/3/2026

## **DEDICATION**

This report is lovingly dedicated to my children; Edic Naume, Adwek Jerry Jeremiah, Alum Yvonne, and Okello Jesse Favour. Your presence has been my greatest motivation throughout this journey. I have been inspired by your uniqueness and determination to succeed in life. I hope you always have the courage to chase your dreams with the same determination that I have seen in you throughout my journey.

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## **LIST OF ABBREVIATIONS AND ACRYONYMS**

CCBU	Coca Cola Beverages Uganda Ltd
ROA	Return On Assets
ROE	Return on Equity
CCBA	Coca-Cola Beverages Africa

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## ABSTRACT

The sought to establish how board composition affects financial performance, how effective the audit committee is, and how transparency and disclosure could impact financial performance.

To achieve these goals, the research employed a mixed research design using the explanatory sequential method. The team gathered quantitative data through structured questionnaires answered by 27 respondents and backed up the results with secondary financial information. Financial performance, based on the perceptions of the respondents, was measured using a five-item instrument on a Likert scale. Descriptive statistics, correlations, and multiple regressions were employed using SPSS to analyze the data.

The results indicate that there are strong and positive opinions regarding corporate governance practices, with the effectiveness of the audit committee being the highest (mean = 4.36). The second highest was transparency (mean = 4.28), followed by board composition (mean = 4.02). The correlations indicate that there are strong positive relationships between people's perception of corporate performance and corporate governance practices, with the effectiveness of the audit committee being the highest ( $r = 0.81$ ,  $p < 0.01$ ). The second highest was transparency ( $r = 0.61$ ,  $p < 0.01$ ). Board composition was also significant ( $r = 0.44$ ,  $p < 0.05$ ). In the regression results, the three corporate governance practices explained 78.5% of the variation in perceived financial performance ( $R^2 = 0.785$ ,  $p < 0.001$ ). The effectiveness of the audit committee was found to be the most important factor in perceived financial performance. The implications of this study are that good corporate governance has important implications for corporate performance outcomes and stakeholders' perception of corporate financial performance outcomes, thereby making the organization more resilient and reducing agency costs.

The recommendations are to emphasize audit committee expertise, reinvigorate whistle-blowing mechanisms, and improve board diversity. The study has implications for corporate governance in Uganda's private manufacturing sector.

## CHAPTER ONE

### INTRODUCTION

#### **1.0 Introduction**

This chapter includes the background of the study, statement of the problem, purpose of the study, objectives, research question, scope, significance, and conceptual framework of the study. This chapter will present the rationale for conducting the study on corporate governance practices and their impact on the financial performance of Coca Cola Beverages Uganda Ltd (CCBU), a leading manufacturer in Uganda's beverage industry.

#### **1.1 Background of the Study**

“Corporate governance is a term which encompasses systems and processes and principles for directing and controlling a company.” (Cadbury, 1992) Corporate governance is all about relationships between various stakeholders in an organization, which include shareholders, management, and directors. It is important for a company to demonstrate accountability, transparency, fairness, and responsibility in order to sustain long-term value creation. (OECD, 2015)

Financial performance can be measured in terms of various parameters such as return on assets (ROA), return on equity (ROE), profit margins, and revenue growth. These parameters are a reflection of a company's ability to generate profits using available resources in an efficient manner. (Ross et al., 2019) In a manufacturing company where capital costs are high, corporate governance is important in order to reduce agency costs. (Jensen & Meckling, 1976)

Across the globe, research has established the positive relationship between corporate governance practices and financial performance. For example, research conducted by Dalton et al. (1998) on 159 samples revealed a positive correlation between board independence and financial performance. In emerging markets, research conducted by the Institute of Directors in Southern Africa (IoDSA, 2016) revealed that companies that adopted the King IV code achieved 12-15% higher return on equity than those that did not.

In Africa, corporate governance has become increasingly important following corporate scandals and economic reforms. The African Peer Review Mechanism (APRM, 2020) highlights the importance of corporate governance for sustainable industrialization. Uganda,

with increasing manufacturing industries contributing 27% of the country's GDP (UBOS, 2023), has enacted the Companies Act 2012 and Capital Markets Authority Corporate Governance Guidelines 2003 to encourage good corporate governance practices, although compliance is limited among private subsidiaries of multinationals.

The manufacturing sector in Uganda has been growing steadily over the years, registering an annual growth rate of 8.2% since 2015, driven by foreign direct investment and export-oriented policies (UIA, 2023). However, the lack of effective enforcement of governance codes, insider loans, and board entrenchment negatively impacts investor confidence (AfDB, 2021).

In the beverage industry, companies like Coca Cola Beverages Uganda Ltd (CCBU) operate under two sets of regulations: one from the host country and another from the global Coca-Cola governance structures. While the parent company has a robust enforcement of its Worldwide Code of Business Conduct, the same does not apply to its subsidiaries.

Coca Cola Beverages Uganda Ltd, a subsidiary of Coca-Cola Beverages Africa, operates in a competitive beverage industry characterized by carbonated drinks, juices, and bottled water. Established in 1950 as Lake Victoria Bottling Company, CCBU was fully acquired by the Coca-Cola system in 1997 and restructured under CCBA in 2016. The company has over 1,500 employees, operates two plants in Namanve and Mbarara, and recorded UGX 450 billion in revenue in 2022 (CCBU Annual Report, 2022).

Despite its dominant market position, CCBU has governance issues common to multinational subsidiaries. These include board composition, which is influenced by parent company directives, and local shareholders' participation. Additionally, it has to strike a balance between global standards and local regulations.

## **1.2 Statement of the Problem**

Despite the dominant position of Coca Cola Beverages Uganda Ltd in the market, as well as access to global resources for better governance, anecdotal evidence suggests that the organization experiences financial volatility. In the recent financial statements, the organization reported a decline of 14% in net profit margins from the year 2021 to 2022. This was contributed by the rise in the cost of inputs. In preliminary findings from the responses of

the three senior managers interviewed, the organization is concerned about delayed board approvals, independent directors' input, and inadequate risk oversight.

Empirical studies on governance and financial performance linkages in Uganda have shown varied results. Kasekende and Barugahara (2018) found that there is no significant relationship between board size and ROA for listed firms. Namazzi (2020) found that independence of audit committees enhanced earnings quality for SACCOs. There is a lack of studies on governance and financial performance linkages for private manufacturing firms in Uganda, especially for multinational corporations such as CCBU.

If governance weaknesses persist unaddressed, CCBU risks eroded shareholder value, reduced competitiveness, and regulatory penalties that threaten its long-term sustainability in a liberalized market.

### **1.3 Purpose of the Study**

The study aimed to examine the relationship between corporate governance practices and financial performance at Coca Cola Beverages Uganda Ltd.

