

**THE EFFECT OF INTERNAL AUDIT ON THE FINANCIAL PERFORMANCE OF
GOVERNMENT INSTITUTIONS: A CASE STUDY OF UGANDA REVENUE
AUTHORITY MUKONO BRANCH**

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DECLARATION

I, **Lindiwe Sophia .A. Orach**, do declare that this is my original work and has not been submitted by any previous researcher to any other college, institution, or university other than Uganda Christian University, Mukono and the research has been submitted with authorization from the institute supervisor.

Signature: ..... Date: 05/09/2024.....

APPROVAL

This is to certify that is Research Dissertation titled "The effects of internal audit on the financial performance of Government institutions in Uganda, A Case Study of Uganda Revenue Authority- Mukono Branch" has been done under my supervision and submitted for examination by my approval.

Signature...  Date... 

MR. ALEX AHABWE

DEDICATION

This work is dedicated to the All-Powerful God, who has given me the insight and blessing of life, enabling me to understand and see this proposition through to its end. Along with my siblings, I also want to dedicate this project to my parents, who I love very much, for their patience, understanding, and support during the study and program.

ACKNOWLEDGEMENTS

Many people have contributed to the successful completion of this work, and while it may not be possible to list everyone here, the absence of a name does not imply that it is not acknowledged. My supervisor, Mr. Ahabwe Alex, has my sincere gratitude for his prompt and courteous responses each time I turned in a piece of work for review. I would want to express my gratitude to all of my Uganda Christian University teachers for providing me with the knowledge and abilities that allowed me to compile this work. I would want to express my gratitude to all of my friends from Bachelors, other BSAF students, and the URA personnel for their support and encouragement. To the Almighty God, who has seen me through everything, above all.

ABSTRACT

This study looks at how internal auditing might improve government agencies' financial performance, with an emphasis on the Uganda Revenue Authority's (URA) Mukono Branch. The International Professional Practices Framework (IPPF) states that internal auditing is essential to enhancing an organization's risk management, control, and governance procedures. The study investigates how URA's total performance is impacted by internal environment audit procedures, risk management strategies, and monitoring and control activities.

A systematic questionnaire was used to gather data from URA's internal audit department staff members. The results show that good risk management—which includes risk assessment, identification, and analysis—substantially improves decision-making and increases stakeholder trust. The report also emphasizes the significance of strong audit committees, a clearly defined organizational structure, and staff with integrity and ethical standards in guaranteeing the effectiveness of internal control systems. Maintaining operational efficiency and reducing the risks of mistakes and fraud were also shown to require constant monitoring, frequent performance reviews, and timely reporting of control shortcomings.

The study emphasizes how crucial internal audit procedures are to enhancing organizational effectiveness, accountability, and transparency in government agencies. It suggests using sophisticated risk management instruments, strengthening audit committee supervision, and incorporating cutting-edge technology into monitoring and control systems. These tactics will strengthen URA's commitment to good governance and stakeholder trust while also enhancing its financial resilience.

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

The study's context, problem statement, aims, and research questions were all presented in this chapter. It also emphasized the conceptual framework, study importance, and investigation scope.

1.1 Background Of The Study

The International Professional Practices Framework refers to Internal Auditing as, "An independence, objective assurance and consulting activity designed to add value and improve an organization's operations". It assists an organization in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Internal auditing is performed by persons within or outside the organization, in various legal and cultural environments, and within organizations of differing purposes, sizes, complexities and organizational structures. Although variations may affect internal auditing practices in different environments, conformance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors is essential to discharging responsibilities as an internal auditor and conducting internal auditing activities. The International Organization of Supreme Audit Institutions issues International Standards of Supreme Audit Institutions, setting out general principles for adoption in the varying national contexts in the knowledge that their application will be subject to the context within which internal audit activities exercise their functions and to applicable law. The institution of the SAI within Uganda is the Office of the Auditor General of Uganda (OAG). In this respect, the OAG provides internal audit oversight in addition to external audits of Uganda's government ministries and its related offices. Established in 1997 through its empowerment, the institution law mandates the internal audit role within the country's local governments. According to Deloitte (2019), three major elements of internal auditing work include: Reviewing and consulting for the improvement of risk management, control, and governance processes, and towards such an objective being achieved by each of the above-mentioned responsibilities, auditors make use of tools of financial audits, performance audits, investigations, and consulting services.

Organizational internal auditors are those independent assessors and provide assurance to the organization on its various processes and activities, which are done in order to enhance organizational performance daily. In relation to the above definition of the Institute of Internal Auditors- IIA, 2009, a company is able to meet its operational objectives by such prudent, directed approaches in regard to assessment and improvement in risk management, setting appropriate controls, as well as enhancement of governance. Since it is broadly defined, internal audit is considered more significantly as a part of public expenditure management, which also encompasses information communication procedures and management controls (Diamond, 2002). In educating the public, internal auditors play a major role (ICPAK, 2015). The internal auditors are expected to issue a continuous report on how organizational resources are utilized aside from helping to safeguard such resources. In this regard, it is expected that the principal-agent relationship will be a constant use of inputs where this account can monitor and determine on a continuing basis whether the feedback is meeting public objectives and expectations and whether these are adequately weighed.

The first one is to appraise the operation of the organization always to follow the laid down procedures developed by IIA - Ramsey, 2022. The other function of internal auditors is to achieve transparency and a high level of accountability in the management of utilization of public finances and achieving expected institution performance - Shuttleworth, 2008. For the internal auditor to perform their roles well, they have to work in a conducive working environment.

A chief audit executive typically leads the internal auditors' work in the organization by developing for them a written policy document called the charter, outlining their authority and independence and scope of work. This charter is approved by the audit committee of the institution and then given to top management as a reference when making decisions and reading material . Through the certified internal auditors, the firm's internal audit unit would rely on their skill, proficiency, and objectivity for efficiency in controls while managing public resources. Internal auditors, due to their influential position in an institution, are supposed to be bound by the set practices as outlined by the IIA. Other responsibilities and high level of accountability involved in the management of the use of public funds include ensuring transparency in achieving performance standards set forth for institutions. A supportive environment, according to Shuttleworth (2008), is what an internal auditor needs in order to perform their duties effectively. Key factors that influence performance by internal auditors include management support, availability of working resources, independence of internal

auditors, and commitment from management. Public institutions have to assist internal auditors in going up an effective learning curve on all or most issues that face them by understanding risks and limitations existing on a day-to-day basis within systems that public organizations employ. Plans will have to be formulated to allow the coming together of internal auditors to identify and solve any risk.

An effective Internal auditor is one who conducts his work efficiently and assists in instilling the culture of good governance practices in any given public organization . Matters of credibility negatively impact the work of internal auditors by making it difficult to execute their mandate efficiently, ensuring accountability, transparency, and good governance. For example, embezzlement of public funds through the scandal cases involving the Pensions scandal in 2022, the Hassan Basajjalaba compensation sandal in 2011, the Global Fund scandal in 2018, the Temangalo scandal in 2020, the ID scandal in 2010, the bicycle scandal in 2011, and the microfinance and Specioza Kazibwe scandal in 2021.

