

**INTERNAL CONTROL SYSTEM AND FINANCIAL PERFORMANCE OF ABRAH
SUPERMARKET MBALE CITY**

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**UGANDA CHRISTIAN
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DECLARATION

I, Mataya Abraham, declare that this piece of work is my original work and has never been submitted to any University or Institution of higher learning for any academic award.

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APPROVAL

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Date : 
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DEDICATION

I dedicate this work to my beloved parents Mr. Mataya Amos and Miss Nekesa Justine, my brother Mr. Mataya Richard and his wife Miss Mariam Kilande who ensured I studied at all cost. May the almighty God continue blessing you all abundantly.

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LIST OF ACRONYMS

ACCA	:	Association of Chartered Certified Accountants
APB	:	Auditing Practices Board
ASM	:	Abrah supermarket
CPA	:	Certified Public Accountant
CE	:	Control Environment
COSO	:	Committee of Sponsoring Organizations
IA	:	Internal audit
IC	:	Internal Controls
IT	:	Information Technology
ICS	:	Internal Control Systems
INTOSAI	:	International Organization of Supreme Audit Institutions
SOX	:	Sarbanes - Oxley
SOD	:	Segregation of duties
PBB	:	Performance Based Budgeting
UCU	:	Uganda Christian University
VFM	:	Value for Money

ABSTRACT

The study investigated the effect of internal control system on financial performance of Abrah supermarket. Internal controls were looked at from the perspective of, Internal Audit, segregation of duties and organization plan whereas Financial performance focused on Liquidity, budget performance, Accountability and Reporting as the measures of Financial performance. The Researcher set out to establish the causes of persistent poor financial performance from the perspective of internal controls. The research was conducted using both quantitative and qualitative approaches using Survey, Correlation and Case study as Research Designs. Data was collected using Questionnaires, interviews, observation as well as review of available documents and records targeting basically Finance Officers, Heads of Departments, Management Committee members and Finance and Accounts staff as respondents from a population of 100 employees in Abrah supermarket. The study found that management of Abrah supermarket is committed to the control system, actively participates in monitoring and supervision of the activities of Abrah supermarket, all the activities of the organization are initiated by the top level management, that the internal audit department is efficient, is equally staffed, conduct regular audit activities and produce regular audit reports although the few reports produced by the internal audit department address weaknesses in the system. It was further revealed that there is a clear separation of roles, weaknesses in the system are addressed, and there is a training program for capacity building in the organization. However, the study also found out that there is information sharing and adequate security measures to safeguard the assets of Abrah supermarket. It was also noted that there is enough cash to meet intended obligations effectively as and when they fall due, It was however, revealed that all revenues and expenditures are properly classified, and that assets of Abrah supermarket have generally increased. The study established a significant relationship between internal control system and financial performance. It also recommends that Abrah supermarket should establish and manage knowledge/information management system to enable all parties within Abrah supermarket to freely access and utilize the official information. There should be a strategy to improve the generation of additional finance for Abrah supermarket. The Study therefore concludes that internal control system do function although with hiccups and that there is a significant relationship between internal control system and financial performance of Abrah supermarket.

CHAPTER ONE

1.0 Introduction

This chapter reviews the background of the study, problem statement of the study, purpose of the study, and objectives of the study, research questions, scope of the study, conceptual frame work and significance of the study, operational key terms and conclusion.

1.1 Background of the study.

Globally, the findings of the Tredway Commission Report of 1987 in the United States (USA) confirmed that the absence of internal controls or the presence of weak internal controls is the primary cause of many cases of fraudulent company financial reporting. The widespread global corporate accounting scandals in recent years inform this study.

Despite the fact that internal control system is expensive to install and maintain, it gradually evolved over the years with the greatest development occurring at the beginning of 1940's. Not only have the complexities of the business techniques contributed to this development but also the increased size of business units which have encouraged the adoption of methods which while increasing efficiency of business, acts as a safeguard against errors and frauds.

Notable cases include Enron and WorldCom in the USA, Parmalat in Europe and Chuo Aoyama in Asia. In South Africa, cases of accounting scandals have been recorded in JCI and Randgold and Exploration companies. In Nigeria, the managing director and chief financial officer of Cadbury Nigeria were dismissed in 2006 for inflating the profits of the company for some years before the company's foreign partner acquired controlling interest. These scandals emphasize the need to evaluate, scrutinize, and

formulate systems of checks and balances to guide corporate executives in decision-making. These executives are legally and morally obliged to produce honest, reliable, accurate and informative corporate financial reports periodically (Hayes et al, 2005).

In the study, internal controls were interpreted as “A process that guides an organization towards achieving its objectives.” These objectives include operational efficiency and effectiveness, reliability of financial reporting and compliance with relevant laws and regulations.” Financial performance is considered in terms of measures like profitability (using absolute and relative measures), liquidity (using liquidity ratios like current ratio, acid test ratios), the ease with which the entity settles its financial obligations and accountability.

Dixon et al (1990) found out that appropriate performance measures are those which enable organizations to direct their actions towards achieving their strategic objectives.

Stoner (2003) refers to performance as the ability to operate efficiently, profitably, survive, grow and react to the environmental opportunities and threats. In recent years the aspect of internal control system has achieved great importance since it is designed to safeguard the company’s assets against misuse, ensure compliance with the company’s laid policies, ensure the company’s personnel are efficiently utilized and the company runs in an orderly and efficient manner. Most importantly it ensures the company’s reliable records which are a source of information necessary for managerial decision making processes are availed whenever required by management or both the external and internal auditors. It is therefore clear that the adoption of a sound internal control system is not only helpful to the management, but also to the external auditors. However, it’s worth noting that internal controls only provide reasonable but not absolute assurance to an entity’s management and board of directors that the

organization's objectives will be achieved. "The likelihood of achievement is affected by limitations inherent in all systems of internal control," (Hayes et al, 2005).

Poor control systems in has led to huge investments lost through fraud and misuse of assets that are used to generate revenues while members and institutions have suffered big losses. Inadequate controls have also led to corruption and collusion of management and external auditors leading to organizations failing to achieve their set objectives. Technological changes have also brought with them challenges in control systems and this has necessitated the development of new ways of controlling organizations. (Procasur Africa Report (2012).

A research was conducted by Mawanda (2008) on influence of internal control systems on financial performance of co-operative societies in Uganda. Internal controls were looked at from the perspective of control environment, risk assessment, Control Activities, information and communication and monitoring process whereas financial performance focused on liquidity, accountability and reporting as the measures of financial performance. The researcher set out to establish the causes of persistent poor financial performance from the perspective of internal controls. The study established a significant relationship between internal control system and financial performance. The study recommended competence profiling in the Internal Audit department which should be based on what the firm expects the internal control system to do. The study therefore acknowledged the role of internal audit department to establish internal controls which have an effect on the financial performance of organizations.

This paper investigates the role of internal control system (ICS) on the financial performance of Abrah Supermarket. Uganda as a case study. Abrah Supermarket have become important supermarket in social development and economic intervention in Uganda. Abrah Supermarket can be defined as intermediary organisations engaged in funding or offering other forms of support to communities and other organisations (Goddard & Assad, 2006).

Alonzo (2007), asserts that Many organizations spend a lot of money on internal controls this include internal audit, segregation of duties, if internal control are poorly managed then organization is likely to experience fraud and corruption cases. This study will be undertaken to find out how Abrah Supermarket manages its internal control system and how this affects its profitability level. Abrah Supermarket is well known supermarket which deals in all sorts of products and Elgon pride in Mbale region. Effective internal control system operates when some specific procedures are adopted by the management.

Treba (2003) explained that weaknesses in internal control systems (control over the payroll, over expenditure commitments and over procurement processes) lead to failure to ensure that resources are allocated to define priorities and to guarantee that there is value for money.

International Accounting Standards (IAS) categorizes internal control types as a plan of organization, segregation of duties, control of documents, of assets, competence of staff, arithmetic and accounting controls, recording and record keeping, supervision, authorization and approvals, vocation and rotation of duties, cost feasibility, routine and automatic checks. Abrah Supermarket have tried to undertake activities like internal audit, organizational control and segregation of duties but still weaknesses still exist in areas of internal control system.

The study will examine the effect of internal control system on financial performance of Abrah supermarket.

1.2 Statement of the problem.

Organizations establish system of internal control to help them achieve performance and organizational goals, prevent loss of resources, enable production of reliable reports and ensure compliance with laws and regulations (Emasu, 2010).

Mawanda (2008), states that “there is a general perception that institution and enforcement of proper internal control system will always lead to improved financial performance”. It is also a general belief that properly instituted system of internal control improve the reporting process and also give rise to reliable reports which enhances the accountability function of management of an entity. Preparing reliable financial information is a key responsibility of the management of every company. The ability to effectively manage the firm’s business requires access to timely and accurate information.

it is clear that there are many areas about internal control in relation to financial performance of Abrah Supermarket that have not yet been fully addressed and it is for this reason that the study seeks to investigate the effect of internal control system on the financial performance of the supermarket.

1.3 purpose of the study.

The purpose of the study is to examine the effect of internal control system on the financial performance of Abrah supermarket Industrial City Division, Mbale City.

1.4 Research objectives.

1. To examine the effect of internal audit on the financial performance of Abrah supermarket.
2. To assess the effect of segregation of duties on the financial performance of Abrah supermarket.
3. To assess the relationship between internal control system and financial performance Abrah supermarket.

1.5 Research questions.

1. What is the effect of internal audit on the financial performance of Abrah Supermarket?
2. What is the effect of segregation of duties on the financial performance of Abrah supermarket?
3. What is the relationship between internal control system and financial performance of Abrah Supermarket?

1.6.0 Scope of the study.

This consists of the geographical, content and time scope of the study.

1.6.1 Geographical scope.

The study was carried out in Abrah supermarket situated on plot 46 Pallisa road, Mbale industrial City Division Mbale City.