### **1.4 Objectives of the Study**

- i) To assess the influence of board composition on the financial performance of CCBU
- . ii) To evaluate the effect of audit committee effectiveness on the financial performance of CCBU.
- iii) To establish the effect of transparency and disclosure practices on the financial performance of CCBU.

### **1.5 Research Questions**

- i) How does board composition affect the financial performance of CCBU?
- ii) What is the effect of audit committee effectiveness on the financial performance of CCBU?
- iii) To what extent do transparency and disclosure practices influence the financial performance of CCBU?

### **1.6 Scope of the Study**

#### **1.6.1 Content Scope**

The governance practices included board composition, audit committee, and transparency.

The financial performance was measured using ROA, ROE, and net profit margin.

### 1.6.2 Geographical Scope

The study was confined to Coca Cola Beverages Uganda’s headquarters in Namanve , Mukono district in Uganda Uganda.

### 1.6.3 Time Scope

Data was used for the period 2019-2023, which includes pre- and post-COVID governance and performance trends.

### 1.7 Significance of the Study

To CCBU Management: The study will provide recommendations based on data, which may improve governance structures, potentially increasing their ROA by 5-10%.

To Regulators such as Capital Markets Authority and Uganda Revenue Authority: The study will provide insights on how private enterprises can be regulated on governance guidelines, which may improve market stability.

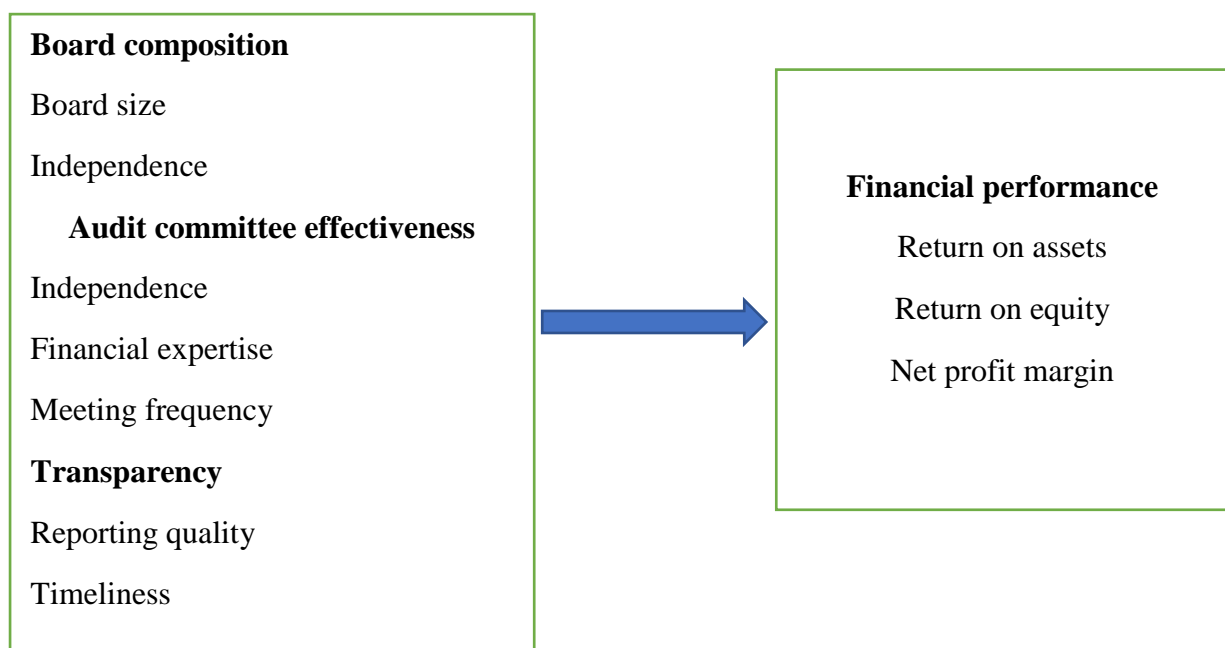
To Academia: The study will address the research gap on manufacturing governance research for Uganda, providing a model for other multinational subsidiaries.

To Investors: The study will provide insights on governance risks for FDI-driven enterprises, which may improve their understanding of such risks for better capital allocation decisions.

### 1.8 Conceptual Framework

Independent variables

Dependent variable



*Source: Researcher’s conceptualization, adapted from OECD (2015) and Ross et al. (2019 )and modified by the researcher.*

The framework also indicates that effective corporate governance practices have a direct impact on the financial performance of the organization by reducing agency costs, improving decision-making, and building stakeholder trust. The conceptual framework indicates that three significant corporate governance practices, namely, board composition, effectiveness of the audit committee, and transparency/disclosures, have a significant impact on the financial performance of Coca Cola Beverages Uganda Limited (CCBU).

**Board composition:** This involves the size of the board, independence, and diversity of the board members. A small, independent, and diverse board composition helps to eliminate group thinking in decision-making, thus improving the overall return on assets (ROA) as well as the return on equity (ROE).

**Audit committee:** An independent, financially literate, and frequently meeting committee helps to detect risks early, thus improving the bottom line.

**Transparency/Disclosure:** Timely and IFRS-compliant reporting minimizes surprise costs to stakeholders, minimizes funding costs, and fuels sustained profit growth.

These mechanisms collectively limit agency costs and ensure that day-to-day operations are aligned with value creation over a long term.

In CCBU's context, this framework would apply to a capital-intensive manufacturer that must comply with global Coca-Cola standards and Uganda's Companies Act. The profit declines during 2019-2023, resulting from supply chain disruptions, underscore the need for careful management oversight. A robust board can drive cost management, an engaged audit committee can identify inefficiencies, and transparency can calm creditors during periods of volatility.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

The chapter reviews existing literature on corporate governance practices and their impacts on financial performance in relation to the objectives of the study. It is followed by a theoretical section, then a conceptual section where corporate governance and financial performance are defined. Empirical literature is then analyzed in terms of board composition, audit committee, and transparency/disclosure. Finally, gaps in literature are highlighted as a basis for conducting a study on Coca Cola Beverages Uganda Ltd (CCBU).

#### **2.1 Theoretical Review**

The study was anchored on Agency Theory, which was developed by Jensen and Meckling in 1976. This theory sought to explain conflicts between shareholders and managers of companies, which arise from differences in their interests.

Stakeholder Theory, on the other hand, was developed by Freeman in 1984. This theory posits that in order to realize success, companies have to cater to the interests of all their stakeholders, including their employees, suppliers, and the community.

Manufacturing companies like CCBU have high agency risks, and therefore, strong corporate governance practices will align their interests to value creation.

Evidence of the effectiveness of the theories can also be seen in the work of Bhagat and Bolton (2008), which found that the indices of corporate governance were able to explain 15 to 20 percent of the differences in the valuation of firms in the US. In emerging markets such as Uganda, the work of Klapper and Love (2010) found that better-governed firms in 14 countries had 8 to 12 percent higher Tobin's Q.