Internal auditing refers to providing consultation to the organizations regarding risk management and internal controls and developing processes to meet organizational objectives. Internal auditing utilizes a systematic methodology for analyzing organization or business process issues and making recommendations for appropriate improvement. The primary function of internal auditing is to ensure that management controls are applied appropriately. Even though not compulsory, most large private businesses and corporate organizations have a department for internal audit. Due to the diversity in the style of top executives as well as the culture and tradition of the organization itself, the strengths and weaknesses of these functions also vary widely from one organization to another. Internal auditing, by evaluating and measuring the effectiveness and efficiency of organizational controls, is a major management control tool which is closely connected with the company's overall policies and organization structure (Cai, 2007).

According to IIA (2010), Internal audit effectiveness defined as "the degree (including quality) to which established objectives as achieved," According to Mihret and Yismaw, 2007, an internal audit effectiveness has defined as "the extent to which an audit office meets its objectives.". While the third one is the definition given by Ness-Weismaan and Mizrahi in 2007 that fits the possible capability of internal auditor to prevent and/or correct some defects. The number and scope of deficiencies corrected following the auditing process the final definition they provided for internal audit effectiveness.

According to the Chr Michelsen Institute, CMI report 2005, under the general umbrella process of poverty reduction plan formulation, government ministries have been the focal point of initiatives in Africa, while audit institutions have been marginalized.

It underscores how the lack of independence on issues such as appointment and dismissal processes, financial matters, and access to relevant and timely information threatens the SAI's independence and provides a negative example of what the internal audit role should be. This is further supported by the notion that "the internal audit function and the SAI work in close cooperation; therefore, the effectiveness and quality of internal auditing within expenditure units matters".

The effectiveness of an audit is a product brought about by the professional practices, actions, and responsibilities discharged with commitment by an auditor in accordance with standards, goals, objectives, policies, and procedures. Consequently, the overall structure of the internal audit function should be oriented toward the unique goals and priorities of every nation. Where governance is the major challenge, the internal audit function should also focus on ensuring issues of compliance with financial laws and regulations. Indeed, Diamond (2002) observes that the internal audit function should, as a matter of priority, seek to ensure macroeconomic stability in developing and transitional countries facing high levels of financial stress. On the other hand, for countries which can ensure that the rule of law is observed and also have reached at least a fairly adequate macroeconomic stability, the assurance of effectiveness and efficiency of resource utilization shall be the principal objective of the internal audit function. Although Pilcher Gilchrist and Singh, 2011 observed that efficiency and effectiveness of audit in the public sector is more complex than the private sector, effective internal audit system contributes toward achieving performance, profitability, and loss of funds are prevented especially in public sectors.

An article in the New Vision on November 25, 2012 claimed that more than 12 million euros in Irish aid had been relinquished by the Irish embassy after the Ugandan prime minister's office lost the money due to a "sophisticated, well-thought-out fraud involving a high level of collusion at a senior level." Among other things, discoveries of the paper payments made to civil workers' private bank accounts to perform government jobs inspired the office of the Auditor General as far back as October 24, 2012. It went ahead to say that though the account through which the funds had been moving was owned by the central bank, it "had fallen off the audit radar."

For example, a report run by New Vision newspaper on November 11, 2013, reported that 60 billion dollars set aside to cater for war victims and veterans had been misplaced in the Ugandan prime minister's office under the controversial Luweero-Rwenzori Development program. The country has been rocked by a series of graft scandals in the past few years and these range from the 2011 Chogm bicycle scam, the 2011 Hassa Basajjabalaba compensation affair, the 2011 microfinance and Specioza Kazibwe fraud and the 2012 Pensions scandal.

1.2 Statement Of The Problem

An organization that deals with risk management, control, and governance refers to internal audit for its purpose and self-governing assessment advantages by accessing and assessing their feasibility in achieving the organization's defined objectives. In the last 20 years, assessing capabilities has become one of the most important mechanisms supporting corporate governance globally. The incidence of their most notable business setbacks exposed serious deficiencies in business administration systems demonstrated by dishonesty, careless bookkeeping, and the inadequacy of internal controls (Turner, 2007). This provided sporadic validation in favor of judgments regarding the inadequate assessment standards in identifying risks and controls in businesses and their strong dedication to management. Recent corporate bookkeeping scandals and the criticism that followed for transparency and reporting brilliance gave rise to two opposing but logical conclusions. These demand that the impact of internal audit procedures on an organization's performance be examined.

Nonetheless, the conclusions and suggestions of the internal audit have not been implemented with enough rigor. Due to the intricacy of internal audit functions, research on the many roles that internal audit plays in improving organizational performance has produced contradictory results. While some academics have established minimal or negative effects of internal audits on corporate governance, others have shown beneficial results. Kibet (2008) found that carrying out an internal audit of state-owned businesses produced excellent results and that the obstacles were bureaucratic. In a similar vein, Kibara (2007) investigated the risk management techniques used by internal auditors in Kenya's banking industry and discovered that the adoption of risk and compliance regulations had a favorable impact. While Davidson (2005) established a minimal effect, Herdman (2002) also discovered a positive association. Mutua (2012) investigated the connection between risk-based audits and Kenyan commercial banks' financial development. He found that hazard-based auditing through hazard evaluation, risk management, yearly hazard-based arranging, internal auditing norms and Internal auditing staffing should be overhauled. Otieno (2012) researched on impacts of corporate governance

and financial performance of commercial banks in Kenya. He concluded that corporate governance elements represent 22.4% of the budgetary execution of commercial banks. This means that internal audit reports should be used to notify the audit committee of such discrepancies. None of the research mentioned above have examined how internal audit procedures affect an organization's performance. In light of this insight, the current study is to examine how internal audit methods affect organizational performance, with a particular emphasis on URA.

1.3 Objectives Of The Study

1.3.1 General Objective

Using the Uganda Revenue Authority as a case study, the main goal of this research was to investigate the obstacles facing internal audit operations in the Ugandan public sector and to offer recommendations for developing suitable regulations.

1.3.2 Specific Objectives

- I. To ascertain how risk management techniques affect URA performance
- II. To determine how internal environment audit procedures affect URA performance.
- III. To determine how URA performance is impacted by monitoring and control actions.

1.4 Research Questions

The following research questions served as the study's guidelines:

The following questions were the focus of the research:

- I. What impact does risk management have on Ugandan regulatory agencies' performance?
- II. Do internal environment auditing procedures impact Ugandan regulatory bodies' performance?
- III. How do oversight and control initiatives impact Uganda's regulatory agencies' performance?

1.5 Scope Of The Study

September 5, 1991, saw the establishment of the URA Act. The Authority is created by the Act to serve as a central authority for the assessment and collection of designated revenue, the administration and enforcement of laws pertaining to said revenue, and associated matters.

One of the Authority's seven divisions, the Internal Audit and Compliance Department, will carry out this research. The department's main office is situated in Nakawa.