1.6.2 Content scope.

The scope of this study was limited to internal control system and financial performance of Abrah supermarket. Internal control systems were the independent variable and financial performance were the dependent variable, the scope of internal control system was built on the internal audit, segregation of duties and organizational plan

while performance was built on Budget performance, financial reporting, profitability and Accountability.

1.6.3 Time scope.

The study covered a period of three years from 2020-2023 years; this is because the period enabled the researcher to get the required information for the purpose of research.

1.7 Significance of the study.

The result of the study may help identify gaps within the systems of internal control system in Abrah supermarket in Uganda. It is also the researcher's belief that invaluable benefits to management and those with governance and training in organization will emerge on how to streamline the systems of internal control systems thus improved financial performance and ultimately ensure attainment of the organisational objectives.

The development partners who are usually interested at helping the Abrah supermarket to modernise the training facilities will have an understanding of a wide variety of factors that hinder the growth of Abrah supermarket hence sustainability.

The ministries of the various departments that is to say health, education, work, they may want their services to reach the common man for example improvement of the health status of the local people. All these would need implementation the health grants release to the districts, reduction of poverty through action fund (PAF). Therefore, the internal control system in the place should be well established to realise maximum implementation.

The donors who provide their funds for specific activities for example elimination of aids in this country would need as well as set financial system so that their funds are implemented according to the work plan and the budget in place

The study may be of great benefit to the management of Abrah Supermarket in that they find issues raised like how to manage records keeping, budgetary control among others as relevant to the way of improving performance of the union and also better its financial position.

The study may help the accounting and finance staff to realize the usefulness of internal control systems in as far as their duties and execution of financial and accounting tasks is concerned.

The study findings and recommendations may provide government with information that enable it draw up strategies to improve on the soundness and revival of co-operative unions in Uganda bringing out the usefulness of understanding internal control system.

This study is of interest to academicians and future researchers who will be undertaking other researches related to this. This is because it increases their knowledge on internal control and provides the necessary information to be incorporated into their work.

The study also helps them come up with better proposals on internal control system and their effects on financial performance of Abrah supermarket. The recommendations of the study are of interest to the management of Abrah Supermarket because they point out the areas ignored in the internal control systems as well as the ways of improving the quality of the internal control system.

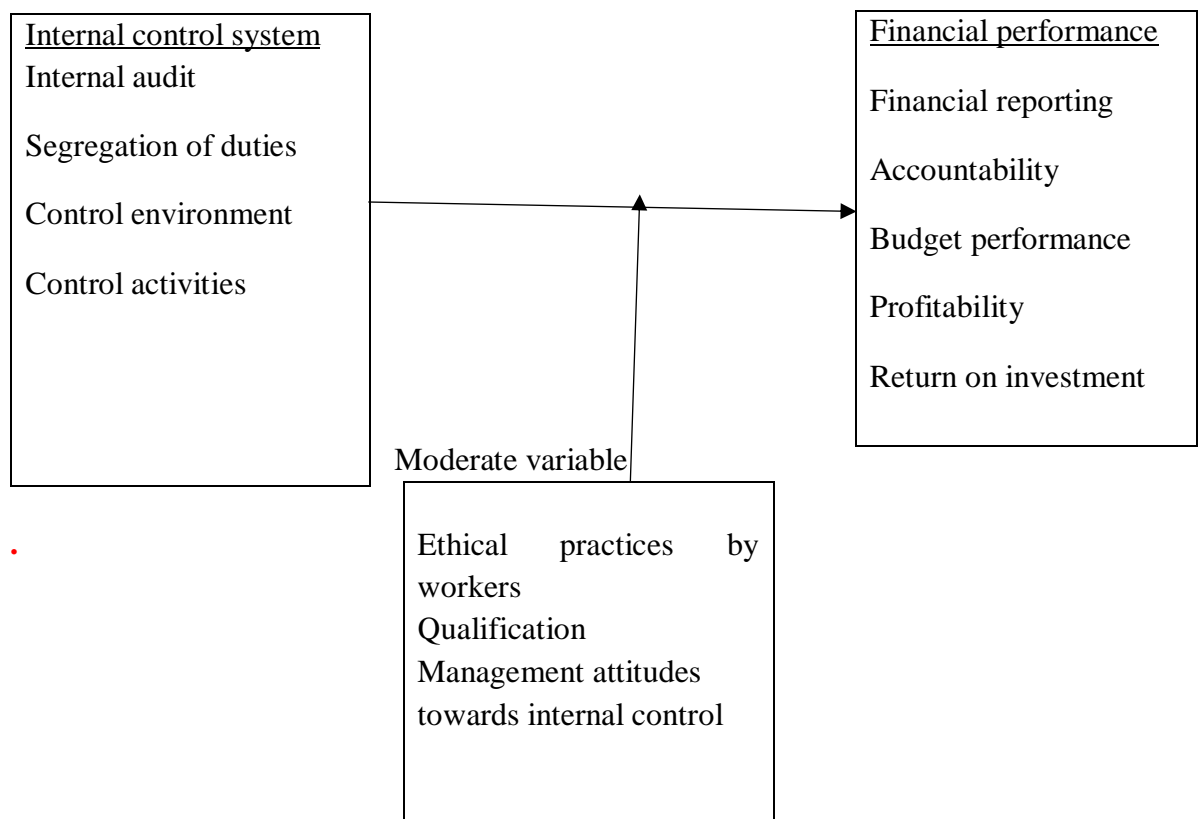
Furthermore, the study helps to inculcate scientific and inductive thinking and promotes the development of logical habits and thinking by all staff in the organization.

1.8 The conceptual frame work of the study.

Figure 2.1 illustrates the relationship between the independent variable and dependent variable and how moderating factors affect the desirable performance. In this regard, internal control system is the independent variable while financial performance is the dependent variable.

Figure 2.1 conceptual frame work

Independent variables (IV) Dependent variables (DV)



Source; adapted from Omega, M., K. R. Subramanian, and K. Raghunandan. (2007). internal control weakness and cost of equity: Evidence from SOX Section 404 disclosures.

From the above conceptual framework independent (Internal control system) in terms of Internal audit, Segregation of duties, supervision control, organization control

influences the performance of dependent variable (Financial performance) in terms of accountability, financial reporting, profitability, liquidity and budget performance. All the variable are also influenced by the Moderate variables which include qualification, change in policy, ethical practices by workers and experience of the staff.

1.9 Operational definition of key terms.

Accountability

Accountability is the insurance that an individual or an organization will be evaluated on their performance or behaviour related to something for which they are responsible.

Budget performance

This is a budget that reflect the inputs of services for each unit of an organization. This type of budget is commonly used by the government to show the link between the funds provided to the public and the outcome of these activities.

Efficiency

Refers to a functioning or proposing of a company at a given in a given period basing on the desired goals and objectives of a company.

Financial performance.

This refers to measuring results of a firm's policies and operation in monetary terms. These results are reflected in the firms return on investment, return on asset, value add.

Financial reporting.

This refers to the process of producing statements that disclose an organisation's financial status to top most management, investors and the management.

Firm is a commercial or industrial enterprise and the people who own or operate one or more establishments.

Internal audit.

This is an independent objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organisation accomplish its objective by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management control and governance process.

Internal control.

These are process including elements such as (policies procedures and systems) that are established operated and monitored by officers responsible for governance and management of the public authority to provide reasonable assurance regarding the achievement of the public authority's objectives

Organisational structure.

This refers to the end results of the process of setting medium and long term objectives for an organisation and then developing a strategy to accomplish those goals. Producing coherent. Organisational plan is one's of the most important task of senior business management since it provides consistence guidance and as action plan for the rest of the company to follow.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction.

This chapter outlines effect of internal audit on the financial performance of Abrah Supermarket, effect of segregation of duties on the financial performance of Abrah supermarket the relationship between internal control and financial performance of Abrah supermarket performance, measures of financial performance, value of internal control and risk. Management.

2.2.0 Empirical Review of the study.

The theoretical basis for establishing a relationship between financial performance and internal control systems has been documented in various literatures. Internal control systems that have been confirmed to have a relationship with business organization financial performance include: organizational structure, segregation of duties, physical authorization and approval, arithmetical and accounting, personnel, supervision, management, acknowledgement of performance and budgeting (Weber, 1998).

2.2.1 Effect of Internal Audit on the Financial Performance

Whittington & Pay (2001) suggest that internal auditing is performed as part of the monitoring activity of an organization. It involves investigating and appraising internal controls and the efficiency with which the various units of the organization are performing their assigned functions. An Internal Auditor is normally interested in determining whether a department has a clear understanding of its assignment, is adequately staffed, maintains good records, properly safeguarding cash, inventory & other assets and cooperates harmoniously with other departments.

Goodwin& Kent (2006) on the other hand asserts that “Internal audit is an independent appraisal function established within an Organization to examine and evaluate its activities as a service to the organization”. The objective of internal audit is to assist members of the organization in the effective discharge of their responsibilities. According to Gupta “the scope of internal audit is determined by management”. This may however, impair the internal auditor’s objectivity and hampers his independence, it is quite hard to report negatively on someone who determines the scope your work.

In accordance to Institute of Internal Auditors (IIA-UK; 1997), independence is applicable to all categories of auditors. This means the opportunity granted to the auditors to report directly to the top authority. Woolf (1986), says, although an internal auditor is an employee of the enterprise and cannot therefore be independent of it, he should be able to plan and carryout his work as he wishes and have access to the highest level of management. However, Millichamp (1993) says, effective internal audit should be carried out by independent personnel though they are employees appointed by management, for them to work efficiently, they should have scope to arrange priorities and activities have un restricted access to records, assets and personnel.