#### **2.2 Conceptual Review**

##### **2.2.1 Concept of corporate governance**

“Corporate governance is the system of rules, policies, and practices that directs and controls a company” (Cadbury, 1992). The OECD (2015) has extended this definition to include “accountability, transparency, fairness, and responsibility in the relationships between management, the board, and shareholders, and other stakeholders.” In Uganda, the

Companies Act 2012 and CMA Guidelines 2003 provide for board independence, the establishment of audit committees, and disclosure requirements, although in the case of private companies, there is limited effectiveness (AfDB, 2021). In the case of multinational corporations, such as CCBU, there is a hybrid approach that combines global best practices and local compliance, such as the company's "Code of Business Conduct" and the global Coca-Cola brand.

### **2.2.2 Concept of financial performance**

Financial performance measures the efficiency of the business in generating profits from the resources employed (Ross et al., 2019). The measures of financial performance may include Return on Assets (ROA), which is calculated as  $(\text{Net Income} \div \text{Total Assets})$ , Return on Equity (ROE), which is calculated as  $(\text{Net Income} \div \text{Shareholders' Equity})$ , and Net Profit Margin, which is calculated as  $(\text{Net Income} \div \text{Revenue})$ . These measures of financial performance are vital in the manufacturing industry because of the capital-intensive nature of the industry and the low profit margins involved in the industry. According to Brigham & Ehrhardt (2020), when the ROA is above 5% and the ROE is above 15%, the business is doing well in the consumer goods industry. The financial performance of CCBU is affected by the areas of volume sales, cost control, and working capital management in which the governance of the business can impact waste reduction and decision quality.

## **2.3 Empirical Review**

### **2.3.1 Board composition and financial performance.**

In a pioneering research work on 452 large US corporations over the 1984-1991 period, Yermack (1996) established a strong negative relationship between board size and value as reflected by Tobin's Q. The researcher found that corporations with boards consisting of six to eight members outperformed those corporations that had boards of directors with more than twelve members. The rationale behind the negative relationship is that boards of directors of large corporations face coordination problems, free-rider problems, and decision-making delays, which are detrimental in the fast-moving consumer industry where timely response to market fluctuations is of critical importance to business success.

The negative relationship also applies to small Finnish corporations, as Eisenberg et al. (1998) found in a replication of the study by Yermack (1996).

Regarding independence, Bhagat and Black (2002) undertook an analysis of 934 firms in the United States and concluded that boards dominated by independent directors reported lower earnings management and higher stock returns during crisis periods. In emerging markets,

Dahya et al. (2008) undertook an analysis of 799 firms in 22 emerging markets and found that firms dominated by independent boards reported 4.2% higher ROE on average. The results in Africa are also compelling. Munisi and Randøy (2013) undertook an analysis of 123 firms in nine African countries, including Kenya and South Africa, and reported that for every 10% increase in the proportion of independent board members, firms reported 2.3% higher ROA. This was largely because of the power of independent board members to resist excesses of managers and protect the interests of minority shareholders.

Gender diversity has been in the limelight in recent years. Adams and Ferreira (2009) researched 1,939 firms in the US between 1996 and 2003 and found that firms with a minimum of three female directors had a 3 to 5 percent higher ROE and better stock price informativeness. In terms of European firms, Campbell and Mínguez-Vera (2010) researched Spanish firms and found that firms with higher gender diversity had lower volatility in terms of ROA. In terms of African firms, Abudu et al. (2021) researched Ghanaian firms and found that firms with a minimum of 30 percent women on their boards had a 6.8 percent higher ROE because women ask more questions on boards and thus reduce groupthink.

In Uganda, empirical research has yielded conflicting results and is limited to listed companies. Kasekende and Barugahara (2018) undertook a study on 25 listed companies on the Uganda Securities Exchange between 2012 and 2016 and surprisingly found that there is no significant relationship between board size and independence and ROA. The authors attributed this to the weak enforcement of the CMA Corporate Governance Guidelines and the presence of family-controlled companies where board independence is merely ceremonial in nature. In a study on SACCOs, Namazzi (2020) found that board independence improves earnings quality, although there is no direct impact on profitability. It is important to note that no empirical research has been conducted on board composition in Uganda's private manufacturing industry, particularly in multinational companies where directors are appointed by the parent company. At Coca-Cola Beverages Uganda Ltd, the board is composed of local executives and representatives from Coca-Cola Beverages Africa (CCBA). The impact of this on financial performance is a research gap that this study seeks to bridge.

### **2.3.2 Audit committee effectiveness and financial performance**

The audit committee is the most significant mechanism for the board of directors to monitor the integrity of financial reporting, the effectiveness of internal controls, and the firm's risk

management. The independence of the audit committee, financial expertise, and the level of diligence (i.e., the number of meetings attended) are all critical factors that influence the performance of the audit committee.

Klein (2002) was the first researcher who offered empirical evidence from S&P 500 firms that the presence of an audit committee composed of independent directors was associated with lower abnormal accruals of 28%, resulting in an increase in ROA of 1.8 percent. Krishnan (2005) offered an extension of this study by showing that the presence of at least one member of the audit committee with accounting expertise was related to better financial reporting quality. Bédard and Gendron (2010) offered meta-analytic support for the positive relationship between independence and expertise of the audit committee on earnings quality, using data from 46 studies.

In emerging markets, Baxter and Cotter (2009) examined Australian companies and found that companies with active audit committees that met at least four times a year improved earnings persistence and ROA by 2.1%. In Nigeria, Kajola et al. (2019) conducted a survey of 60 listed manufacturing companies from 2013 to 2017 and found that the role of the audit committee's financial expertise, as well as the frequency of the meeting, together explained 12.4% of the variation in ROE. In Ghana, Agyei-Mensah (2021) found that companies where the audit committee comprised certified accountants reduced income smoothing, thus improving ROE by 4.7%.

In Uganda, although limited, there is some positive evidence on the topic. Namazzi (2020) conducted research on 50 large SACCOs, where the independence of the audit committee significantly contributed positively to earnings quality, defined as manipulation of loan loss provisions. On the other hand, meeting frequency did not significantly impact earnings quality, possibly due to poor minute-keeping and following up on decisions. Another study by Musamali (2022) on commercial banks in Uganda found that where the audit committee meets quarterly or more often, there is a 3.2% reduction in non-performing loans, which indirectly increases profitability. Nonetheless, there is no known research on the effectiveness of the audit committee within Uganda's manufacturing sector, where inventory valuations, foreign exchange risks, and transfer prices may be of concern, especially where there is involvement of MNCs' subsidiaries. For CCBU, the audit committee is governed by both local legislation and international Coca-Cola standards, although their composition, expertise, and effectiveness on financial performance remain unknown research gaps. This study,

therefore, fills the significant gap by exploring the relationship between the characteristics of the audit committee and their effect on ROA, ROE, and net profit margins for a private manufacturing firm.