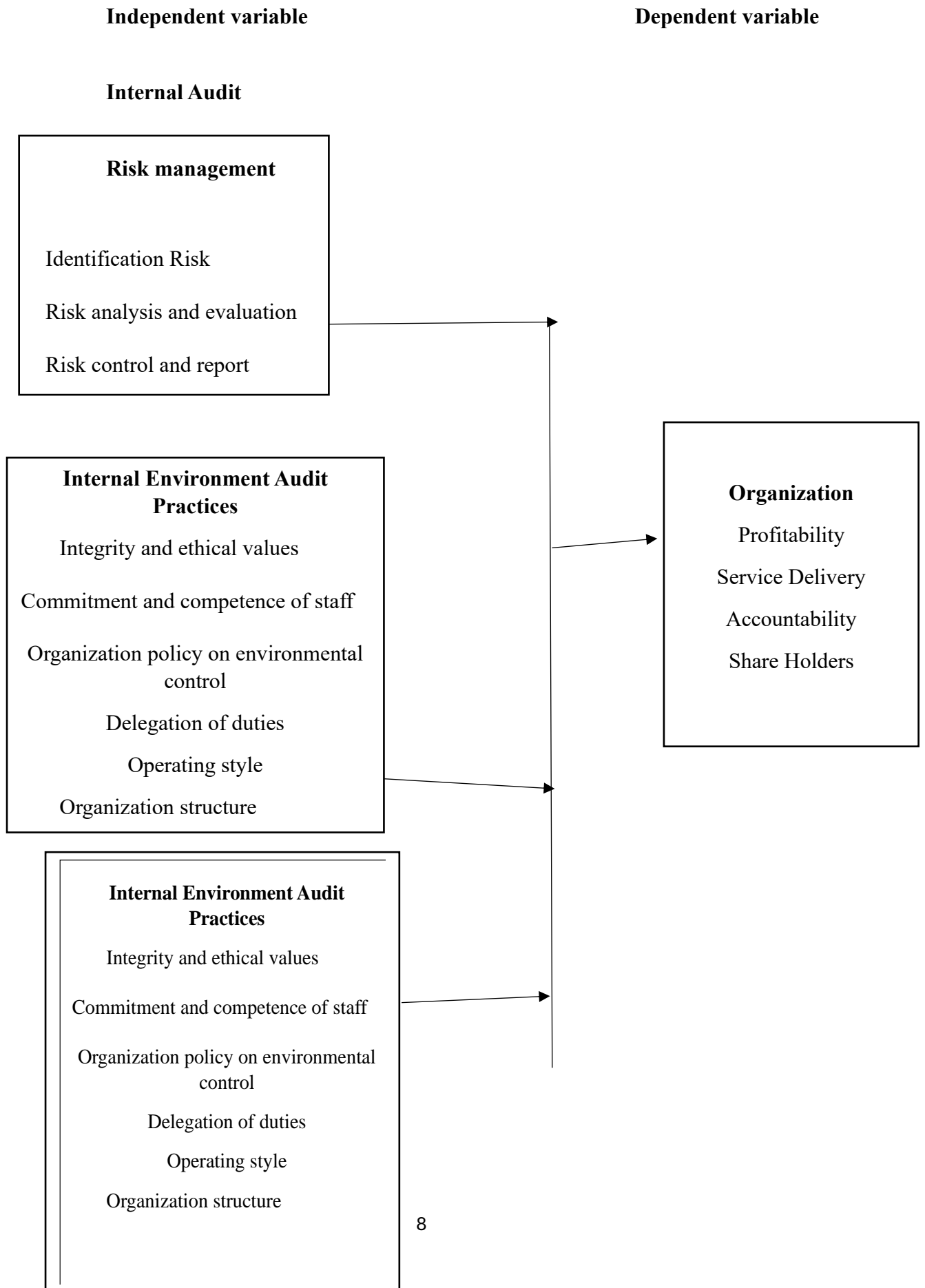
1.6 Time Scope

The three-month period from January to May was intended to be covered by the study.

1.7 Conceptual framework

A conceptual framework, according to Miles and Huberman (1994), is a written or visual product that describes the primary subject of study, the variables, concepts, or components, and their assumed relationships in a narrative or graphic fashion.

Figure 1: Conceptual Framework



1.8 SIGNIFICANCE OF THE STUDY

The findings and recommendations of the study will help decision-makers and enable them to make laws regulating the way public organizations operate. The management of both the public and private sectors will be knowledgeable of the anomalies in their business operations. The current study seeks to enhance the efficiency and professionalism of the management staff by increasing their involvement in internal audit. They will appreciate the role of internal audit as one of the most important administrative control frameworks in a corporation, which is necessary to protect the interest of its shareholders.

Authorities in charge of Uganda can seek ways to make the internal auditing effective by making it an independent capacity from the management totally. Where recommendations outlined in the internal audit reports are implemented by the administration it will help in improving the performance of the regulatory bodies in Uganda.

Government

The findings will contribute a great deal of knowledge to the government in particular regarding the service delivery efficacy, efficiency, and accountability. Acadicians

It will help the researchers to identify and enhance their awareness of internal review for maintaining professional ethics as required by the IAS. Finding will also help the researcher to know why an organization acts in a particular manner despite internal controls being in place. This research work will provide a platform for discussion between the academic and the students regarding the corporate governance process as well as its implications on output.

1.9 Conclusion

As already discussed, auditing was a classical way of supervise the activities of the government and providing information to elected officials and administrations as well as sometimes to constituents. It was considered one of the most crucial aspects of the regulatory framework. Therefore, this research would conclude the necessity of describing the internal audit's objectivity, nature, reporting function and scope and priority.

As stated above, the research will be beneficial to the different stakeholders.

1.10 Definition of terms

1.10.1. Audit committee

The term "Audit Committee" refers to defines a committee of the Board of Directors whose responsibility it normally is to oversee financial reporting and the entity's risk management and business operations and compliance with significant legal, moral, and regulatory obligations. Generally, the Audit Committee assists the Board regarding the appropriateness of the entity's financial statements as presented, ensures the adherence by the entity to legal and regulatory requirements, checks the qualifications and independence of the auditors, oversees the internal audit organization within the institution and the independent auditors, and deals with executive remuneration when no remuneration committee exists.

1.10.2 Auditing

According to the International Standards on Auditing, auditing is "an independent examination of and the expression of an opinion on whether an entity's financial statements present a fair presentation in accordance with the identified financial reporting framework, such as generally accepted accounting principles (GAAP). It is performed by an auditor who has been appropriately licensed or certified, depending on national requirements" (IIA, 2009).

1.10.3 Internal Audit

An independent, objective assurance and consulting activity designed to add value and improve an organization's operations (IIA, 2009).

1.10.4 Public Finance

A subbranch of economic theory called "public finance" deals with the revenues, outlays, and conduction of local and national governments. An assurance engagement is one in which the internal auditor applies attention to process and obtains and evaluates evidence in an objective manner (Theiia.org, 2016 a) An audit charter is a document that defines the purpose, scope, and responsibility of an internal auditing activity and that has been approved by those with governance responsibility (Theiia.org, 2016 a)

Advisory in nature, consulting services are provided upon a client's unique request. Agreement with the engagement client governs the type and extent of the consulting engagement." (2016 a) Theiia.org

1.11 Conclusion

The chapter introduced the study, provided a comprehensive project outline, defined the significance of the study, explained the problem statements as well as three research questions. The background information to the problem, statement of the problem, purpose and research objectives of the study, importance of the study, scope of the study, key term definitions, and the impact internal audit function has on performance in government institutions are included as subsections in the introduction. Following that, chapter two covers the literature review; the research technique covers Chapter three; the results and findings cover Chapter four, while the discussion, conclusion, and recommendation are covered in Chapter five.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The research literature on the impact of the internal audit function on government institution performance was reviewed in this chapter. The issues that were specifically addressed were corporate governance and internal audit.