According to Bhatia (2003), Internal Auditing is the review of operations and records sometimes undertaken within the business by especially assigned staff. It’s also an independent appraisal function established within an organization to examine and evaluate the effectiveness, efficiency and economy of managements control system (Subramaniam,2006). Its objective is to provide management with re-assurance that their internal control systems are adequate for the need of the organization and are operating satisfactorily (Reid &Ashelby, 2002). It is a component of the internal control system set-up by management of an enterprise to examine, evaluate and report operations of accounting and other controls.

The quality and effectiveness of internal audit procedures in practice are necessary since internal auditors cover a wide variety of assignments, not all of which will relate to accounting areas in which the external auditor is interested (John & Morris, 2011). For example, it's common these days for internal audit to undertake the extensive and continuous task of setting management goals and monitoring its performance (John and Morris, 2011).

Emasu (2010) notes that “The effectiveness of internal audit function partly depends on; legal and regulatory framework, placement of the function and its independence, existence of audit committees, resources allocated to the function and professionalism of internal audit staff.

John & Morris (2011) say efficiency and effectiveness of internal audit procedures is not a simple task, successful operation is governed by the extent to which the element of internal audit procedures receive attention which include; expertise, independence, objectivity and totality. Effectiveness of internal audit procedures is a measure of the ability of the programme to produce a desired effect or a result that can be qualitatively measured (Harvey, 2004). Zabihollah (2001) argues that, there should be effective internal audit procedures to ensure reliability of financial statements, operational reports, safeguarding corporate assets and effective organizational controls.

Benston (2003) further supplements that perception and ownership, organization and governance framework, legislation, improved professionalism and resources were identified as functions in the public sector derived from the effectiveness of the internal audit procedures. How far internal audit procedures succeed in their effort of effectiveness is mainly judged by three factors that include; frequency of irregularities committed by the staff in the organization in form of errors or fraud, the promptness

with which such irregularities are detected by the authorities and the planning which makes possible repetition of such irregularities in future more difficult (Reid & Ashelby, 2002).

Earnest and Young (1995), the work of the internal auditor should appear to be properly planned, controlled, recorded and reviewed. Examples of the due professional care by the internal auditor are the existence of an adequate audit manual, general internal audit plans, procedures for controlling individual assignments and satisfactory arrangements for reporting and following up.

According to Hayes et al., 2005 internal control comprises five components; the control environment, the entity's risk assessment process, the information and communication systems, control activities and the monitoring of controls. However, for purposes of this study, the research will narrow down to only three components of the internal control system. These are; the control environment, internal audit and control activities.

John & Morris (2011) drawing from Statements of Standard Auditing Practices No. 6 (SAP 6) defines Internal control as “the plan of organization and all the methods and procedures adopted by then management of an entity to assist in achieving management objectives of ensuring as far as practicable, the orderly and efficient conduct of its business, including adherence to management policies, the safeguarding of assets, prevention and detection of fraud and error, the accuracy and completeness of accounting records and the timely preparation of reliable financial information”.

Whittington & Kurt (2001) argue that It is worth noting from the above that; properly instituted systems of internal control will ensure; completeness of all transactions undertaken by an entity, that the entity's assets are safeguarded from theft and misuse, that transactions in the financial statements are stated at the appropriate amounts, that

all assets in the company's financial statements do exist, that all the assets presented in the company's financial statements are recoverable and that the entity's transactions are presented in the appropriate manner according to the applicable reporting framework (ACCA- Audit and Assurance Services).

Internal control is the term generally used to describe how management assures that an organization does meet its financial and other objectives. Internal control systems not only contribute to managerial effectiveness but are also important duties of corporate boards of directors. (Verschoor, 1999).

Hitt, Hoskisson, Johnson & Moesel (1996) argued that there are two types of major internal controls associated with the management of large firms, particularly diversified firms, which have an important effect on firm innovation, these are; strategic controls and financial controls. Strategic controls entail the use of long-term and strategically relevant criteria for the evaluation of business-level managers' actions and performance. Strategic controls emphasize largely subjective and sometimes intuitive criteria for evaluation

(Whittington & Kurt 2001). The use of strategic controls requires that corporate managers have a deep understanding of business-level operations and markets. Such controls also require a rich information exchange between corporate and divisional managers (Hoskisson, Hitt, & Ireland, 1994).

2.2.2 Effect of Segregation of Duties on the financial performance

Millichamp (1999) stated that the term segregation of duties is used these days for internal duties. One of the prime means of control is the separation of those duties which would if combined would enable one individual to record and process a complete transaction. This practice reduces risk of intentional manipulation of accounts and

increases element of checking. This makes fraud more difficult to be committed because one transaction is completed by different employees.

Asoke (2005) underscored the importance of segregation of duties that the likelihood of fraud and the theft, which may reduce organizational performance, is reduced if it becomes necessary to collude with others to accomplish an offence. For example, a person selling seats to a movie may be tempted to pocket some money received from customers who enter the theatre. This temptation is realized if the person staffing the box office is required to issue tickets that are then collected by a different employee as people come into the theatre.

Manasseh (2004) also noted that segregation of duties reduces the risk of fraud and error and manipulation in the business thus increasing efficiency in the company's operations and improving performance. Plan of organization should describe proper separation of functional responsibilities. Authorizing transactions and running a department should not be the responsibility of one person. Assigning different people, the responsibilities of authorizing transactions, recording transactions, and maintaining custody of assets is intended to reduce the opportunities to allow any person to be in a position to both perpetrate and conceal errors or fraud in the normal course of the person's duties. Examples of segregation of duties include reporting, reviewing and approving reconciliations, and approval and control of documents. Certain control activities may depend on the existence of appropriate higher level policies established by management or those charged with governance. For example, authorization controls may be delegated under established guidelines, such as investment criteria set by those charged with governance; alternatively, non-routine transactions such as major acquisitions or divestments may require specific high level approval, including in some

cases that of shareholders. This will help curb malpractices like a rogue employee selling a company asset without proper authority.

The concepts underlying control activities in small entities are likely to be similar to those in larger entities, but the formality with which they operate varies. Further, small entities may find that certain types of control activities are not relevant because of controls applied by management. For example, management's retention of authority for approving credit sales, significant purchases, and draw-downs on lines of credit can provide strong control over those activities, lessening or removing the need for more detailed control activities. An appropriate segregation of duties often appears to present difficulties in small entities. Companies that have only a few employees, however, may be able to assign their responsibilities to achieve appropriate segregation or, if that is not possible, use management oversight of the incompatible activities to achieve control objectives (ISA UK and Ireland 315).

Ali (2013) in his study on the contribution of ICS to the financial performance of financial institutions found a significant positive relationship between segregation of duties and financial performance of financial institutions. Similarly, Kinyua et al. (2015) in their study on the effect of internal control segregation of duties on the financial performance of companies quoted on the Nairobi Securities Exchange (NSE) found a significant association between internal control segregation and financial performance.

2.2.3 Relationship between internal control and financial performance

The study found out that majority of Abrah Supermarket follow financial procedure manuals, especially one on internal control systems. The study also reveals that majority of co-operatives have an internal audit department and the few that have, the departments are well-equipped with adequately trained personnel as well as adequate financial resources. Consequently, conducting regular audit activities without regular audit reports. They however, agree that the few reports that are produced in the department address the weaknesses in the system. It was further revealed that a good number of organization in the study engaged external auditors, though for convenience purposes, when users of such externally audited financial statements such as financial institutions demand so, casting doubts on the commitment towards strong internal control systems. On the effectiveness of the internal control systems, the study found out that the efficient internal controls positively influence financial performance.

2.2.3.2 Relationship between Internal Control Systems and Profitability

The study investigated and established a significant relationship between internal control systems and profitability. This relationship was examined through the dimensions of internal control systems and that of the financial performance selected for this particular study.

The dimensions of internal control systems (effectiveness of internal controls, adherence to authorization procedures and review and verification of internal controls) were linked to the dimension of financial performance (profitability). Details show that effectiveness of internal controls is linked to profitability adherence to authorization procedures is also linked to profitability, and review and verification of internal controls is related with profitability. Therefore, the dimensions of internal control systems;

effectiveness of internal controls, adherence to authorization procedures and review and verification of internal controls positively affect financial performance.

2.3 Performance

According to Stoner (2003), performance refers to the ability to operate efficiently, profitability, survive grow and react to the environmental opportunities and threats. In agreement with this, Sollenberg & Anderson (1995) asserts that, performance is measured by how efficient the enterprise is in use of resources in achieving its objectives. It is the measure of attainment achieved by an individual, team, organization or process (EFQM, 1999).

Hitt, et al (1996) believes that many firms' low performance is the result of poorly performing assets (businesses). Low performance from poorly performing assets is often related to strategic errors made in the acquisition process in earlier years. For example, some firms acquire businesses with unrealistic expectations of achieving synergy between the acquired assets and their current sets of assets. A common reason for such errors is managerial hubris (Reid & Ashelby, 2002). or overvaluation of managerial capability in the acquisition process.

2.3.0 Measures of Financial performance

According to Dixon et al (1990), appropriate performance measures are those which enable organizations to direct their actions towards achieving their strategic objectives. Kotey and Reid & Ashelby (2002) contends that, performance is measured by either subjective or objective criteria, arguments for subjective measures include difficulties with collecting qualitative performance data from small firms and with reliability of such data arising from differences in accounting methods used by organizations.

Whittington & Kurt (2001) found out that, objective performance measures include indicators such as profit growth, revenue growth, return on capital employed. Financial consultants Stern Stewart & Co. created Market Value Added (MVA), a measure of the excess value a company has provided to its shareholders over the total amount of their investments (John & Morris, 2011). This ranking is based on eight more traditional aspects of financial performance including: total return for one and three years, sales growth for one and three years, profit growth for one and three years, net margin, and return on equity.

Dived (2002) however, mentions other financial measures to include value of long-term investment, financial soundness, and use of corporate assets. He also talks of non-financial performances measure to include; innovation, ability to attract, develop, and keep talented people, quality of management, quality of products or services, and community and environmental responsibility.