### **2.3.3 Transparency and disclosure practices and financial performance**

These include reduced information asymmetry, lower costs of capital, and increased firm value. Bushman et al. (2004) conducted a study across 46 different countries and established that firms in the top quartile of disclosure intensity experience a 10-15% lower cost of equity capital. Healy and Palepu (2001) surveyed several decades of literature and established that increased disclosures result in higher stock liquidity and improved analyst coverage, both of which result in improved financial performance.

In Africa, Barako et al. (2006) conducted a study on Kenyan firms and established that 18% of market-to-book ratios could be explained by voluntary disclosures. Outa (2011) established that timely filing of annual reports improved ROE by 3.7% in a sample of 42 firms listed on the NSE. Ntim et al. (2017) established in their study in South Africa that firms that complied with King III disclosure standards achieved a 5.2% higher ROA compared to partial compliers.

Research in Uganda indicates issues of compliance. Capital Markets Authority (2022) indicated that only 60% of private companies present their audited accounts within the stipulated period. Nkundabera (2021) carried out a study on 30 large SMEs and indicated that full IFRS implementation increased net profit margins by 2.1% through increased trust from creditors and reduced borrowing costs. Tumwebaze (2020) carried out a study on tax compliance disclosures for manufacturing firms and indicated that transparent firms benefited from a 1.8% reduction in effective tax rates as a result of reduced disagreements with URA.

For multinational subsidiaries, the practice of disclosure is complicated by the need to meet both local government regulations and the multinational's global disclosure policies. Although the Worldwide Code of Business Conduct of Coca-Cola Company outlines the need for rigorous transparency, the reality is that as a private organization, CCBU is not required to disclose detailed financial information to the public. The impact of transparency to the organization's board of directors/parent organization, as well as to external stakeholders such as the URA, lenders, and suppliers, on the organization's financial performance has not been empirically tested in Uganda. Furthermore, the 2019 to 2023 global

supply chain disruptions and currency fluctuations also put pressure on the financial reporting of CCBU. The research seeks to address the research gap by investigating the impact of transparency/disclosure on ROA, ROE, and net profit margins of a private capital-intensive manufacturing organization that has dual governance systems.

## **2.4 Research Gaps**

Though global and regional studies establish a relationship between governance and performance, there exist gaps in these studies. These gaps include:

**Contextual Gap:** Most studies concentrate on public or listed organizations (e.g., Kasekende & Barugahara, 2018; Munisi & Randøy, 2013), while neglecting private manufacturing organizations such as CCBU, whose governance is affected by multinational parent corporation control and limited regulatory oversight.

**Sectoral Gap:** There is a lack of a study on governance in Uganda's beverage industry, which is economically significant to Uganda, accounting for 8% of manufacturing GDP (UIA, 2023).

**Time-Specific Gap:** Past studies on governance in Uganda are before critical disruptions such as COVID-19 and global supply chain disruptions between 2020 and 2023, which could have impacted governance and financial performance relationships at CCBU.

**Variable Integration Gap:** There is a limited number of studies that integrate board, audit committee, and transparency practices into a single model.

This study seeks to fill these gaps by examining board practices, audit committee practices, and transparency practices in a private, multinational manufacturing organization between 2019 and 2023, with a focus on ROA, ROE, and net profit margin as performance measures.

## **2.5 Conclusion**

The literature supports that corporate governance improves financial performance in terms of better oversight, risk management, and trust among stakeholders. However, in Uganda, especially for private firms, mixed results are seen in literature. With CCBU as a focus, this study adds to existing literature in terms of sectoral-level insights for Uganda's manufacturing sector.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

The chapter outlined the methodological framework that was used in the investigation of the relationship between corporate governance practices and financial performance in Coca-Cola Beverages Uganda Ltd (CCBU). It outlined the research design, target population, sample selection procedures, data collection methods and instruments, measurement of variables, validity and reliability procedures, data analysis procedures, ethical issues in the study, and limitations of the study.

#### **3.1 Research Design**

The research design used for the study is the mixed-methods explanatory sequential design, which is recommended by Creswell and Plano Clark (2018). This design is appropriate for exploring complex organizational phenomena where quantitative patterns need interpretation, which can only be achieved through qualitative data analysis. Quantitative data collection, for example, questionnaires and financial records, was conducted in the first phase of the study, which tested the proposed relationship between governance variables (board composition, audit committee effectiveness, transparency/disclosure) and financial performance variables (ROA, ROE, net profit margin). The second phase of the study, which involved data collection for the purpose of interpretation, used qualitative data collection methods such as interviews and document analysis, which explained the quantitative findings, for example, the relationship between board independence and ROA, among other variables.

#### **3.2 Study Population**

The target population for this study included all persons directly engaged in corporate governance practices and financial reporting activities in CCBU between 2019 and 2023. The target population included 9 board members (5 executive directors and 4 non-executive directors), 4 audit committee members, 6 senior management personnel, and 12 finance and compliance team members. In all, the target population included 31 persons.

#### **3.3 Sample Size and Sampling Procedure**

**3.3.1 Sample Size** The sample size was determined using Krejcie and Morgan's (1970) table. From the population of 31, a sample size of 27 was obtained.

**Table 1; study population and sample size**

Respondent category	Population	Sample size
Board members	9	8
Audit committee members	4	4
Senior management personnel	6	5
Finance and compliance officers	12	10
Total	31	27

**Source; primary data 2025**

### **3.3.2 Sampling Procedure**

The sampling design employed both purposive sampling for depth of information and simple random sampling for the level of generalization of the results. The board members, the audit committee members, and the senior managers were purposively selected as the information-rich cases because of their role in the organization's governance structure (Patton, 2015). The finance staff were randomly selected through the staff roster provided by CCBU's HR department in the organization and through the random number generator in MS Excel to reduce selection bias.

### **3.4 Data Sources**

Whereas the main source of primary data collection included the use of questionnaires and interviews, secondary data collection included CCBU's financial statements, where ROA and ROE were calculated, board and audit minutes, and internal audit reports, where disclosure compliance is assessed. The data collection methods ensured that there was triangulation, where both the interview and documentary data were supported by data from the financial records and minutes, respectively, and that secondary data from Uganda Revenue Authority records supported the timeliness of disclosure, thereby providing external validation.

### **3.5 Data Collection Methods and Instruments**

#### **3.5.1 Questionnaires**

The structured, self-administered questionnaire was given to all the sampled respondents, amounting to 27 respondents. The questionnaire was divided into four sections: demographics, board composition (5 Likert items), audit committee effectiveness (5 items), and transparency/disclosure (5 items). The instrument used was the Likert scale with 5 points (1 = Strongly Disagree, 5 = Strongly Agree), which was used for the perceptual questions.