2.1 Auditing Function and Organizational Performance

Internal auditing has become into a vital administrative tool for achieving significant

In both public and private organizations, internal auditing is an essential control (Udu, 2020). Link in the budgetary reporting and business practices of non-profit organizations and partnerships. Inner inspecting aims to improve hierarchical adequacy and proficiency by providing insightful feedback. There are four main components to inner auditing: written record checking, method inquiry, justification evaluation, and method compliance. Internal management, staffing to ensure proficiency and alignment with association strategies, and providing recommendations for management improvement.

The majority of specialists In internal auditing argue that improved financial execution is linked to a strong internal review effort. According to Beyanga (2021), an effective inside review administration can reduce overhead, identify ways to improve effectiveness, and increase exposure to potential misfortunes from inadequately defended organization resources. All of these things can have a substantial impact on how an organization operates. According to Saren and De Belde (2020), an organization's internal audit capability will become increasingly significant when it aspires to respectability and unambiguous moral traits that are expressed in a defined set of values or morals. Internal control frameworks are essential to corporate directors and enhance administrative adequacy. Writing down books is like having a strong control.

According to Fadzil et al. (2022), internal auditors increase an organization's value to shareholders and administer it more skillfully. Finally, Hermanson and Rittenberg (2022) argued that the majority of authoritative execution was associated with the existence of a functional internal auditor's capacity. According to a KPMG-directed study (2020), internal auditors, when present, play a crucial role in confirming corporate disasters, particularly those involving execution changes. They also assist in identifying benefit budgetary

misrepresentation, which reliably establishes a connection between subpar administrations. Interior review acting as a guard dog could therefore prevent the association from failing to meet its goals of ensuring an abnormally high level of productivity and benefits.

Internal auditing serves as a vital control in both open and private associations (Udu, 2020). connection in the business and budgetary reporting procedures of partnerships and not-revenue driven associations. The point of inner inspecting is to enhance hierarchical proficiency and adequacy through useful feedback. Inner Auditing four primary segments: viz; check of composed records investigation of approach, assessment of the rationale and fulfillment of proper for the methods. Interior administrations and staffing to guarantee they are proficient and association's strategies; and reporting suggestions for enhancements to administration.

2.2 Risk Management and Organizational Performance

An organization management of internal control plays a major role in the management of risks that are material to the accomplishment of its business objectives. A well-designed scheme of internal control contributes to safeguarding the shareholder's investment and the entity's assets. Internal control enhances the effectiveness and efficiency of activities, the reliability of internal and external reporting and facilitates compliance with laws and regulations (Whittington and Pany, 2020). An organization arrangement of inward control has a key part in the administration of dangers that are noteworthy to the satisfaction of its business target. A sound arrangement of Internal control adds to shielding the shareholders venture and the organization's advantages.

Inner control encourages the viability and productivity of operations, guarantees the unwavering quality of inward and outer reporting and helps consistence with laws and directions (Whittington & Pany, 2021).

Organizations understand risk and need valuing the significance of hazard administration to an association. Great corporate administration codes require the board to introduce an arrangement of hazard administration and educate their shareholders regarding this framework (Pickett,2023). An organization cannot get smaller its way to approach to extent. It must create, and one of the keys to fruitful development is compelling danger administration. Chance affects an association's capacity to contend and to keep up its money related quality and the nature of its items and administration. It is the interior examiner's business to recognize all auditable exercises and important hazard figures and to evaluate their noteworthiness.

An effective internal control structure requires that the material perils that could unfavorably impact the achievement of the bank's destinations are being perceived and constantly surveyed.

AS indicated by Bayana (2021) this evaluation ought to cover all dangers confronting the bank and the combined keeping money association (that is, credit hazard, nation and exchange chance, showcase chance, financing cost chance, liquidity chance, operational hazard, legitimate hazard, and reputational chance). Inward controls may should be modified to fittingly address any new or beforehand uncontrolled dangers (Radu and Ramona, 2023). Subsequently it is basic that, as a major aspect of an Inner control framework these dangers are being perceived and ceaselessly surveyed. From an inside control point of view, a hazard ought to recognize and access the inward and outer components that could antagonistically influence the accomplishment of the administrative bodies' execution, data and consistence objective.

The effective risk assessment identifies and perceives internal factors, such as the complex nature of organizational structure, the type of bank operations, the type of job constraints, organizational changes and personnel loss, and also external factors of fluctuating economic conditions, the shifting business environment, and technological development that could adversely affect the attainment of the firm's objectives. This hazard evaluation ought to be led at the level of individual organizations and over the wide range of exercises and backups of the combined managing an account association. This can be refined through different strategies (Pickett, 2020). Successful hazard appraisal addresses both quantifiable and non-quantifiable parts of dangers and measures expenses of control against advantages they give.

It is also under the risk assessment process that the firm figures risks that are controllable and which are most certainly not. For those dangers that are controllable, the bank must survey whether to acknowledge those dangers or the degree to which it wishes to relieve the dangers through control techniques. For those risks that cannot be mitigated the bank needs to decide whether to accept these risks or withdraw from or reduce the level of business activity involved. According to Birkett, 6007, risk involves the chances of an event, circumstance, or actions could be perceived as threatening an organisation or its operations.

To enable risk assessment, and in this way preparation of internal control, to remain effective, management senior administration has to continuously evaluate the risks impacting achievement of its goals and react to changed conditions and circumstances.

Audit controls can be updated to appropriately address any new or previously uncontrolled risks. For example, as financial growth occurs, a bank must consider the new financial products and market transactions and the associated risks from these activities. Often the associated risks

can best be considered in scenarios of how various situations (both financial and other) affect the cash flows and income of these financial products and transactions.

Adverse effects can take a number of forms depending on operative risk factors.

It views the meaning of a risk as a product of the degree of its adverse effect and the probability of its occurrence. The assessment of importance of adverse consequences due to risk factors would finally use a “failure to achieve set goals and objectives; in fact, the very process of setting goals and objectives should identify explicitly the risks of not attaining them. As a result, relative importance could be assigned to various risks.”. The process of a risk assessment system contains three steps, which are risk identification, risk analysis and evaluation, and risk control and report. The risk identification is used to find out how an enterprise can identify, judge, and analyze the risk nature, types, and reasons for its occurrence. Risk analysis and evaluation should make quantitative analysis to the digital information collected by the mathematical method so as to make the risk management on a scientific basis. The result of the risk analysis and risk evaluation should be stated in a probability of occurrence along with the size of the risk in such a way that it provides a dependable basis for decision-making. In dealing with risk control and report management, one needs to think about how to think about controlling risks. The method of risk control usually involves transferring risk, defusing adverse risk, and dispersing risk.

2.3 Internal Environment Audit Practices I and Organizational Performance

Whittington and Pany (2021) identified the practices of internal environment audit as the top of the association since it affects the control consciousness of the individuals. They affirm and confirm that control environment is regarded as the foundation for the different components of internal control.