John and Morris (2011) mention accounting- based performance using three indicators: return on assets (ROA), return on equity (ROE), and return on sales (ROS). Each measure was calculated by dividing net income by total assets, total common equity, and total net sales, respectively.

2.3.1 Accountability

According to Hayes, et al., 2005, Managers need regular financial reports so as to make informed decisions. Reporting (particularly financial reports) is one way through which managers make accountability for the resources entrusted to them. Ease (2010) asserts that Accountability can be political, social or financial accountability.

Accountability as the obligation to expose activities and the results of such activities and to explain and justify them. For him accountability also refers to the way in which

financial management and other responsibilities in this context provide the basis for the evaluation of the conduct of public officials and political representatives. (Normanton, 1972)

Cloete (1986) also explains that each of the public officers and workers of organization should give display a sense of responsibility of accounting for its activities. This obligation to act responsibly and without ulterior means that they should earn the reputation of being a moral elite. Public accountability requirements in public finance management.

Bongani (2013) asserts that ICS is the primary accountability and governance tool an organisation (NGO) can establish and use to provide accountability to its stakeholders (donors) and safeguard its assets. Effective internal control over financial reporting is intended to provide reasonable assurance about the reliability of a company's financial statements and the process of preparation.

Nsibambi (2000) noted that lack of accountability and transparency has affected public financial performance adversely especially in the decentralisation.

Accountability of program and related technical information is practiced mostly by co-operatives, however, some of these co-operatives rarely expose their activities for organizational scrutiny and in some cases of abrupt changes, the communities, the community may not be informed. Organizational authorities that are meant to monitor the activities of organization rarely have to information regarding plans, activities and policy.

Jackson (1982) makes the point that public accountability remains a necessary to exercise strict control in order to keep the political representatives and public officials

publicly accountable for their deeds, otherwise the danger of the government becoming non-representative may rise.

2.3.2 Financial Reporting

Whittington & Pany (2001), talks about the comprehensiveness of internal controls in addressing the achievement of objectives in the areas of financial reporting, operations and compliance with laws and regulations. They further note that “Internal control also includes the program for preparing, verifying and distributing to the various levels of management those current reports and analyses that enable executives to maintain control over the variety of activities and functions that are performed in a large organization”

John J. Morris (2011) believes that Enterprise Resource Planning systems provide a mechanism to deliver fast, accurate financial reporting with built-in controls that are designed to ensure the accuracy and reliability of the financial information being reported to shareholders.

They mention internal control devices to include; use of budgetary techniques, production standards, inspection laboratories, employee training and time & motion studies among others. According Bakibinga (2001), corporate law requires a divorce between ownership and management of an entity. Owners normally entrust their resources in the hands of managers. Managers are required to use the resources entrusted to them in the furtherance of the entity’s objectives. Managers normally report to the owners on the results of their stewardship for the resources entrusted to them through a medium called financial statements. It is these financial statements that reveal the financial performance of an entity.

2.3.3 Budget performance.

Hansen and Mowen (2013) according to their research revealed that budgets are control measures that have to be put in place to judge performance. Department heads have to focus on the needs to determine the budgeted and estimated amount as compared with the actual performance reports to help in the appraisal processes to measure how departments are operating, however, much finding in the study is relevant, the study did not clearly state the variance and standard deviation from budgets are useful control measures which can be used to by the heads of departments and superior to appraise how efficiently and effectively departments are operating.

Hansen and Mowen go head and say that budgeting principles and procedures are used to gauge performance. Accordingly, are based on the realistic conditions and expectations.

Brownell (1982) notes that a budget is a yard stick onto which financial performance of an organization is measured. However, much of the findings in the study are relevant, the study did not clearly identify the variance between the planned and actual activities and charting ways of dealing with them. Brownell observes a budget as a variance the action of different part of the organization together in recorded plan.

According to Mbaziira (2002) found out that funds were spent on activities quite different from those budgeted for. The conclusion drawn from the study was that budgets and budgetary controls in the management of funds in Mukono districts were spent on activities. The study findings indicated that funds were being spent on activities quite different from those budgeted for. Much as Mbaziira study deserves some plaudit, the aspect of effectiveness has featured as a generalization not as an objective. The current studies seek to fill this important gap in research

Alexandra and governor (2003) argue that budgeting is a crucial tool in the management of organisation funds and it provides guidelines to strengthen local public financial performance and improving credit worthiness of local authorities and entities. An important study in this area was conducted by Bagarukoyo (2004) on antecedents of effective budgetary process in organisational goals achievement in non-government organisation sector focusing on the Aids Support Organization (TASO) Uganda limited as case study.

2.4 Value of internal control and risk management.

An organization's system of internal control has a key role in the management of risks that are significant to the fulfilment of its business objectives. A sound system of internal control contributes to safeguarding the shareholders' investment and the company's assets.

Internal control facilitates the effectiveness and efficiency of operations, helps ensure the reliability of internal and external reporting and assists compliance with laws and regulations (Whittington & Pany, 200). A company's objectives, its internal organization and the environment in which it operates are continually evolving and, as a result, the risks it faces are continually changing. A sound system of internal control therefore depends on a thorough and regular evaluation of the nature and extent of the risks to which the company is exposed. Since profits are, in part, the reward for successful risk-taking in business, the purpose of internal control is to help manage and control risk appropriately rather than to eliminate it (John, 2011).

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction.

This chapter reviews research design, population of the study, sample size, Sampling techniques, data collection sources, data collection methods, data collection tools, data quality control, research procedure, data analysis and ethical consideration of the study.

3.1 Research design

Both qualitative and quantitative research designs will be used in the study. Qualitative research design will be used because it's interpretative in which it will be easy to describe the phenomena using words. This will enable researcher to obtain to have accurate figures which will be used to carry out the research for the required report. Also quantitative research design will be used because its objective, value free and unbiased.

3.2 population of the study

The target population for this study will be 100 employees of Abrah supermarket. The population of this study will comprise of all workers of Abrah supermarket including the administrative staff and non-administrative staff. These will include the accounts staff, financial officers, top management, procurement officers, project officers, internal audit department.

3.3 Sample size

According to Kothari (2011), sampling may be defined as the selection of parts of an aggregate or totality on the basis of which judgment or inference about the aggregate or totality is made. It is the process of obtaining information about an entire population by examining only a part of it.

The study considered a population 100 people and a sample of 80 respondents were used. The sample size was determined using Slovene's a formula as indicated below;

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

Therefore, $n = \frac{100}{1+100(0.05)^2}$

$$100/1.25$$

$$100/1.25$$

n = 80 Respondents.

Table 3.3 showing sample size of the study.

Respondents	Population (N)	Sample size (n)	Sampling techniques
Accounts staff	10	8	Random sampling
Finance officers	9	7	Random sampling
Top management	7	7	Purposive sampling
Project officer	10	8	Random sampling
Audit department	14	11	Random sampling
Procurement officer	15	14	Random sampling
Cashiers	35	27	Random sampling
TOTAL	100	80	

Source: Abrah Supermarket archive, 2024

3.4.0 Sampling Technique.

According to Kothari (2011), sampling technique may be defined as the selection of parts of an aggregate or totality on the basis of which judgment or inference about the aggregate or totality is made. :There are two major categories of sampling techniques probability sampling (random sampling, systematic sampling, stratified sampling and cluster sampling), and non- probability sampling (purposive sampling, judgmental sampling, convenience sampling and snow-ball sampling). This research used Simple random sampling and purposeful sampling designs (techniques) to obtain samples used .in each population category as explained in the following sections From a population

of 100 respondents a sample of 80 respondents were selected. This sample was deemed to be sufficient to yield results that reflect the views and experiences of the respondents. After determining the number of respondents, simple random sampling was applied to select respondents from each of the four departments in Abrah Supermarket (Finance and Administration, cash department, sales department, and Production department). Additionally, purposive sampling was also employed in selecting samples. The unit of analysis was the managers in each of the four departments and employees in Finance and Administration Department because they were deemed to be dealing with issues associated with internal controls more regularly.

3.4.1 Purposive sampling.

This is a technique with regard to which item should be included or excluded in the sample test on the researcher's judgment and intuition. According to Kothari (2004), purposive technique enables the researcher to choose respondents basing on the fact that they have desirable characteristics and variables related to the issue being studied.

3.4.2 Simple random sampling.

This technique has the property that every possible combination in the population studied has an equal chance of being selected (Ndunguru, 2004). In that case the researcher includes everyone in the study considering that all respondents have common observable characteristics.

3.5. Sources of Data and Data Collection Instruments.

3.5.1 Data Sources.

Both primary and secondary data will be used.

3.5.1.1 Primary data.

According to Roston (2001), primary data is that kind of data that has been gathered for the first time, and it has never been reported anywhere. Primary data were collected through the use of key informant method and a self-administered questionnaire. Hence, all the Finance Managers and Heads of Internal Audit were selected to take part in the study as they are perceived to be knowledgeable on the issues under study and for which they are either responsible for their execution or they personally execute them. Only two respondents were interviewed in each department and the questionnaire had both the open and closed ended questions and 'drop and pick' technique was used.

3.5.1.2 Secondary data Source.

Roston (2001) defines secondary data as that kind of data that is available, already reported by some other scholars. Secondary data was obtained from the already written literature on the Abrah Supermarket, newspapers, Journals and other published materials about the research topic which were used to cross-validate and check the consistency of the questionnaire responses.

3.6 Data collection methods.

This involved the use of instruments of questionnaires, interview guide and Observation method. These instruments are described as below.

3.6.1 Questionnaire method.

A questionnaire is a set of related questions designed to collect information from respondents. Questions that required straight forward answers like yes or no was close

ended while questions that needed explanations were open ended. This was done to ease the respondent's role of filling the questionnaire.