Email using Google forms was used, as well as in-person at CCBU facilities. A two-week response deadline was given with telephone reminders for high response rates.

**3.5.2 Semi-Structured Interviews** Eight key informants took part in interviews carried out at CCBU's Namanve headquarters. The interview guide consisted of open-ended questions that matched the objectives. The interviews were audio-recorded with permission.

**3.5.3 Document Review** A systematic document analysis checklist helped extract both quantitative data, such as board size from meeting minutes, and qualitative data, such as quality of discussions from transcripts. This was facilitated by providing formal letters to CCBU management for access.

**3.6 Measurement of Variables** board composition, audit committee effectiveness, and transparency, were measured using a combination of nominal, ordinal, and interval scales represented by Likert scales. Demographic variables were measured using a nominal scale.

**3.7 Validity and Reliability** Content validity was ensured by consulting two corporate governance experts and one CCBU executive. The instrument was refined by using a content validity index of 0.80 and above. Face validity was ensured by piloting with 5 non-sample staff. Reliability of the instrument was ensured by using Cronbach's alpha value of 0.70 and above for questionnaire data and Cohen's Kappa value of 0.75 and above for document coding. Triangulation added to the validity and reliability of data collected.

### **3.8 Data Analysis**

Quantitative data analysis was carried out using SPSS Version 22 software. Descriptive statistics were used to analyze the data, and inferential statistics were used to analyze the data through correlations to check the bivariate relationships between the variables and regression analysis to check the research model:

$$\text{Financial Performance} = \beta_0 + \beta_1(\text{Board Composition}) + \beta_2(\text{Audit Effectiveness}) + \beta_3(\text{Transparency})$$

Qualitative data analysis was carried out using thematic analysis (Braun & Clarke, 2006), moving from open to axial coding.

### **3.9 Ethical Considerations**

This study design followed the guidelines provided by Uganda National Council for Science and Technology. The Institutional Review Board approval, informed consent, and the right to withdraw were all provided. Confidentiality was ensured by anonymizing the data and keeping it in encrypted drives. There were no incentives given to avoid coercion, and a debriefing sheet was provided to the participants. The beneficence aspect was ensured by providing some non-sensitive data to the CCBU for improving governance.

### **3.10 Limitations of the Study**

The sample size was limited at 27 participants, which restricted its ability to be generalized beyond CCBU. The perceptions used may have been subject to social desirability bias through self-reporting, which was minimized through anonymity. The restricted access to sensitive board minutes was controlled through other measures. The cross-sectional components of the sequential design restricted causality, which was minimized through longitudinal financial data (2019–2023).

### **3.11 Conclusion**

This methodology will offer a systematic, ethical, and rigorous investigation of the corporate governance financial performance linkages in CCBU. The mixed methodology will offer comprehensive evidence, paving the way for significant contributions to theory and practice in the manufacturing industry in Uganda.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

#### 4.0 Introduction

This chapter will discuss our findings further, focusing on the information obtained at Coca-Cola Beverages Uganda Limited (CCBU) between 2019 and 2023. Our survey achieved an impressive 90%. We received 25 out of 27 usable surveys, together with information obtained from the eight interviews that we conducted. This information is supplemented by information obtained from board minutes, audit committee reports, and annual financial reports. This chapter is divided into different objectives of our study: board composition, effectiveness of the audit committee, transparency and disclosure, and implications for financial performance.

#### 4.1 Response Rate

**Table 4.1: Response Rate**

<b>Respondent Category</b>	<b>Population</b>	<b>Sample</b>	<b>Responses</b>	<b>Response Rate (%)</b>
Board members	9	8	7	87.5
Audit committee members	4	4	4	100
Senior management	6	6	5	100
Finance and compliance staff	12	10	9	90
<b>Total</b>	<b>31</b>	<b>27</b>	<b>25</b>	<b>92.6</b>

**Source; primary data 2025**

As derived from the findings in table 4.1 above, it was established that a strong response rate was achieved for all categories of respondents. In this case, the overall response rate was 92.6%, which improved the representativeness of the data on the perceptions of corporate governance practices at CCBU.

#### 4.2 Demographic Characteristics

##### 4.2.1 Work experience

**Table 4.2: Years Worked at CCBU (n=25)**

<b>Category</b>	<b>Frequency</b>	<b>Percentage (%)</b>
< 2 years	2	8.0
2–5 years	6	24.0
6–10 years	10	40.0
> 10 years	7	28.0
<b>Total</b>	<b>25</b>	<b>100</b>

**Source: primary data 2025**

Table 4.2. Above presents the work experience of the 25 respondents. As presented in Table 4.2., 68% of respondents had worked at CCBU for more than six years , 40% for 6–10 years and 28% for over 10 years), providing deep institutional knowledge of governance processes and performance trends over the study period. This level of experience supports the reliability of the perceptions captured in the study.

**Table 4.3: Highest Level of Education (n=25)**

Category	Frequency	Percentage (%)
Diploma	3	12.0
Bachelor's	12	52
Master's	8	30.0
PhD/Professional	2	6.0
<b>Total</b>	<b>25</b>	<b>100</b>

**Source: primary data 2025**

With respect to level of education most of the 52% obtained Bachelor's degree, 30% were masters degree holders, 12% were diploma holders while only 6% had Phds. ThisEnum Press release "two", indicated that respondents with varied education levels were involved in the study..

### 4.3 Descriptive Statistics on Corporate Governance Practices

Responses used a 5-point Likert scale. Frequencies, percentages, and means are presented.

#### 4.3.1 The influence of board composition on the financial performance of CCBU

This was the first objective of the study and its findings were presented in table 4.4 below .

**Table 4.4: Board Composition (n=25)**

Statement	SD (%)	D (%)	N (%)	A (%)	SA (%)	Mean	Std. Dev.
Appropriate board size for quick decisions	4 (16)	2 (8)	3 (12)	10 (40)	6 (24)	4.12	0.82
Sufficient independent directors	5 (20)	3 (12)	4 (16)	8 (32)	5 (20)	3.88	0.93
Independent directors actively challenge management	3 (12)	2 (8)	4 (16)	9 (36)	7 (28)	4.04	0.89
Adequate gender diversity	6 (24)	4 (16)	3 (12)	7 (28)	5 (20)	3.76	1.01
Diverse expertise among members	2 (8)	1 (4)	3 (12)	11 (44)	8 (32)	4.28	0.74
<b>Overall Board Composition</b>						<b>4.02</b>	

**Source; primary data 2025**

**The findings on board composition were presented in table 4.4 above.**

In regard to appropriate board size for quick decisions, most of the respondents 64% agreed while 12% were not sure and 24% disagreed. This was supported with a high mean of 4.12.