Those variables that sharpen internal environment audit practices include; reliability and ethical judgments of personnel responsible for establishing, maintaining, and monitoring controls, responsibility and competence of individuals performing assigned tasks, senior management or audit committees, management attitude and style of operation and organizational structure which may be a well-organized structure that allows for adequate planning, organizing and controlling activities or a disorganized structure that may only serve to confuse the principal players by creating ambiguous roles.

The state of mind of the administration should be directed towards moral business honours and to taking after the set-up control techniques. This constitutes the basis on which every other

section of internal control will be established, providing order and framework. The factors that sharpen elements of inside environment control include integrity and good values, commitment to wellness, organization theory and working style, and the way organization allocate authority and responsibility, manages and develops its workforce.

The Internal environment control practices are the establishment of the five components in the inner control system. Its assignment and operation influence the venture' general action as well as the other four components. In this way, control environment specifically influences the impact of execution of interior control system and the advanced ventures ought to build up a reasonable Internal environment control (Eden, 2020).

There are several elements of internal environment audit practices, however, for purposes of this research, the questionnaire will focus on management rationality and working style, the reliability and ethical judgments of employees making up and operating controls and audit committees and board. For purposes of the study, governing body shall refer to the Board of Management and the various advisory committees of the Board (Verschoor, 2022). Whittington and Pany (2021) similarly believe that these factors establish a platform on which the other internal control components can be built. They also provide a framework within which the other components function. However, these assertions have not always held true, as management in organizations has consistently outranked these controls, the lack of mentorship.

The common context of the internal environment audit practices usually comprises of. First of all, there is personnel integrity and quality. On one side, the staff are the subjects of the inner control in the company, and the carrying out of their job controls them. On the other side, the staff are objects of the inner control in the company, controlled and regulated by others. Anything of inner control framework might not go past the staffs' trustworthiness and quality that makes, oversees actualises and administers the framework. Besides, there is the administration style and administration thought . The leadership administration style and administration thought impact the method for overseeing of the undertakings, particularly the supervisor singular marvelousness and the capacity to settle on choice. The directors control the venture principally by planning the association and administration component, approving and laying out the framework. Last but not least, there is the organization structure. Organization structure includes association structure settings, duties portion, what position of the individual in the association is and what power and obligation he has. Association structure is the grantee for the venture to accomplish generally speaking.

2.4 Control Activities and Organizational Performance

Ray and Pany, 2020 defined control activities as yet another aspect of internal controls. It provides methods and structures that certification that the organization orders are enforced. Controls exercises in an organization mainly comprise execution reviews, comparing the actual performance with budgets, estimates, and prior period performance; data processing required to ensure that transactions are accurate, complete, and authorized; physical controls needed to provide safeguard not only to records but also to other assets; and segregation of duties where no single individual should perform all aspects of a transaction from initiation to completion.

Internal control should be effective when it comes to outline can be very useful and is generally for organization management and widely to financial statements at the present time, a wide range of business companies has implemented internal controls through the development of methods to ensure the development of an accreditation of safeguarding assets and profitable business environment specifically accounting process, organization procedure, and operational process have been developed for gaining internal control accreditation and to maintain a safe and profitable organizational surroundings (Ogneva, Subramanyam and Raghunandan, 2020). Thus, internal control ought to be all the time survey in all parts of their organization and embed inside controls that will reinforce the organization and increment benefits (Skaife, 2022).

Control activities are the internal control structures should be monitored – a system that evaluates the manner of the structure’s performance over time. Continuous monitoring takes place in the routine course of business, and involves regular management and supervisory actions, and various other actions employees undertake in performing their duties that may assess the manner of internal control system performance (Colbert and Bowen, 2020). The expansion and repeat of specific evaluations depend basically on an examination of perils and the feasibility of advancing checking systems (Anduuru, 2022).

Internal control weaknesses to be represented upstream. Bona fide issues to be reported as soon as possible to top association and regulating sheets. The internal control systems are subject to amendment after some time .Dumitrescu, 2022). How controls are related may evolve once proper structures can come to be less persuasive because of the emergence of new personnel and changing adequacy of design and supervision, time and resource requirements, among other burdens. Also, circumstances for which within control structure was initially outlined may also alter. In light of evolving circumstances. The entity must determine whether the internal control system remains relevant and ready to respond to emerging risks (Roth, 1997).

2.5 Chapter Summary

The chapter covers the literature on the study aims written by different authors. Determining the impact of the internal audit function on government institution performance was the primary goal. The literature review specifically addressed the relationship and impact between the Auditing function and Organizational Performance, the impact between Risk Management and Organizational Performance, the influence between Control Activities and Organizational Performance on an organization's performances, and the chapter summary. The research methodology is covered in the following chapter, which also focuses on the population and details the tools and techniques utilized for data gathering. It also provides specifics on the methods for doing the research and presenting the data.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The research technique utilized to conduct the study was detailed in this chapter, along with a discussion of it. It covered the research design, study population, sample and sampling procedures, data gathering strategies, data analysis strategies, and data visualization strategies.

3.1 Research design

The research design was a basic setup that shows a schematic of the exercises necessary to carry out the examination. The use of an illustrated study outline allowed the focus of the ebb and flow research to be identified. According to Cooper and Schindler (2003), determining the what, where, and how of a marvel is the focus of a descriptive research. The main focus of this investigation was quantitative. The main aim is to narrow the attention to a few instances in which a thorough investigation revealed the potential solutions for solving the investigation's underlying assumptions about the existing setup.

The researcher chooses a case study because he is compelled to employ this specific group to do research on the research problem, making it an intrinsic case (Stake, 1995). Both quantitative and qualitative research designs are used in this study. Because the study calls for a thorough understanding of a specific group of people, the researcher chooses a qualitative design (Merriam, 1998).

Both quantitative and qualitative research designs are used in this study. Because the study calls for a thorough understanding of a specific group of people, the researcher chooses a qualitative design (Merriam, 1998).

The research's features are described by the descriptive technique. Because the researcher collects data once over a period of days to address the research questions, the study is also cross-sectional in nature. The qualitative approach was chosen on the grounds that it will aid in examining the impact of internal audit on government institution performance. It is assumed that this will assist the researcher in drawing inferences, findings, and analyses.

3.2 Study population

Kothari (2012) states that a researcher must have a target population for his research from which to draw all of his conclusions on the validity of the subject of the study. According to Mugenda & Mugenda (2008), a population frame is an exhaustive itemized inventory of every

subject that makes up the study population and from which a sample is drawn. All URA employees who work in the Internal Audit Department were included in the study population. There were 21 responders in the population.

3.3 Sampling design and sample size.

Sample is the process of choosing a subset of a population's components from which to infer conclusions about the entire population. A population group is the object of inquiry and the subject of measurements (Cooper & Schindler, 2010). The Government Ministry in Uganda, namely the Uganda Revenue Authority, served as the study's unit. All five managers, ten supervisors, and six cops in the department make up the sample size. They were specifically chosen according to their expertise or understanding in the field of study. Additionally, they provide their opinions on the Uganda Revenue Authority's internal auditing role and performance.

$$\begin{aligned}n &= \frac{N}{1 + N(e)^2} \\ &= \frac{21}{1 + 21(0.05)^2} \\ &= 20 \text{ respondents}\end{aligned}$$

3.4 Data collection methods

To help deliver questionnaires to the targeted respondents, the researcher hired three research assistants. The questionnaires were given to the respondents face-to-face by the researcher and research assistants. Drop and pick later was used to distribute the questionnaires. Nonetheless, in cases when the participants had sufficient time to complete the questionnaire while the research assistant waited, they were provided with any necessary support and clarification.