This instrument is used for easy coding and facilitated collection of data on a wide range of options used because the respondents were free to write their mind.

3.6.2 Interviewing method.

An interview is a dialogue between an interviewer and interviewee. Primary data was obtained through structured face to face interviews with the respondents. The primary strength of interviewing has its capacity to range over multiple perspectives on a given topic and gather primary data on thoughts, opinions, attitudes and motivations that cannot be obtained otherwise. The researcher used semi-structured interviews which is a set of questions on fairly specific topics to cover.

3.6.3 Observation method.

The researcher used this to collect primary data which enabled him to get the necessary information which was used to collect data from the agent and enabled the researcher to accomplish research. This was done by use of naked eyes through observing what's on ground

3.7.0 Data collection tools.

The following tools of data collection will be employed during the study.

3.7.1 Interview guide.

An interview guide was drafted with a set of questions that researcher would ask during an interviewee. The researcher personally recorded the provided Responses as per study respondent during the process of carrying out an interview particularly, top management and the accounts staff and the finance officer. A semi-structured interview

guide was administered to knowledgeable persons, according to the following themes as the role of finance controls on performance of co-operative.

Saunders (2003) defines a structural interview as those questionnaires where the interviewer physically meet respondent's face-face and ask them same question. The research designs an in-interview guide contained both closed and open-ended question. The researcher designed questions to the respondents related to the topic under study because it assisted the research to collect adequate data from the respondents who could read and write and therefore made easy and guide the researcher to collect the required data effectively. This method is also good because the interviewer can make clarification on questions that are not clear to the interviewee and it used as a way of supplementing the questionnaire already filled

3.7.2 Self-administered questionnaire.

The researcher administered questionnaire to employees of Abrah Supermarket in the finance and planning the procurement department from the top management level to the lower levels, targeting the implements of internal control system. This method was chosen because, it deals for handling that respondents numbers. Since the questionnaire was anonymous, it helped that respondents provided accurate information without fear of being victimised. Category of respondents was accounts staff, top management, project officer, audit department, procurement.

3.8.0 Data Quality Tools.

The instruments for data collection was assessed in terms of validity and reliability to ensure quality data.

Validity refers to the ability of an instrument to measure what it has been designed to (Saunders, Lewis, & Thornhill, 2009). Face and content validity was ensured by

establishing a logical link between each question and the objectives. Validity was ensured by the researcher administering questionnaires at different times to the same respondents and a correlation coefficient between the scores obtained at the two different times was calculated and it was interpreted by George and Marley (2003). The researcher made sure that instruments selected was used to obtain a right information since interview as well as que The experts rated each item on a Like type scale: strongly agree (5), agree (4), Not sure (3), disagree (2) and strongly disagree (1). Validity was then determined using content validity index (CVI)

$$CVI = \frac{R}{R+1R+N}$$

3.8.2 Reliability.

Reliability is the ability of the instruments to consistently yield the same results when repeated measurements are taken of the same individuals under the same conditions (Koul, 2004). This ensured by carrying out Cranach's (1964) alpha (α) test. The results of the test yielded a coefficient above 0.6 and it was interpreted by George and Marley (2003). Which meant that the study variables were reliable and consistent.

3.9 Research Procedures.

The researcher obtained a letter of introduction from Uganda Christian University to human resource of Abrah Supermarket, about the need to carry out research in Abrah supermarket. Where the researcher was given written permission that was presented to Abrah Supermarket, the researcher also explained the purpose of the need to research in Abrah Supermarket; the researcher was given a permission and conducted around the Abrah supermarket introduced to the residents for security recognition. Having completed administrative clearance and defining the area of research during the first week, the researcher made a pre-visit to make appointment for the actual field exercises

with the residents. The researcher mobilized all the resources that was needed first, namely getting and training research assistant, designing and printing the questionnaires. The research tools were pre-tested to look out for any unforeseen hitches. The researcher went ahead and identified the respondents to study using purposive and simple random sampling system which was relevant for this type of study. The researcher was then set to start data collection.

3.10 Data analysis.

The data collection instruments were administered to Abrah supermarket. After collecting the data through questionnaires and interviews, the information obtained by the researcher was coded, edited and assessed for completeness, consistency, uniformity, accuracy and classification then followed to ensure sufficient analysis. The tables and simple percentages was used to process and present data for analysis. The comparison between the objectives with findings were manually done, and the information transferred into a more presentable form using Microsoft excel by use of tables and figures and statistical techniques like; frequency tables and numeric formats to facilitate easy analysis and interpretation of the findings /data.

3.11 Ethical Considerations.

The principal researcher formally sought the consent of all respondents and observe all the necessary protocol. A formal letter was sent to Abrah Supermarket by the researcher from Uganda Christian University to inform the authorities of the company about the researcher's interest to conduct a study in their organization.

The researcher ensured that information received from respondents was treated with a high level of care and confidentiality.

The identities of key informants were not be disclosed in the report since the research is to appraise what pertains the organisation and not to use personal opinions of individuals.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.0 Introduction.

This chapter presents the finding of the research as well as the interpretation and analysis of both the primary and secondary data on findings of the study as set out in the research objective and research methodology. The study findings are presented on internal control system and financial performance in Abrah supermarket.

4.1 Finding on the general information about correspondents.

This finding explains the feedback of the respondents during the researcher activity for both the male and female respondents.

4.2.1 Description of the Positions of respondents in Abrah supermarket.

The study sought and obtained details about the positions held by the respondents in the Organization for purposes of understanding their role in the variables of study.

Details of the respondents and their positions are shown in table 4.2.1 below;

Table 4.2.1 showing positions of respondents in Abrah supermarket.

Category of respondents	Frequency	Percentage %	Valid percentage	Cumulative frequency
Accountant staff	8	10	10.0	10
Finance officers	7	8	18.5	19
Top management	8	10	25.8	26
Project officer	9	13	35.6	36
Audit department	11	6	49.9	50
Procurement officer	14	16	65.7	66

Cashiers	27	37	33.5	100
Totals	80	100	100.0	

Source: Primary Data, 2024

The analysis results in table 4.2.1 show that majority of respondents in this study were cashiers (27), followed by Procurement officer (14), then Project officer (9) Finance officers (7), Accountant staff (8), Top management (7) and Audit department (6). These represent 37%, 16%, 13%, 10%, 8% and 6% respectively. From the above description, it can be revealed that the majority of the respondents in this study were cashiers who are directly responsible for or directly involved the implementation of the Internal Control System. Therefore, their responses are deemed to reflect what actually takes place in Abrah supermarket.

4.2.2 Age of respondents.

Table 4.2.2 showing age of respondents.

Age of respondents	frequency	Percentage %	Valid percentage	Cumulative frequency
20-30	30	37	37.0	37
30-40	20	25	25.0	62
40-50	20	25	25.0	87
Above 50	10	13	13.0	100
Total	80	100%	100.0	

Source: Primary Data, 2024

From the table above table 4.2.2, 37% of the respondents were of the age group between 20-30 years, 25% were of the age group 30-40 years, 25% represented those of the age group between 40-50 while those of 50 years and above were at 13%. This meant that

the majority of the respondents belonged to the age group 30-40 who were mature and knowledgeable so information obtained from them was considered relevant and they were willing to give information in relation to the study.

4.3.1 Gender of respondents.

Table 4.3.1 showing gender of respondents.

Gender	frequency	Percentage %	Valid percentage	Cumulative frequency
Male	63	79	79.0	79
Female	17	21	21.0	100
total	80	100	100.0	

Source: Primary Data, 2024

The findings revealed from the table 4.3.1, show that majority of respondents were male with 79% of the respondents and 21% constitutes the female respondents, therefore this implied that Abrah supermarket had more male employees than female employees and the male employees were readily willing to provide the information due to the fact that they were the ones who mostly keep accounting information.

4.3.2 Level of education.

Respondents were asked of the level of education and their respondents were summarized as below.

Table 4.3.2 showing education level of respondents.

Education level	Frequency	Percentage %	Valid percentage %	Cumulative frequency
Professional	5	6	6.0	6
Master Degree	5	6	6.0	12

Bachelor Degree	30	38	38.0	50
Diploma	22	27	27.0	77
Certificate	18	23	23.0	100
Total	80	100%	100.0	

Source: Primary Data, 2024

On the level of education, the majority of respondents with 38% were bachelors' degree holders, 27% of the respondents were found to be diploma holders, only 18% of the respondents had attained certificates and 6% of the respondents were with masters' degree and 6% respondents with professional, this implies that Abrah supermarket employees mostly degrees and diploma holders implying they were fresh graduates, thus they can easily evaluate that effectiveness and efficiency of internal control system used in the organization because they are knowledgeable.

4.3.6 The length of time spent working at Abrah supermarket.

The respondents were asked about how long they have been working with Abrah Supermarket and their responses were summarized in the table below.

Table 4.3.6 showing the length of services with Abrah supermarket.

Years	frequency	Percentage %	Valid percentage %	Cumulative frequency
Less than one	18	23	23.0	23
1-3	46	57	57.0	80
3-6	6	7	7.0	87
above 6	10	13	13.0	100
Total	80	100	100.0	

Source: Primary Data, 2024

From the above findings, it is indicated that 23% of the respondents have worked with Abrah supermarket for the period less than one year, 57% for the period of 1-3 years,

7% for the period of 3-6 years, while 10% have been working with Abrah supermarket for the period of 6 years and above, indicating that they can produce quality work since they have experience in the field of internal control system and financial performance.

4.3.6 Respondents' Marital Status.

Table 4.3.6 Showing Respondents' Marital Status

Marital status	Frequency	Percentage %	Validity percentage	Cumulative frequency
Married	15	19	19.0	19
Single	50	63	62	82
Divorced	8	10	10.0	92
Widow/widower	7	8	8.0	100
Total	80	100	100	

Source: Primary Data, 2024

The table above shows that the majority of the respondents are single with 63%, married with 19%, divorced with 10% and widowed with 7%.