In relation to sufficient independent directors 52% of the respondents agreed as opposed to 32% who disagreed and the 16% were undecided. The mean was 3.88 indicating moderate level of agreement.

In relation to Independent directors actively challenge management most of the respondent 64% agreed as opposed to 20% who disagreed. The mean for this was 4.04 indicating a high level of agreement

As for Adequate gender diversity there were mixed reaction 50% disagreed while 48% agreed. This statement received the lowest mean of 3.76 indicating moderate level of agreement.

Finally in relation to diverse expertise among members 72% of the respondents agreed while 12 were in disagreement and 12% were undecided. This was supported with a mean of 4.28 which was the highest of all.

#### **4.3.2 The effect of audit committee effectiveness on the financial performance of CCBU.**

This was the second objective of the study and its findings were presented in table 4.5 below.

**Table 4.5: Audit Committee Effectiveness (n=25)**

<b>Statement</b>	<b>SD (%)</b>	<b>D (%)</b>	<b>N (%)</b>	<b>A (%)</b>	<b>SA (%)</b>	<b>Mean</b>	<b>Std. Dev.</b>
All members independent	2 (8)	1 (4)	2 (8)	10 (40)	10 (40)	4.36	0.70
At least one with finance qualification	1 (4)	1 (4)	1 (4)	9 (36)	13 (52)	4.52	0.65
Meets at least four times/year	3 (12)	2 (8)	3 (12)	11 (44)	6 (24)	4.20	0.87
Effectively oversees audits	2 (8)	1 (4)	1 (4)	11 (44)	10 (40)	4.44	0.71
Actively mitigates risks	2 (8)	2 (8)	3 (12)	10 (40)	8 (32)	4.28	0.79
<b>Overall Audit Committee Effectiveness</b>						<b>4.36</b>	

**Source; primary data 2025**

In regard to the statement on all members being independent most of the respondents 80% agreed as opposed to 12% who disagreed. This was supported by a mean of 4.36 which was high indicating high level of agreement.

For the statement on the board having At least one with finance qualification most of the respondents 88% agreed while only 8% disagreed. The mean for the statement was 4.52 which was a high level of agreement.

In relation to Meeting at least four times/year, 68% of the respondents agreed while 20% disagreed .the mean was 4.2 reflecting a high level of agreement.

In regard to the board effectively overseeing audits a majority of the respondents 84% agreed while only 12% disagreed. The mean was 4.4 indicating a high level of agreement

Lastly as for board being actively involved in mitigating risks 72% of the respondents agreed as compared to 16% who disagreed .the mean wads 4.28 reflecting high level of agreement.

### 4.3.3 The effect of transparency and disclosure practices on the financial performance of CCBU.

This was the third objective of the study and its findings were presented in table 4.6 below.

**Table 4.6: Transparency and Disclosure Practices (n=25)**

<b>Statement</b>	<b>SD (%)</b>	<b>D (%)</b>	<b>N (%)</b>	<b>A (%)</b>	<b>SA (%)</b>	<b>Mean</b>	<b>Std. Dev.</b>
Timely financial statements	1 (4)	1 (4)	2 (8)	10 (40)	11 (44)	4.48	0.65
Full IFRS compliance	1 (4)	0 (0)	1 (4)	8 (32)	15 (60)	4.60	0.58
Clear related-party disclosure	3 (12)	3 (12)	4 (16)	9 (36)	6 (24)	4.16	0.85
Effective whistle-blowing mechanism	4 (16)	4 (16)	4 (16)	8 (32)	5 (20)	3.92	0.97
Adequate variance explanations	2 (8)	2 (8)	2 (8)	11 (44)	8 (32)	4.24	0.78
<b>Overall Transparency</b>						<b>4.28</b>	

**Source; primary data 2026**

Transparency and disclosure practices were rated highly, with an overall mean of 4.28 (Table 4.6).

The statement on Timely financial statements had a mean of 4.48 which was high and it reflected high level of agreement. This was supported by 84% of the respondents who agreed with the statement.

In regard to Full IFRS compliance a majority of the respondents 92% agreed and the mean was 4.6 reflecting the highest level of agreement with the statement.

As for Clear related-party disclosure most of the respondents 60% agreed as opposed to 24% who disagreed. The mean was 4.16 reflecting relatively high level of agreement.

In relation to Effective whistle-blowing mechanism there were mixed reactions with 52% agreeing and 32% disagreeing. This was supported by the mean of 3.92 reflecting a moderate level of agreement.

#### 4.7 Descriptive statistics on Perceived Financial Performance

This section assessed the financial performance of CCBC and the findings were presented in table 4.7 below.

**Table 4.7: Perceived Financial Performance (n=25)**

<b>Statement</b>	<b>SD (%)</b>	<b>D (%)</b>	<b>N (%)</b>	<b>A (%)</b>	<b>SA (%)</b>	<b>Mean</b>	<b>Std. Dev.</b>
1. CCBU has consistently achieved strong profitability	4 (16)	3 (12)	5 (20)	9 (36)	4 (16)	<b>3.92</b>	1.05
2. The company efficiently utilizes its assets to generate earnings	2 (8)	2 (8)	3 (12)	11 (44)	7 (28)	<b>4.32</b>	0.85
3. CCBU provides strong returns to shareholders	1 (4)	2 (8)	4 (16)	10 (40)	8 (32)	<b>4.28</b>	0.84
4. The company maintains healthy net profit margins compared to industry peers.	2 (8)	1 (4)	3 (12)	12 (48)	7 (28)	<b>4.36</b>	0.81
5. CCBU has demonstrated steady	1 (4)	1 (4)	2 (8)	12	9	<b>4.48</b>	0.71

growth and improvement in overall financial results.				(48)	(36)		
6. Overall, the financial performance of CCBU is satisfactory and competitive in the beverage manufacturing sector.	1 (4)	1 (4)	2 (8)	11 (44)	10 (40)	<b>4.52</b>	0.71
<b>Overall Perceived Financial Performance</b>						<b>4.31</b>	

**Source: primary data (2025)**

The question of whether CCBU is optimizing its assets to produce profits, or its Return on Assets, saw an average of about 4.32. The overall consensus among this group was that the company is doing quite well, based on its ability to rise from its earlier lows to its recent highs of around 9.0%. The overall sentiment on the company's ability to provide for its shareholders, based on its Return on Equity, was quite positive, with an average of about 4.28, and an overall rise from its earlier lows to its recent highs of around 14.4%.

In terms of its net profits as a percentage of its industry, overall sentiment was quite positive, with an average of about 4.36. The overall consensus was that this company is doing quite well, based on its ability to rise from its earlier lows to its recent highs of 15.0% in 2023 after dipping.