3.4.1 Questionnaire Survey Method

The responders were given the questionnaire by the researcher in person. This method was chosen by the researcher because it was time-efficient, allowed for the confidential answering of sensitive questions by respondents, and covered a large number of respondents in a short amount of time. Using a questionnaire allowed the respondent time to consider and consider the questions posed.

3.5 Data Collection Instruments

3.5.1 Questionnaires

According to Meyer (1999), questionnaires are used to gather data when there are a large number of targeted respondents. The purpose of the surveys is to get information from the respondents.

The questionnaire was used In this study to collect data that was crucial. Studies benefit from the use of questionnaires because they collect information about people's feelings, inspirations, mindsets, accomplishments, and interactions that is not easily observable (Mellenbergh, 2008). There were both open-ended and closed-ended questions on the questionnaire. The questionnaire's questions were created using a Likert scale for the study. There were structured questions on the survey. The responses to the closed-ended questions were more structured, which encouraged meaningful recommendations. The questionnaire is split into two portions since it addressed three research objectives. The questionnaire's initial section asked for demographic information about the respondents, and the following questions addressed the three study objectives of risk management, control environment, and control activities.

3.6 Validity and Reliability of Instruments

3.6.1 Validity

The researcher conducted a peer review and potential revisions after creating the instruments to guarantee the authenticity of the data collection tool.

3.6.2 Reliability

This was accomplished by pre-testing 15% of the instruments, and if questionnaires are determined to be yielding following the exercise, they are pre-drafted.

3.7 Data Analysis

The Statistical Package for Social Science (Version 20) was used to clean, code, input, and evaluate the data before it was processed. It also produced percentages, means, standard deviations, and frequencies. The information was displayed in an exposition-style format using pie outlines, bar diagrams, and diagrams. This was accomplished by adding up the number of responses, calculating the variety processing rates appropriately, and using SPSS (Version 20) to visualize and interpret the data according to the study's goals and hypotheses. To assess the quality of the relationship between the dependent and independent factors, the analyst used multiple regression analysis.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.1 Introduction

This chapter provides the presentation, analysis and interpretations of findings are presented mainly in tabular form.

4.2 Response rate

130 questionnaires were issued out to collect data for the Study. However, only 98 questionnaires were ticked and returned causing a response rate of 75.4%.

Response	Frequency	Percentage
Response	20	95.2
Non-response	1	4.8
Total	130	100

4.3 Social demographic characteristics of respondents

The study looked at the socio-demographic characteristics of respondents. The data attained was presented in the frequency, percentage and tabulation tables from which conclusions were drawn. The main purpose of the respondents' profile was to indicate their views towards the study. This profile is shown in Tables below:

Table 1: Gender of respondents

Personal Characteristics	Response	Frequency	Percentage (%)
Gender	Male	11	55.0
	Female	9	45.0
	Total	20	100

Source: Primary Data

The data indicates that 55% of respondents are male, while 45% are female. This distribution shows a relatively balanced gender representation among the respondents, though males slightly outnumber females. The findings suggest that both genders are well-represented in the organizational context, providing diverse perspectives on the research topic.

Table 2: Age of respondents

Personal Characteristics	Response	Frequency	Percentage
Age	18-30	5	25.0
	31-40	7	35.0
	41-50	6	30.0
	51 and above	2	10.0
	Total	20	100

Source: Primary Data

The age distribution of respondents shows that 35% are within the 31-40 age group, making this the most represented age bracket. This is followed by 30% in the 41-50 age group, 25% in the 18-30 age group, and 10% in the 51 and above age group. These findings indicate that the respondents are mostly middle-aged and with a substantial portion of the group found in the prime of their profession, which may inform their perception of accepted organizational practices.

Table 3: Education level of respondents

Personal Characteristics	Response	Frequency	Percentage
Education level	Primary	1	5.0
	Secondary	3	15.0
	Certificate	4	20.0
	Diploma	5	25.0
	Bachelor's Degree	6	30.0
	Master's Degree	1	5.0
	Total	20	100

Source: Primary Data

From the samples' education level, 30% have a Bachelor's degree, 25% a Diploma, 20%, a Certificate, 15% a Secondary education, 5% a Master's degree, and 5% a Primary education. These figures imply that most of the respondents have at least a Diploma qualification, meaning the samples are quite educated.

4.4 Study findings

Tables shown below are interpreted using a 5 Likert scale of SA = Strongly Agree, A= Agree, NS = not sure D= Disagree SD= Strongly Disagree

4.4.1 Risk Management Practice Effect on the performance of URA.

Table 5: Responses on the Risk Management Practice Effect on the performance of URA.

Statements	SA	A	NS	D	SD	100%
Risk identification is crucial for understanding the nature and sources of risks that could impact URA's performance.	60	30	5	5	0	100
Accurate risk analysis ensures that URA can quantitatively assess the likelihood and impact of potential risks.	50	40	5	5	0	100
Systematic risk evaluation provides a scientific basis for URA's decision-making processes in managing risks.	55	35	5	5	0	100
Transparent risk reporting enhances URA's ability to communicate risk management efforts to stakeholders.	45	40	10	5	0	100
URA's risk management practices play a critical role in building and maintaining stakeholder confidence.	65	25	5	5	0	100

Source primary data

The main findings presented in Table 18 are that (90%) of URA agreed (60% strongly agree and 30% agree) for risk identification as a part, ensure the nature and sources related risks shall affect on their performance. Taken together no less than 90% of responders cite the importance of identifying risk as a component to managing both individual and organizational risks.

This is a view held by 50% of respondents, with an additional 40% agreeing (strongly or otherwise) that 'accurate risk analysis allows URA to quantitatively evaluate the probability and severity of potential risks'. This 90% level of the consensus highlights how crucial it is to carry out a meticulous analysis of risks for risk management in the firm.

In the systematic risk evaluation of URA, a considerable 55% strongly agree and another 35% just agree. The 90% agreement score shows the importance of systemic evaluation in supporting data-driven decisions to be made under URA’s risk management structure.

Key findings of the report that relates to this interview include 45% strongly agree and an additional 40% agreeing, stating URA's transparent risk reporting capabilities are impactful for communicating its work in managing risks with stakeholders. This is further underscored by the fact 85% are in agreement, highlighting that transparency values trust and accountability with URA's risk management measures.

A resounding 65% of the participants strongly feel that URA's risk management practices assist a lot in ensuring confidence among all stakeholders. The cumulative 90% approval underscores the importance of successful risk management to retain stakeholder confidence and organizational resilience.

4.4.2 Internal Environment Audit practices and their effect on URA performance.

Table 6: Responses on the Internal Environment Audit practices and their effect on URA performance.