4.3.8 Length of how long have respondents been practicing internal control system.

The respondents were asked about the length of how long have internal control system been practiced in Abrah supermarket and findings were summarized in the table below.

Table 4.3.7 showing the length of practicing internal control system

years	frequency	Percentage%	Valid percentage	Cumulative frequency
1-2	23	29	29.0	29
3-4	47	58	58.0	81
Above 5	10	13	13.0	100

Total	80	100	100.0	
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Source: Primary Data, 2024

From the table above, 58% of respondents said that Abrah supermarket have been practicing internal control 29% showed that they have been practicing internal control system and 13% showed that they have been practicing internal control system, this indicated that they are experienced and they know how to use them. Indicating that Abrah supermarket is managed by experienced staff and knowledgeable about internal control and hence financial performance, this implied that most of the employees had the ability of practicing the financial controls since they have been knowledgeable about the internal control system.

Levels: 1= Strongly Disagree (SD) 2= Disagree (D) 3= Neutral (N) 4= Agree (A) and 5= Strongly Agree (SA)

4.4.1 Effect of internal audit and financial performance of Abrah supermarket

The researcher set questions to establish the effect of internal audit on the financial performance of Abrah supermarket.

Table 4.4.1 showing how internal audit is important in the process of efficient of internal control system.

STATEMENTS	5	4	3	2	1	Total
Our organization has an internal audit department.	0(0%)	0(0%)	0(0%)	10(12%)	70(88%)	80(100%)
Our internal audit is sufficiently staffed.	16(20%)	24(30%)	6(8%)	15(19%)	20(25%)	80(100%)
Internal audit staff conduct regular audit activities in our organization.	5(6%)	30(38%)	0(0%)	21(26%)	24(30%)	80(100%)
Internal audit report address weaknesses in our internal control system.	0(0%)	10(13%)	5(6%)	30(37%)	35(44%)	80(100%)

Internal audit reports are produced regularly	0(0%)	0(0%)	0(0%)	48(60%)	32(40%)	80(100%)
Management discusses internal audit reports frequently	5(6%)	5(6%)	5(6%)	30(38%)	35(44%)	80(100%)
Internal auditor makes appropriate recommendations for management to improve.	18(23%)	9(11%)	0(0%)	21(26%)	32(40%)	80(100%)
Internal audit department visits up-country centers often time.	23(29%)	29(36%)	3(4%)	14(18%)	11(14%)	80(100%)
Internal auditor issues reports regularly.	23(29%)	29(36%)	3(4%)	14(18%)	11(14%)	80(100%)
Internal auditor performs his duties with a greater degree of autonomy and independence from management	8(10%)	22(28%)	9(11%)	18(23%)	17(21%)	80(100%)

Source: Primary Data, 2024

From the results in table 4.4.1, it is clearly evident that 70(88%) of respondents were strongly agreed, 10(12%) of respondents agreed while neutral, disagree and strongly disagree had none responses. This signified independence of audit department.

Results of the survey in table 4.4.1, 20 (25%) of respondents Strongly agreed that Abraham supermarket internal department is sufficiently staffed 15 (19%) of respondents agreed. However, also 6(8%) of respondents were not sure whether the internal audit department is sufficiently staffed or not. 24 (30%) respondents disagreed to whether the internal audit department is sufficiently staffed and 15 (19%) of respondents strongly disagree. the understaffing in the internal audit department could be compensated for by an active and independent Council and its Sub Committee. This is what Gerrit and Mohammad (2010) refer to as “a substitution effect, which means that independent board members may be considered as an alternative monitoring mechanism to the Internal Audit Function”.

From the results of the survey as reflected by Table 4.4.1, 24 (30%) of respondents Strongly agreed the Internal audit staff conduct regular internal audit activities,21

(26%) of respondents agreed, 0(0%) were neutral while 30 (38%) of respondent's respondents seem to disagree as to whether the Internal audit staff conduct regular internal audit activities and 5 (6%) of respondents strongly disagreed. This means that the internal auditor's role of examining and evaluating the effectiveness, efficiency and the economy of the management control system as advocated by Subramaniam, (2006) may not be achieved.

Results of the survey as reflected in table 4.4.1 suggest that 35 (44%) of respondents strongly agree that the Internal audit reports address weaknesses in the internal control system, 30 (37%) agreed 5 (6%) of respondents were neutral while 10 (13%) disagreed and none response from strongly disagree. This therefore confirms Whittington and Pany (2001)'s suggestion that "internal auditing is performed as part of the monitoring activity of an organization". This is also in line with Gupta (2001) assertion that "the objective of internal audit is to assist members of the organization in the effective discharge of their responsibilities"

From the survey, as reflected in table 4.2.4, it can be deduced that 35 (44%) of respondents slightly strongly agreed that management discusses internal audit reports frequently, 30 (38%) agreed, 5 (6%) of respondents were neutral, while 5(6%) of respondents disagreed and 5 (6%) of respondents strongly agreed. Management discussing internal audit reports is an indication of management commitment. It reaffirms Wallace & Kreutzfeldt (1991)'s finding that companies with internal audit functions are well run entities, are more competent in their management and accounting personnel and are subject to better management controls. This is also in line with Earnest and Young (1995)'s statement that the work of the internal auditor should appear to be properly planned, controlled, recorded and reviewed.

Results from table 4.4.1 above, respondents seem to marginally strongly agree with statement regarding internal audit recommendations to management regarding improvement in system of control as reflected by 32 (40%) of respondents, 21 (26%) agreed, 0 (0%), 9 (11%) disagreed while 18 (23%) strongly disagreed, implying that they have different opinions about this role played by internal auditor. This could also infer as to whether the internal auditor makes appropriate recommendations for management to improve. The finding is in agreement with Gupta (2001)'s statement that "the objective of internal audit is to assist members of the organization in the effective discharge of their responsibilities".

From the results of the survey as reflected in table 4.4.1 above, 11 (14%) of respondents strongly agreed about the internal auditor visiting up-country centers, 14 (18%) agreed, 3(4%) were neutral implying that to some extent the respondents were not sure as to whether the Internal auditor visits up country centers regularly, 29 (36%) disagreed about the internal auditor visiting up-country centers while 23 (29%) strongly disagreed. It worth noting that in as much as the respondent disagreed with the internal auditor's visit to up country centers regularly, they were tending towards the average value of 80. Therefore, Gupta's statement of "the objective of internal audit is to assist members of the organization in the effective discharge of their responsibilities" may not hold true in this respect.

The results of the survey as revealed by table 4.4.1 A closely 11(14%) of respondents strongly agreed that internal auditor issues upcountry reports regularly, 14 (18%) agreed, implying those respondents are not equally sure as to whether the internal auditor issues upcountry reports regularly. 9 (11%) respondent's Responses were neutral in nature, in this regard suggest a disagreement by respondents as to whether the internal auditor's issues report on upcountry centers regularly or not, 29 (36%)disagreed and

23(29%) strongly disagree, this finding therefore seems to suggest a failure by the internal audit function in its monitoring role alluded to by Whittington and Pany (2001).

The results of the survey as reflected in table 4.4.1 29 (36%) of respondents strongly agreed, 18 (23%) of respondents agreed, this revealed that there were varied responses from the respondents as to the independence of the internal auditor from management, 9 (11%) were neutral, 22 (28%) disagreed while 8 (10%) strongly disagreed this suggest those respondents are indifferent as to the internal auditor’s independence from management.

4.4.2 Descriptive statistics on Segregation of Duties and Financial Performance of Abrah supermarket.

Rank the extent to which your organization practices the following Segregation of duties.

Table 4.4.2 showing Segregation of Duties and Financial Performance of Abrah supermarket.

STATEMENTS	5	4	3	2	1	Total
The reporting system on organizational structures spells out all the responsibilities of each section/unit in the organization	0(0%)s	0(0%)s	0(0%)s	35(44%)	45(56%)	80(100%)
All employees understand the concept and importance of internal controls including the division of responsibility	5(6%)	15(19%)	18(23%)	15(18%)	27(34%)	80(100%)
Management has identified individuals who are responsible for coordinating the various activities within the entity	0(0%)	5(6%)	10(13%)	42(52%)	23(29%)	80(100%)
Departments have budget reviews where actual expenditure is compared with budgeted expenditure and	0(0%)	0(0%)	20(25%)	35(44%)	25(31%)	80(100%)

explanations for the variances given						
Our organization has clear separation of roles	5(6%)	18(23%)	12(15%)	15(19%)	30(38%)	80(100%)
Staff are trained to implement the accounting and financial management system	0(0%)	0(0%)	0(0%)	(57%)	23(29%)	80(100%)

Source: Primary Data, 2017.

In the table 4.4.2 above, the researcher set out to examine the functionality of the Segregation of Duties on the Financial Performance of Abrah supermarket as an internal control component. The results were analyzed used level so as to draw conclusions from the survey. These are discussed as follows;

Findings in table 4.4.2 above, 45(56%) of respondents strongly agree that the reporting system on organizational structures spells out all the responsibilities of each section/unit in the organization and 35 (44%) of respondents agreed while none of the respondents responded otherwise. This implied that employees were aware of their responsibilities in organization and reports are produced in time by each department hence management by exception.

Findings in table 4.4.2 27(34%) of respondents strongly agree that All employees understand the concept and importance of internal controls including the division of responsibility, 15(18%) of respondents agree, 18(23%) of respondents were neutral, 15(19%) of respondents disagreed while 5(6%) of respondents strongly disagreed. This enabled the research to obtain right information since Abrah supermarket employees understood in relation to study

Findings in table 4.4.2 above, shows that, 23(29%) of respondents strongly agreed that Management has identified individuals who are responsible for coordinating the various activities within the entity, 42(52%) of respondents agreed, 10(13%) of respondents and only disagreed had 5(6%) of respondents. while strongly disagree had none

responses. This signified the employees who have right information to provide for research purposes.