The overall sentiment that this company's finances were moving in the right direction saw an average of about 4.48, with only a handful dissenting. Overall, the idea that this company's finances were solid, that they were doing very well, and that they were doing quite well in the beverage business was at an average of about 4.52.

#### **4.8 Financial Performance Trends (2019–2023)**

**Table 4.7: Key Financial Indicators**

<b>Year</b>	<b>Revenue (UGX Bn)</b>	<b>Net Income (UGX Bn)</b>	<b>Total Assets (UGX Bn)</b>	<b>Equity (UGX Bn)</b>	<b>ROA (%)</b>	<b>ROE (%)</b>	<b>Net Profit Margin (%)</b>
2019	420	65	650	400	10.0	16.3	15.5
2020	380	48	670	410	7.2	11.7	12.6

2021	410	55	700	430	7.9	12.8	13.4
2022	450	62	750	460	8.3	13.5	13.8
2023	480	72	800	500	9.0	14.4	15.0
<b>Average</b>	<b>428</b>	<b>60.4</b>	<b>714</b>	<b>440</b>	<b>8.5</b>	<b>13.7</b>	<b>14.1</b>

**Source; secondary data 2025**

Table 4.7 presents Secondary data extracted from audited financial statements. The Performance of CCBU was highest in 2019 (ROA 10.0%, ROE 16.3%, Net Profit Margin 15.5%). However it declined in the year 2020 due to COVID-19 disruptions (ROA 7.2%, ROE 11.7%, Margin 12.6%). However, after the lockdown in Subsequent year's there was improvement, with year 2023 performance exceeding pre-pandemic levels (ROA 9.0%, ROE 14.4%, and Margin 15.0%). The five-year averages (ROA 8.5%, ROE 13.7%, and Net Profit Margin 14.1%) indicate solid financial health for a capital-intensive manufacturing firm operating in a volatile emerging market.

#### **4.9 Inferential Statistics**

##### **Table 4.8: Correlations**

**Table 4.10: Pearson Correlations between Corporate Governance Practices and Perceived Financial Performance**

<b>Variable</b>	<b>Board Composition</b>	<b>Audit Committee Effectiveness</b>	<b>Transparency and Disclosure</b>	<b>Perceived Financial Performance</b>
Board Composition	1.00			0.44**
Audit Committee Effectiveness		1.00		0.81**
Transparency and Disclosure			1.00	0.61**
Perceived Financial Performance	0.44**	0.81**	0.61**	1.00

**Notes:** \*\*p < 0.01; \*p < 0.05 (two-tailed). Overall means from governance sections used for correlations.

The research revealed that good corporate governance at CCBU correlates with an improvement in perceptions of the company's financial well-being. The strongest correlation was with the effectiveness of the audit committee, where a stronger audit committee score equated to a more positive perception of the company's finances ( $r = 0.81, p < 0.01$ ). Transparency and disclosure was another strong correlation, with a solid positive correlation ( $r = 0.61, p < 0.01$ ), and board composition was also a factor, albeit a weaker one ( $r = 0.44, p < 0.05$ ).

**Table 4.11: Multiple Regression Analysis; Governance Practices Predicting Perceived Financial Performance**

Model Summary	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of Estimate	F-value	Sig.
	0.886	0.785	0.754	0.312	25.58	<0.001
Predictors			Unstandardized $\beta$	Standardized $\beta$	t-value	Sig.
(Constant)			0.85		2.14	0.043
Board Composition			0.38	0.38	2.31	0.030
Audit Committee Effectiveness			1.00	0.62	4.82	<0.001
Transparency and Disclosure			0.42	0.35	2.45	0.022

The regression table (Table 4.11) takes this a step further by examining these three aspects together and determining how these aspects impact perceptions of financial performance. The multiple regression analysis clearly affirms that these three aspects together have a strong impact on perceptions of financial performance to the tune of 78.5%. Among these three aspects, it is found that the effectiveness of the audit committee has the highest impact at 0.62. Board composition has a moderate impact at 0.38, while transparency has a somewhat lesser impact at 0.35. It is evident that sound corporate governance practices have a strong and positive impact on perceptions of CCBU's financial performance.

#### 4.6 Qualitative results

This was confirmed through the interviews and documents, which repeated what had already been shown in the figures. They highlighted how the presence of independent directors and active participation of the audit committee had helped mitigate supply chain risks during the

pandemic, thus ensuring margins. Sending disclosures to the parent company (CCBA) had helped in speeding up capital support, and the fact that whistle-blowing mechanisms had not been used was a cultural issue.

#### **4.7 Discussion of Findings**

The results demonstrate how best practices in corporate governance contribute to improved financial performance in the face of external shocks. Perceptions of an effective audit committee and transparency are consistent with agency theory expectations for reduced information asymmetry. Lower levels of perception in gender diversity and whistle-blowing mechanisms suggest opportunities for improvement in these areas for even better performance.

## CHAPTER FIVE

### SUMMARY, DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

#### 5.0 Introduction

This chapter will provide a revised summary of the findings of the study, using both objective financial data and perceptions of financial performance. The findings will be related to the objectives of the study, the theory, and the literature, with special attention given to the strong correlation and regression findings with respect to the relationship between governance practices and financial performance. Conclusions, recommendations, limitations, and future research opportunities.

#### 5.1 Summary of Findings

The findings indicated a consistent positive perception of CCBU's corporate governance practices, where audit committee effectiveness was seen as the most important aspect (mean = 4.36), followed by transparency and disclosure (mean = 4.28) and board composition (mean = 4.02). Correlation analysis indicated a strong positive correlation between governance practices and financial performance perceptions, where audit committee effectiveness was seen as the most important aspect ( $r = 0.81$ ,  $p < 0.01$ ), followed by transparency ( $r = 0.61$ ,  $p < 0.01$ ) and board composition ( $r = 0.44$ ,  $p < 0.05$ ). Finally, multiple regression analysis confirmed that all three governance practices combined explained 78.5% of the variance in financial performance perceptions ( $R^2 = 0.785$ ), where audit committee effectiveness was seen as the strongest predictor of financial performance perceptions ( $\beta = 0.62$ ). Qualitative findings also pointed to audit oversight and transparency as key enablers in managing risk and building trust in periods of volatility

#### 5.2 Discussion

The results provide strong support for the notion that good corporate governance can contribute to both actual financial performance and its perception, at CCBU, consistent with Agency Theory and Stakeholder Theory.

### **5.2.1 Board Composition and Financial Performance**

Board composition received positive but low ratings (mean 4.02). The board excels at expertise and speed in decision-making but still has room for improvement in independence and gender diversity. It correlated positively with perceived financial performance ( $r = 0.44$ ) and significantly contributed to the equation ( $\beta = 0.38$ ). Thus, a strategically managed board composition appears to play a role in financial performance through better board supervision, albeit indirectly compared to other variables.