Statements	SA	A	NS	D	SD	100%
High levels of personnel integrity and ethical values are crucial for ensuring the effectiveness of URA's internal control systems.	70	20	5	5	0	100
URA's management philosophy significantly influences how internal controls are perceived and implemented across the organization.	60	25	10	5	0	100
A well-organized structure facilitates clear roles and responsibilities enhancing	65	25	5	5	0	100

overall organizational performance.						
Effective audit committees are essential for ensuring rigorous oversight of internal controls within URA.	55	35	5	5	0	100

Source primary data

The results reveal that 70% of the respondents agreed with a score of five in which high personnel integrity and ethical values are controls relevant to effectiveness for URA control environment. This prevailing opinion of the group (90% agreement) highlights how ethics help to ensure that internal controls remain strong.

More than 85% identified URA's management philosophy as having a moderate to strong effect on how internal controls are viewed and carried out, with the majority split between strongly agree (60%) and agree (25%). This 85% agreement reveals that the leadership's role in determining how effective internal control practices become (either good or bad) is critical.

Statements	SA	A	NS	D	SD	100%
Regular performance reviews are essential for ensuring that URA meets its financial and operational targets effectively.	50	40	5	5	0	100
Effective information processing controls within URA ensure the accuracy and reliability of financial transactions.	55	35	5	5	0	100
Proper segregation of duties within URA helps prevent	60	30	5	5	0	100

errors and fraud, enhancing overall organizational integrity.						
Timely reporting of internal control deficiencies to senior management is crucial for maintaining URA's operational efficiency.	45	40	10	5	0	100
Internal control systems must adapt to new risks to remain relevant and effective in a changing environment.	50	35	10	5	0	100

According to the findings, 65% of those surveyed strongly agree that a strong framework led to improved organizational performance because roles and responsibilities were clearly defined. URA has an agreement level of 90%, indicating that a clear and effective organizational structure is vital to their operational success.

The results reveal that 55 percent 'strongly agree' an effective audit committee is necessary to provide careful scrutiny of URA's internal control. Ninety percent of respondents are in agreement, another clear signal that effective audit committees have come to be the lynchpin for upholding internal control integrity.

Exactly 60% of out total respondents strongly agree that strong control environment within URA provide a basis for the effective internal control practices. The 90% consensus serves to emphasize the significance of having a mature control environment in place that is necessary for internal audit processes to be successful

4.4.3 Monitoring and control activities and their effect on performance of URA.

Table 7: Responses on the Monitoring and control activities and their effect on performance of URA.

Source primary data

The results also show that 50% of the respondents are closely linked to the review of regular performance for URA meeting its financial plan and target operationally. Ninety percent

consensus in general suggests that organizations consider continuous monitoring with performance reviews as principal to meeting business goals.

These results indicate the importance of information processing controls in URA since 55% and 35 % strongly agree as well as Agree that without effective Information Processing Controls, financial transactions cannot be accurate nor reliable. A 90% agreement highlights the importance of these controls in preserving fiscal health.

The data illustrates that 63.7 percent of respondents strongly agree that segregation of duties throughout the URA improves integrity at large, by preventing mistakes and fraud opportunities. The 90% agreement level speaks to a recognition of the salient need for clear role separations in internal risk protection aspects.

46% of responses strongly agrees that it is important for URA to report internal control deficiencies promptly to senior management in order not to affect the effectiveness of operations as found. The 85% alignment serves to emphasize that the most critical gap is timely communication of control weaknesses in order for them to be handled expediently.

The outcome reveals that 50 per cent of respondents strongly believe internal control systems have to evolve in order to be relevant and effective. This demonstrates a need for flexible and responsive control systems, agreed by 85% overall.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The outcomes presented in chapter work best as a summary and the recommendations are therefore derived from them.

5.2 Summary Findings

5.2.1 Risk Management Practice Effect on the performance of URA.

The study reveals the critical role that effective risk management practices play in how well the Uganda Revenue Authority (URA) performs. The fact that more than 90% of the respondents believe risk identification to be important in recognizing where risks could originate re-affirms the point on why this process is critical in managing stakes. Over 90% also find that accurate risk analysis needs to be done and this should involve weighing of effects (Ray & Pany, 2020). URA also benefit from systematic risk evaluation which is supported by nearly 90% as a strong basis for decision-making using data. Moreover, 85% and 90%, of respondents respectively as including an additional weight to supporting the aforementioned impoverished practices via transparent risk reporting, and stakeholder with strong confidence which is outlined by fish (2021) increasing the integrity and stability in organisations.

5.2.2 Internal Environment Audit practices and their effect on URA performance,

The internal environment audit practices within URA significantly influence its performance, as evidenced by the findings in table 4, this implies that improving systems including code of conduct, rules to be followed when verifying data or files for processing orders can perform a very assistive role in determining good compliance/results (Athansios et al). Ninety per cent of the respondents believe that personnel integrity and ethical values are absolutely essential for internal controls to work, showing a general agreement presence on ethics (Whittington & Pany, 2021 p.315) The same applies to 85% who recognize that management philosophy represents a critical factor in influencing how controls are practiced and perceived within the organization, denoting leadership impact over control practices. As a matter of fact, 90% of respondents see the value in having clear structure and how it improves organizations

internally. In addition, 90% confirm the effectiveness of audit committees and control environments in preserving internal control integrity (Verschoor, 2022)

5.2.3 Monitoring and control activities and their effect on performance of URA.

To ensure that URA achieves its financial and operational targets, monitoring & control processes play a crucial role. Results of the survey indicated that 90% majority believe routine performance reviews are crucial for ongoing assessment and reaching programmatic targets, suggesting its criticality! Key for keeping financial transactions accurate and reliable, according to 90% of supporters — effective technology information processing controls. Finally, 90% recommend clear role separation crucial to avoid making mistakes and having breaches that leads errors. What emerges as vital for operational efficiency and to stay relevant in evolving ecosystem, deficiencies are reported timely ad adaptation due new seen risks both with 85% agreement (Anduuru, 2022).

5.3 Conclusion

The results of the research underline that good risk management, internal atmosphere audit practices and monitoring and control activities are important for Uganda Revenue Authority (URA) performance. Ninety percentage among the experts believe that risk identification, analysis and systematic evaluation are important for data-driven decisions with a strong consensus (Ray & Pany 2020). Yet, internal environmental factors such as employee honesty and top management attitudes have also been strongly linked to the effectiveness of both managerial contractarian measures with 90 percent support (Whittington & Pany, 2021). Third and finally, continuous monitoring of operations with information processing controls in place to facilitate timely reporting is critical for efficient operation and fraud prevention (Colbert & Bowen, 2020; Anduuru, 2022).

5.4 Recommendations

Management should improve its risk-management practices with investments in sophisticated tools for identifying and assessing risks. This investment is being made so the organization can better predict and address any future risks to performance. In addition, management should take care in conducting regular staff training on the critical behavior standards of risk identification and clear reporting by ensuring these behaviors are enforced Shop throughout the organization. In this way, URA can increase the credibility of its stakeholders and develop a positive organizational health that strengthens it reputation as highly governed organization focus on stakeholder welfare (Ray & Pany 2020; Fish 2021).