The results of the survey as reflected in table 4.4.2 suggest that respondents of 30(38%) strongly agreed that there is a clear separation of roles while executing finance and accounting function, 15(19) of respondents agree, 12(15%) of respondents were neutral, 18(23%) disagreed and 5(6%) of respondents strongly disagreed.

The results in table 4.4.2 above revealed that 25(31%) of respondents strongly agreed with the test statement that “departmental budgets are reviewed with actual expenditure compared with budgets and explanations for the variances obtained” 35(44%) of respondents agreed, 20(25%) of respondents were neutral agreed none disagreed while. the failure by the Institution to provide budget reviews is at odds with Ray and Pany (2001)’s recommendation for “performance reviews” where he recommends comparing actual performance with budgets, forecasts and prior period performance.

Findings from table 4.4.2 reveals that 23(29%) of respondents strongly agreed that staffs are trained to implement Accounting and financial management system, (57%) of respondents agreed, none of the respondents responded otherwise. Staff being trained in the use of Accounting and Financial management system is an indication of the commitment to the effectiveness of systems of internal control. It is what Verschoor, (1999) recommended as “programs of selection and training of personnel”

This shows that Segregation of Duties is an important functionality activity of the internal control of the Abrah supermarket in its operation period, Abrah supermarket implemented this practice. This therefore, positively impacted on the financial performance of bugisu co-operative union.

4.4.3 Relationship between Internal Control systems and financial performance.

This section answers objective of the study. The relationship between internal controls systems and financial performance of Abrah supermarket was investigated using, internal audit, organizational control and segregation of duties as dimensions for internal control systems while budget performance, liquidity, accountability and financial reporting were for financial performance.

Table: 22 Shows the Relationship between Internal Control systems and financial performance. (Correlation Coefficient).

Table 4.4.3: Pearson’s Correlation analysis

		Internal control	financial Performance of Abrah supermarket
internal control	Pearson	1.000	.811**
Correlation		.	.000
	Sig. (2- tailed)	40	40
	N		
Financial Performance	Pearson	.811**	1.000
Correlation		.000	.
	Sig. (2- tailed)	40	40
	N		

Source: Primary Data, 2024

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Statistical Package for Social scientists (SPSS), 201

The testing of the relationship between the variables was tested using Pearson correlation coefficient. This was used because the internal control system and business performance were numerical. From table above, it is clearly indicated that there is a strong relationship between performances of Abrah supermarket. This is indicated by positive results of Pearson Correlation, where $r = 0.811$, $p < .01$. It therefore implied that internal control system strongly affects the performance of Abrah Supermarket. Management of Abrah supermarket should therefore put more emphasis on the internal control measures in place to promote good performance of the supermarket.

4.5 Descriptive statistics on Financial Performance of Abrah supermarket.

The researcher set the questions to find out Financial Performance of Abrah supermarket

Table 4.5 showing Financial Performance of Abrah supermarket.

STATEMENTS	5	4	3	2	1	Total
Our organization has enough cash to meet its obligations effectively (as and when they fall due).	5(6%)	10(13%)	0(0%)	45(56%)	20(25%)	80(100%)
The cash charged by our organization is appropriate to cover the costs of running the processing coffee.	0(0%)	10(10%)	5(6%)	21(26%)	44(55%)	80(100%)
All organizational cash are dully corrected.	0(0%)	0(0%)	0(0%)	30(38%)	50(62%)	80(100%)
Outstanding coffee are dully brought in time (before farmers before taking money).	10(13%)	20(25%)	5(6%)	25(31%)	20(25%)	80(100%)
Our organization's Accounting system adequately identifies the receipts and expenditure of grant contracts.	0(0%)	0(0%)	0(0%)	50(62%)	30(38%)	80(100%)
The organization's asset base has greatly increased over time.	0(0%)	0(0%)	0(0%)	45(56%)	35(44%)	80(100%)

Source: Primary Data, 2024

From the information revealed by table 4.5 20(25%) of respondents strongly agreed believe that Abrah supermarket have enough cash to meet its obligations effectively as and when they fall due, 45(56%) of respondents agreed, none response from neutral

while 10(13%) disagreed as 5(6%) strongly disagreed. This implies that lack of cash does not rhyme with Verschoor. (1999)'s assertion of "financial soundness" as a measure of performance.

From table 4.5, 44(55%) of respondents strongly agreed that the fees charged by Abrah supermarket are appropriate to cover the costs of running the courses, 21(26%), 0(0%) were neutral while 10(13%) and none responses from strongly disagree. This has implications on the financial soundness of Abrah Supermarket and it may encourage investment as mentioned by Verschoor (1999).

From the information collected from respondents according to table 4.5, it clear that all Abrah supermarket fees are dully collected this was reflected by strongly agreeing 50(62%) of respondents, 30(38%) of respondents agreed while none of the respondents responded otherwise. The information revealed could be an explanation as to the adequacy of the cash position of Abrah supermarket (Cash availability within the Abrah supermarket). This means that the financial soundness alluded to by Verschoor (1999) may be achieved

From table 4.5, 20(25%) of respondents strongly agreed Outstanding coffee are dully brought in time (before farmers before taking money), 25(31%) agreed, 5(6%) respondent's responses were neutral, 20(25%) disagree while 10(13%) strongly disagreed. This signified that Abrah supermarket has sufficient cash at hand.

From the table 4.5 30 (38%) of respondents strongly agreed that Our Organization's Accounting system adequately identifies the receipts and expenditure of grant contracts, 50 (62%) of respondents agreed while none responses from other respondents otherwise.

From the table 4.5, 35(56%) of respondents strongly agreed that the organization’s asset base has greatly increased over time. 45(56%) of respondents agreed while none responses from other respondents otherwise. This showed that Abrah supermarket assets are ever increasing over time.

Findings in the above table 4.5 clearly reveals that Abrah supermarket Financial Performance is good, this is evidenced by the number of respondents who strongly agreed.

4.6.0 Descriptive statistics On Measures of Financial Performance.

4.6.1.0 Descriptive statistics on Budget Performance.

4.6.1.1 Abrah supermarket carries out preparation of budget to promote performance.

The researcher set the question to find out whether Abrah supermarket prepares budget as summarized in the table below.

Table 4.6.1.1 showing whether Abrah supermarket prepares budget.

	Alternative	Frequency	Percentage %	Valid percentage	Cumulative frequency
valid	Strongly Agree	30	37	37.0	37
	Agree	50	63	63.0	100
	Neutral	0	0	0	
	Disagree	0	0	00.0	
	Strongly Disagree	0	0	00.0	
	Total	80	100	100.0	

Source: Primary Data, 2024

According to the above table 4.6.1.1,100% of all respondents agreed that Abraham supermarket prepares budgets, this signified that there is good internal control system that minimizes fraud and embezzlement of the organizational funds thereby leading to proper investment and planning hence improved financial performance.

4.6.1.6 Descriptive statistics on whether Departmental budget estimates are discussed by the sector.

The researcher established whether departmental budget estimates are discussed by the sector and have been in the table below.

Table 4.6.1.6 showing departmental budget estimates are discussed by the sector.

	Alternative	Frequency	Percentage %	Valid percentage	Cumulative frequency
valid	Strongly agree	20	25	25.0	25
	Agree	40	50	50.0	75
	Neutral	5	6	6.0	81
	Disagree	10	13	13.0	94
	Strongly disagree	5	6	6	100
	Total	80	100	100.0	

Source: Primary Data, 2024

The findings from table 4.6.1.6 revealed that 75% of respondents agreed that department’s budget estimates are discussed by the sector committee and 25% of the respondents disagreed. Since the highest percentage agreed this signified that budget estimates are discussed by the sector committee where by the ideas are shared and financial performance is improved upon.

4.6.1.7 Descriptive statistics on Budget performance reports produced regularly.

The researcher established whether budget performance reports are produced regularly as summarized blow in the table 4.6.1.7.

Table 4.6.1.7 showing whether Abrah supermarket objectives are clearly set in the budget frame work.

	Alternative	Frequency	Percentage %	Valid percentage	Cumulative frequency
valid	Strongly disagree	30	38	38.0	38
	Strongly disagree	20	25	25.0	62
	neutral	2	3	3.0	65
	Strongly disagree	20	25	25.0	89
	Strongly disagree	8	10	10.0	100
	Total	80	100	100	

Source: Primary Data, 2024

From the findings above, it was clear that 62% of respondents agreed that budget performance is produced regularly, 3% respondent's response were neutral and 35% disagreed, that meant that the number of those agreed and disagreed is were almost equally indicating that budget reports are sometimes produced and sometimes not produced. This leads to delay in decision making hence hampering organizational objective to be achieved.

4.6.1.8.0 Descriptive statistics on Accountability.

The researcher set questions to establish the effectiveness of accountability as a measure of financial performance of Abrah supermarket.

Table 4.6.1.8.0 accountability is important as measure of financial performance.

	Alternative	Frequency	Percentage %	Valid percentage	Cumulative frequency
valid	Strongly agree	60	75	75.0	75
	Agree	20	25	25.0	100
	Neutral	0	0	00.0	

	Strongly disagree	0	0	00.0	
	Strongly disagree	0	0	00.0	
	Total	80	100	100	

Source: Primary Data, 2024

From the table 100% of all respondents agreed that accountability is important as a measure of financial performance for effective and efficient running of Abrah supermarket the research revealed that financial performance is achieved due to accountability so this means that there are good internal control system leading to good financial performance.

4.6.1.8.1 Descriptive statistics on Employees carrying out activities and give accountability immediately.

The researcher established whether employees give their accountabilities immediately after carrying out activities in the table below.

Table 4.6.1.8.1 showing employees carrying out activities give accountability.