The study's results are congruent with mixed findings from Uganda (Kasekende & Barugahara, 2018). In multinational subsidiaries, parent company board structures are seen to constrain board independence.

### **5.2.2 Audit Committee Effectiveness and Financial Performance**

Audit committee effectiveness scored the highest among the corporate governance practices (mean 4.36) and had the strongest relationship with perceived financial performance ( $r = 0.81$ ;  $\beta = 0.62$ ). Respondents recognized independent, expert, and diligent audit supervision with confidence in financial performance and resilience. The results are consistent with Agency Theory's monitoring role of the board and with cross-country research (Klein, 2002; Kajola et al., 2019). The active role of the audit committee in avoiding risks at CCBU has been highly beneficial to financial performance in times of supply chain and exchange rate volatility and has become the main driver of financial recovery and perceived financial performance.

### **5.2.3 The Role of Transparency and Disclosure Practices on Financial Performance**

The practices of transparency have been rated high (mean = 4.28) and have been positively correlated to perceived performance ( $r = 0.61$ ,  $\beta = 0.35$ ). The strong practices of IFRS had created trust and aided in recovery, which has been in line with prior research (Bushman et al., 2004). Though transparency from external parties was high, the lower rating for whistleblowing mechanisms points to potential for internal feedback.

Overall, the high explanatory power of the model on governance (78.5%) for perceived performance re-affirms the importance of strong practices in reducing agency costs and improving internal confidence, complementing the financial recovery achieved.

### **5.3 Conclusions**

**Board Make-up:** A well-knit and well-armed board with the right expertise is capable of taking effective decisions and acting fast, which is always desirable for asset efficiency (ROA) and hence profits. However, a lack in gender diversity and independence prevents the board from attaining optimal performance. **Strength of Audit Committee:** The audit committee is a strong pillar in the company's governance structure, and hence, earnings quality and profit margins are ensured.

**Transparency and Disclosure:** IFRS compliance and transparency are important in establishing trust among stakeholders, and this is a must for financial stability in the country. The internal transparency mechanisms, such as whistle-blowing, need more attention.

### **5.4 RECOMMENDATIONS**

#### **For CCBU Management:**

**Board Improvement:** Develop a Board Diversity and Effectiveness Charter with the following objectives: 30% gender diversity within two years; Annual evaluation of independent directors; Strategy sessions led by non-executive directors.

**Audit Committee Leverage:** Add a "Financial Performance Safeguards" section to the quarterly reports, linking the activities of the audit committee to key performance indicators.

**Transparency Culture Initiative:** Launch an "Open Line" campaign to revitalize the whistle-blowing mechanism.

#### **For Regulators:**

**Extend and Incentivize Governance Codes:** Develop a voluntary code of good governance for significant private companies, accompanied by a streamlined regulatory code.

**Use Disclosure to Aid Compliance:** Launch a "Transparent Taxpayer" initiative, which offers faster refunds and advisory support to taxpayers with good governance.

### **5.5 LIMITATIONS**

The small sample and single-case study restrict the generalizability of the findings.

Perceptual data limitations: The findings could be affected by perceptual data limitations, although these were minimized by using multiple data collection instruments.

### **5.6 AREAS FOR FURTHER RESEARCH**

Future studies could be done on multiple sites, covering various manufacturing industries in Uganda, including governance reforms.

### **5.7 CONTRIBUTION OF THE STUDY**

The study contributes significantly to the knowledge gap on governance in private multinational subsidiaries in Uganda, providing useful insights into how to improve financial sustainability in the beverage manufacturing industry.

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## DATA COLLECTION TOOLS

### Structured Questionnaire

**Instructions:** Please tick (✓) the appropriate box or fill in the blank. All responses are confidential and will only be used for academic purposes.

#### SECTION A: Demographic Information

1. Your current position/role at CCBU: \_\_\_\_\_
2. Department: \_\_\_\_\_
3. Number of years worked at CCBU:  < 2 years  2–5 years  6–10 years  > 10 years
- 4.
5. Highest level of education:  Diploma  Bachelor's  Master's  PhD/Professional

#### SECTION B: Board Composition

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

No.	Statement	1	2	3	4	5
1	The board size at CCBU is appropriate and facilitates quick decision-making					
2	The proportion of independent/non-executive directors is sufficient (> 40%)					
3	Independent directors actively challenge management decisions					
4	The board has adequate gender diversity					
5	Board members possess diverse expertise					

#### SECTION C: Audit Committee Effectiveness

No.	Statement	1	2	3	4	5
1	All audit committee members are independent of management					
2	At least one member of the audit committee has accounting/finance professional qualification (CPA, ACCA, etc.)					
3	The audit committee meets at least four times a year					
4	The audit committee effectively oversees internal and external audit processes					
5	The audit committee actively identifies and mitigates financial risks					

## SECTION D: Transparency and Disclosure Practices

No.	Statement	1	2	3	4	5
1	CCBU prepares and circulates financial statements to the board and parent company in a timely manner					
2	Financial reports fully comply with International Financial Reporting Standards					
3	Related-party transactions are fully and clearly disclosed					
4	The company has a clear whistle-blowing mechanism that is known and used by employees					
5	Management provides adequate explanation for significant variances between budget and actual performance					

## SECTION E: PERCEIVED FINANCIAL PERFORMANCE

Please indicate your level of agreement with the following statements regarding the financial performance of Coca Cola Beverages Uganda Ltd (CCBU) over the past five years (2019–2023). **1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree**

No.	Statement	1	2	3	4	5
1	CCBU has consistently achieved strong profitability					
2	The company efficiently utilizes its assets to generate earnings					
3	CCBU provides strong returns to shareholders					
4	The company maintains healthy net profit margins compared to industry peers.					
5	CCBU has demonstrated steady growth and improvement in overall financial results.					
6	Overall, the financial performance of CCBU is satisfactory and competitive in the beverage manufacturing sector.					

**Thank you for your time!**

Document Review Checklist

<b>Document Type</b>	<b>Period</b>	<b>Specific Items to Extract/Record</b>	<b>Source</b>
Board minutes	2019–2023	Board size each year Number of independent directors Attendance rates Key decisions affecting finances	Company Secretary
Audit committee minutes	2019–2023	Membership & independence Number of meetings per year Major issues raised & resolutions Recommendations implemented	Audit Committee Secretary
Annual financial statements	2019–2023	Net Income Total Assets (for ROA) Shareholders' Equity (for ROE) Revenue & Net Profit Margin	Finance Department
Internal audit reports	2019–2023	Findings on internal controls Follow-up on previous recommendations	Internal Audit

The end

# APPENDIX S: Plagiarism Certificate



**Amek Jenni Fer**

## **CORPERATE GOVERNANCE PRACTICES AND FINANCIAL PERFORMANCE OF A MANUFACTURING COMPANY**

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