The audit committees need to improve the oversight by periodically reviewing and updating internal environment (audit practices) within URA. This entails making certain that personnel hold the highest levels of personal integrity and ethical behavior not simply through training but ongoing reinforcement with explicit communication to all about what is considered un/permissible actions. Integration with management in order to maintain a well organized structure which is capable of effective control implementation. The effectiveness of internal controls, and in turn the overall performance and integrity of URA operations (Whittington & Pany, 2021; Verschoor, 2022) can be considerably improved through proactive involvement by audit committees with these various practices here described.

It is high time the government and regulatory bodies make it mandatory for regular risk management and internal control practice assessments take place in governmental institutions like URA. These assessments need to be based upon the ability of organizations to cope with emerging risks and continue running efficient controls in a fast changing landscape. Further, regulators should establish meaningful rules and structures to enable ongoing monitoring and disclosure of breakdowns in internal control. In so the process, faculty can enhance their resilience and transparency in operations like URA institutions which will also bring efficiency to governance hence public confidence (Colbert & Bownen(2020); Anduuru, 2022).

5.6 Further Research Areas

Future research could delve into the sustainability of risk management practices to organizational performance within such government institutions like URA. This subject would be best suited to a longitudinal study that can investigate how prolonged risk management impacts financial resilience, stakeholder trust and general operational effectiveness. Future research may also consider the evolution of risk management practices and their effect on organizational resilience, particularly in relation to novel risks. If Risk management frameworks within similar institutions are to be optimised, it is valuable for all of us understanding these dynamics (Ray & Pany, 2020).

Studies in future can be replicated across different government institutions, not limited to URA and perform a comparative analysis of internal audit practices. The fit would evaluate how the audit frameworks for various institutions perform, best practices and where some may be ahead or behind. This would enable benchmarking and development of standard audit practices filling control, overall governance mechanism within the public sector. This study would thus extend

our knowledge of how internal audit adds value to the organisation (Whittington & Pany, 2021).

Research future should endeavor in investigating how new technologies could strengthen the monitoring and control activities of organizations like URA due to short-changing. Such research might help take advantage of AI, blockchain and data analytics to do it better. The research can then look to this integration of these technologies within current control frameworks along with technology acceptance and use literatures, in order to provide considerations for how URA institutions might leverage technology both for reinforcing their internal processes whilst changing into the dynamical nature of operations (Colbert & Bowen 2020).

Organizational culture) and the effectiveness of internal control systems. The purpose of this study is to understand the impact that leadership style; employee engagement and ethical norms have on the implementation, strength and efficiency of internal control within URA. The research helped with recommendations on how to create a nurturing environment, which would allow the control structures becoming more efficient by recognizing these cultural dimensions. These types of findings, in turn, would be invaluable for organizations that wish to better implement their internal controls and organizational culture with a same focus on improved results(Fish 2021).

Future investigation may opt to delve into the how external environmental influences—economic conditions, regulatory changes and political stability—affect ensuring functional internal controls within URA. This research would examine in what way these outside factors impinge upon the organisational control strength and responsiveness to rise risks. The find could provide strategic lessons and help manage the resilience and adaptability of government entities in keep up with external pressures, for continued organizational performance(Anduuru, 2022).

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APPENDICES

Questionnaire

Dear respondent, my name is I am carrying out a study to

..... in partial fulfillment of the requirements for the award of a degree of the Bachelor of Science of Of Uganda Christian University. Your knowledge regarding the issue is the basis for your selection to participate in this study as a respondent. Kindly provide the most appropriate information as indicated in the questionnaire based on your experiences. The information provided shall be used for academic purpose only and will be treated with utmost confidentiality.

If you agree please tick the box and proceed to section I

If you decline, do nothing and return the questionnaire to the researcher.

Thank you in advance.

Yours truly, Signed

.....

.....

LINDIWE SOPHIA .A. ORACH

SECTION I: BACKGROUND INFORMATION

01	My Sex	Male	1
		Female	2

02	My age in years	Between18-25 Between26-30 Between31-40 Between40-45 45and above	1 2 3 4 5
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03	My Education Level	Primary	1
		Secondary	
		Certificate	2
		Diploma	
		Bachelor's degree	3
		Master's Degree	4
			5
			6

Section II: The effect of risk management practice on the performance of URA (circle as appropriate)

Indicate the extent to which you agree with the following observations on Demand for University Accommodation on a scale of (1) = strongly disagree, (2) = disagree, (3) = not sure (4) = agree (5) = strongly agree

Scale	5	4	3	2	1
The effect of risk management practice on the performance of URA.					
Risk identification is crucial for understanding the nature and sources of risks that could impact URA's performance.					
Accurate risk analysis ensures that URA can quantitatively assess the likelihood and impact of potential risks.					
Systematic risk evaluation provides a scientific basis for URA's decision-making processes in managing risks.					
Transparent risk reporting enhances URA's ability to communicate risk management efforts to stakeholders.					

URA's risk management practices play a critical role in building and maintaining stakeholder confidence.					
--	--	--	--	--	--

Section III: The effect of internal environment audit practices on the performance of URA.(circle as Appropriate)

Indicate the extent to which you agree with the following observations on financial capacity on ascale of (1) = strongly disagree, (2) = disagree, (3) = not sure (4) = agree (5) = strongly agree

Scale	5	4	3	2	1
The effect of internal environment audit practices on the performance of URA.					
High levels of personnel integrity and ethical values are crucial for ensuring the effectiveness of URA's internal control systems.					
URA's management philosophy significantly influences how internal controls are perceived and implemented across the organization.					
A well-organized structure facilitates clear roles and responsibilities, enhancing overall organizational performance.					
Effective audit committees are essential for ensuring rigorous oversight of internal controls within URA					
A strong control environment within URA sets the foundation for the successful implementation of internal control practices.					

Section IV: The effect of monitoring and control activities on the performance of URA. (circle as Appropriate)

Indicate the extent to which you agree with the following observations on socio-demographic factors on a scale of (1) = strongly disagree, (2) = disagree, (3) = not sure (4) = agree (5) = strongly agree

Scale	5	4	3	2	1
The effect of monitoring and control activities on the performance of URA.					
Regular performance reviews are essential for ensuring that URA meets its financial and operational targets effectively.					
Effective information processing controls within URA ensure the accuracy and reliability of financial transactions.					
Proper segregation of duties within URA helps prevent errors and fraud, enhancing overall organizational integrity.					
Timely reporting of internal control deficiencies to senior management is crucial for maintaining URA's operational efficiency.					
Internal control systems must adapt to new risks to remain relevant and effective in a changing environment.					
Regular performance reviews are essential for ensuring that URA meets its financial and operational targets effectively.					

APPENDIX 11: DATA COLLECTION LETTER



**UGANDA CHRISTIAN
UNIVERSITY**

A Centre of Excellence in the Heart of Africa

SCHOOL OF BUSINESS

19th Aug, 2024

TO WHOM IT MAY CONCERN

Name: **LINDIWE SOPHIA .A. ORACH**

Reg. No. **S21B33/052**

A bachelor's student who is seeking permission from your office to collect data for dissertation titled

THE EFFECTS OF INTERNAL AUDIT ON THE PERFORMANCE OF GOVERNMENT INSTITUTIONS IN UGANDA.

We shall be grateful if you could render assistance to her in collecting the necessary data for her dissertation

The Uganda Christian University School of Business thanks you in advance

Mukisa Simon Peter
Research coordinator



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