	Alternative	Frequency	Percentage %	Valid percentage	Cumulative frequency
valid	Strongly agree	44	55	55.0	55
	Agree	18	23	23.0	78
	Neutral	4	5	5.0	83
	Disagree	6	7	7.0	90
	Strongly disagree	8	10	10.0	100
	Total	80	100		

Source: Primary Data, 2024

The finding revealed that 78% agreed that employees carrying out activities give their accountability immediately, 5% of respondent's response were neutral and 17% of respondents disagreed that employees carrying out activities not give their accountabilities immediately.

This means that there is delay in making accountability since delay to give accountabilities in time accountabilities hence leading to poor financial performance.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction.

This chapter presents summaries of the study findings as per the study objectives, conclusions based on those findings and recommendations which are based on the study findings to improve the study situation and other areas of research.

5.1.0 Summary of findings.

This study was set out to investigate the effect of internal control system on the financial performance of Abrah supermarket, Mbale.

5.1.1 The effect of internal audit on financial performance.

The study showed that internal audit is the assessment of internal control performance over time, internal audit evaluates organization's events and transactions to gauge the quality of performance throughout the period, the organization enhance audit office to make it objective, independent and active to ensure that internal control systems are enhanced and well implemented which clearly has affected the efficiency and financial performance as revealed by this study. It provides a reasonable level of confidence that the controls are functioning as intended hence better financial performance and is done regularly to ensure proper financial performance and internal audit is done by qualified personnel.

5.1.2 The effect of segregation of duties on financial performance.

The findings from the study revealed that control activities are the policies, procedures, techniques and mechanisms that enforce management's directive such as the process of adhering to trading licensing requirements, control activities are implemented thoughtfully hence lead to improved financial management, segregation of duties lead to proper financial performance, expenditures are approved by financing officer, financial statements are audited by qualified auditors hence financial performance.

5.1.3 Relationship between internal control system and financial performance.

From the field study it revealed that Fraud and embezzlement of funds is minimized through internal control, all expenditures for the business are recorded by authorised personnel in the organization all these are because of proper internal control system in place. Financial performance has increased through proper internal control system.

5.2.0 Conclusion

5.2.1 Internal Audit and financial performance of Abrah supermarket.

Based on the findings of the study, it is concluded that internal control system significantly influence the financial performance of Abrah supermarket internal controls especially considering that the internal audit function which is the backbone of internal controls of Abrah supermarket.

5.2.2 Segregation of duties and financial performance of Abrah supermarket.

Based on the findings of the study, it was concluded that Segregation of Duties is an important functionality activity of the internal control of the Abrah supermarket in its operation. Abrah supermarket implements this practice. This therefore, positively impacts on the financial performance of Abrah supermarket. Effective internal control system as supported by the study findings separation of roles, supervision, training,

monitoring and commitment of management all improve financial performance of the supermarket.

5.2.3 Relationship between Internal Control and Financial Performance of Abrah supermarket

Based on the findings of the study, it is concluded that that there is a significant positive relationship between internal control system (internal audit, segregation of duties, and Organisational Plan) with financial performance (liquidity, accountability, and reporting).

5.3 The Financial Performance of Abrah supermarket.

The study found out that Abrah supermarket has enough cash to meet its intended goals, and that the inventory that Abrah supermarket has on stock are appropriate to cover the costs. It was also found that all revenues and expenditures are properly classified, and that assets of Abrah supermarket have generally increased.

5.4.0 Recommendations.

5.4.1 Internal audit and financial performance of Abrah supermarket.

Since it was evident in the study, that the staffing level in the internal audit department is adequate to cover internal control of Abrah supermarket, the setup is evidenced by conducting regular audit activities, operating efficiently as well as the financial reporting being regular, the study therefore recommends continuous application and implementation of the measures that improve financial performance of the supermarket.

5.4.2 Segregation of Duties and Financial performance of Abrah supermarket.

The study also recommends that Abrah supermarket to establish and manage knowledge/information management system within the organization so as to enable all parties within the organization to freely access and utilize the official information.

Finally, the study recommends that there should be a deliberate attempt to educate proprietors (farmers) of Abrah supermarket on the significance of business knowledge in internal control systems.

5.4.3 Relationship between Internal control and financial performance of Abrah supermarket.

Based on the findings made Internal control system has been found to have a statistically positive effect on performance of Abrah supermarket hence there is need for the Abrah supermarket to improve on their internal control system.

The organization should formulate the objectives according to budget frame work paper to improve financial performance.

The budget performance reports should be directly supervised to ensure that cash is spent on the intended activities which are officially beneficial to the organization.

The budget conference should be held every year in order to make sure ideas are shared among the employees.

Based on the findings of the study, we recommend firstly and foremost that the elements of the ICS (internal audit, segregation of duties and organisational plan) should be enhanced to further improve the financial performance of Abrah supermarket.

5.5 Areas of further research.

This study particularly focused on internal control system on the financial performance of Abrah supermarket.

Further research is recommended on following areas.

The role of internal auditing on financial performance of Abrah supermarket.

Impact of accountability on the performance of Abrah supermarket.

The impact of budgetary control on the performance of Abrah supermarket.

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APPENDICES

Appendix 2: Questionnaire

Dear Respondent,

Mataya Abaham a student of Uganda Christian University pursuing a bachelor's degree in Business Administration, I am carrying out research on the **effect of Internal Control System on Financial Performance of Abrah supermarket**. This questionnaire is purely for academic purpose and tends to facilitate the study. The respondents are highly encouraged and persuaded to respond to the statements in this questionnaire in the most truthful and objected way possible. I kindly request your assistance by availing time to respond to the Questionnaire. This questionnaire is comprised of two section namely A, B, C, D and E. The result of which will be kept confidential. Your positive response is highly appreciated where required, please specify and elaborate.

Thank you.

SECTION A: Organizational Demographics

Please supply the required data by filling in the blanks where space is provided or by ticking (√) against the most appropriate answer

1. What position do you currently hold in the Organization that you work? For?

a) Management Committee Member Finance Officer

c) Departmental head Finance and accounts staff

3. What is your age bracket?

Age bracket 18-28 29-39 40-50 above

4. What is your gender?

Male Female

5. What is your highest level of education?

Professional Master's Degree Bachelor's Degree

Diploma

Any other specify.....

6. For how long have been working in Abrah Supermarket?

Less than one year year 1-3 years 3-6 years

Above 6 years

7. Marital status.

Single Married Divorced Window

SECTION B:

For each of the statements in the table below indicate your level of agreement, neutrality or disagreement by ticking (√) using the following 5 points scale.

Levels: 1= Strongly Disagree (SD) 2= Disagree (D) 3= Neutral (N) 4= Agree (A) and 5= Strongly Agree (SA)

2.0 Effect of Internal Audit on the Financial Performance of Abrah Supermarket

STATEMENTS	5	4	3	2	1
Our organization has an internal audit department.					
Our internal audit is sufficiently staffed.					
Internal audit staff conducts regular audit activities in our organization.					

Internal audit report address weaknesses in our internal control system.					
Internal audit reports are produced regularly					
Management discusses internal audit reports frequently					
Internal auditor makes appropriate recommendations for management to improve.					
Internal auditor performs his duties with a greater degree of autonomy and independence from management					

SECTION: C

3.0 Effect of Segregation of Duties on the Financial Performance of Abrah supermarket.

STATEMENTS	5	4	3	2	1
The reporting system on organizational structure spells out all the responsibilities of each section/unit in the organization					
All employees understand the concept and importance of internal control including the division of responsibility					
Management has identified individuals who are responsible for coordinating the various activities within the entity					
Departments have budget reviews where actual expenditure is compared with					

budgeted expenditure and explanations for the variances given					
Our organization has clear separation of roles					
Staff are trained to implement the accounting and financial management system					

SECTION: D

4.0 Relationship between Internal Control System and Financial Performance of Abrah supermarket.

Statements	5	4	3	2	1
1. Proper internal control system leads to high financial performance of Abrah supermarket.					
2. Effective internal control leads to proper accountability of Abrah supermarket.					
3. Proper Internal control leads financial reporting of Abrah supermarket.					
4. Proper Internal control leads to profitability of Abrah supermarket.					
5. Proper Internal control leads to financial reporting of Abrah supermarket.					

Appendix 2: Interview Questions.

- a) Are employees involved in the implementation of internal control at all levels?
 - i) Do all employees understand the internal control system of the supermarket?
 - ii) Is there any connection between internal control system and financial performance of the supermarket?
 - iii) Is the supermarket financially sound?
 - iv) Does Abrah supermarket consider Accountability as an important activity in process of efficiency on financial performance?

Thank you for your participation

Appendix 3: INTRODUCTORY LETTER



UGANDA CHRISTIAN UNIVERSITY, MBALE UNIVERSITY COLLEGE.

A Centre of Excellence in the Heart of Africa

BUSINESS DEPARTMENT

To Madam Marion
Amollo

Dear Sir/Madam,

Re: Academic Research

Christian greetings!

We are honored to introduce to you Mr. Mrs./Miss MATAYA ABRAHAM
Of Registration Number; ES211MUCIBKA1002 pursuing a Masters'
Degree/Postgraduate Diploma / Bachelor's Degree
Bachelor's Degree

He/ she is required to carry out an academic research on the topic
INTERNAL CONTROL SYSTEM AND FINANCIAL
PERFORMANCE OF ABRAH SUPERMARKET.
and thereafter produce a well bound hard cover research report (MAROON) in color for
undergraduate and three (BLACK) copies for Postgraduate students as a University requirement for
the award of a degree/diploma in the academic discipline that he / she is pursuing.

We shall be grateful for the help you may offer to him or her accordingly.

Thank you.

Yours faithfully,


HEAD OF DEPARTMENT BUSINESS UCU-MUC
Henry Omache Ogachi



Amollo Marion
05/07/2024.

