

**THE ROLE OF INTERNAL CONTROL SYSTEMS TO THE DEVELOPMENT OF
PRIVATE SECTORS: ACASE STUDY OF JESSA DAIRY FARM**

**BY
LUSOZI LAWRANCE
1153-05014-01449**

**RESEARCH REPORT SUBMITTED TO THE COLLEGE OF ECONOMICS
AND MANAGEMENT SCIENCES IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE AWARD OF A BACHELOR
DEGREE IN BUSINESS ADMINISTRATION IN
ACCOUNTING AND FINANCE OF
KAMPALA INTERNATIONAL
UNIVERSITY**

MAY, 2018

DECLARATION

I, Lusozzi Lawrance hereby declare that the work presented on this research report is original and that no study of the kind has been submitted for award of the degree in any university as a whole or in part except where acknowledged.

Signature

Lusozzi

LUSOZI LAWRENCE

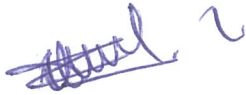
Date

26/05/2018

APPROVAL

This research report has been prepared under supervision and submitted to the College of Economics and Management for examination with approval.

Signature

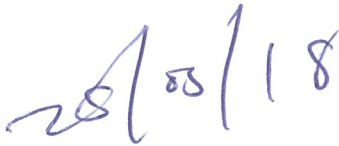


.....

MR TIMBIRIMU MICHEAL

(Supervisor)

Date



DEDICATION

To Almighty God his only begotten son our savior lord Jesus Christ, my Mothers Nambooze Juliet, Nabanoba Jane ,my sisters in law Princess Nakalanda Annet, and Grace .My beloved friends Nakabugo Hadijah, Nakanwagi Florence, Nsereko Phionah and all my colleagues ,comrades and relatives who encouraged and supported me throughout my study period both morally and financially may the almighty God bless them all.

ACKNOWLEDGEMENT

I am greatly extending my appreciation to God the almighty who stood from the beginning of the study up to the end of it .My sincere gratitude also goes to all those individuals who contributed either directly or indirectly to the writing of this dissertation

Special thanks to my supervisor Mr. Timbirimu Micheal for the consistent generous time he extended to me for the completion of this dissertation.

My special gratitude and sincere thanks to my mum Jane and mum Juliet ,my sister Annet and Grace for the support and contribution s and sacrifice that they dearly extended to me.

My God the Almighty bless them all!

LIST OF ACRONYMS

ICS:	Internal control system
JDF:	Jessa Dairy Farm
ICQ:	Internal Control Questionnaires
ICAEW:	Institute of chartered Accountants Of England Wales .
KIU:	Kampala International University
BBA:	Bachelor of Business Administration
AIA.;	American Institute of Accountants
UG;	Uganda
AIPA;	American Institute of Public Accountants

TABLE OF CONTENTS

DECLARATION	i
APPROVAL	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
LIST OF ACRONYMS	v
ABSTRACT.....	ix
CHAPTER ONE: INTRODUCTION.....	1
1.1.Introduction.....	1
1.2.Background of the Study	1
1.3.Statement of the problem.....	3
1.4. Purpose of the Study.....	3
1.5. Objectives	3
1.6. Research Questions.....	4
1.7. Hypothesis	4
1.8.Scope of the study.....	4
1.8.1. Content scope.....	4
1.8.2. Geographical scope.....	4
1.8.3.Time scope.....	4

1.9. Significance of the study5

CHAPTER TWO: LITERATURE REVIEW.....6

2.1. Introduction.....6

2.2. Definition of the concept6

2.2.1. DEFINITIONS OF KEY TERMS IN INTRERNAL CONTROL SYSTEM7

2.3. Relationship between internal control systems and the development of Jessa farm dairy (J.F.D) as a private sector.7

2.4. The classification of internal control systems8

2.5. The key elements of internal control system9

2.6. Challenges of implementing Internal control systems.....10

2.7. The following are major five components of internal control systems (ICS).11

2.8. REVIEW OF THE RELATED THEORIES OF INTERNAL CONTROL SYSTEMS13

CHAPTER THREE: RESEARCH METHODOLOG.....19

3.1. Introduction.....16

3.2. Research design16

3.3. Research population.....16

3.4. Sample size16

3.4.1. The sampling techniques of the study17

3.4.2.Instrument of data collection17

3.5.Research design18

3.6.Ethical consideration.19

CHAPTER FOUR20

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS.....20

4.0.INTRODUCTION20

4.1 Background Characteristics of the respondents.....20

4.3.Discussion of research findings34

CHAPTER FIVE35

SUMMARY, CONCLUSIONS AND RECOMMENDATION.35

5.1.Summary findings.....35

5.2.CONCLUSION.....36

5.3.RECOMMENDATIONS.....36

REFERNCES38

APPENDICIES40

ABSTRACT

The backward development in the private sector has been attributed to weakness in the internal control systems in the private sector. Huge amount of money is lost due to internal control systems inadequacies and other criminal temptations, which to say the least, drains the nations meager resources with its far reacting and attendant consequences on the development. This private sector does not have strong policies and systems to check these activities in the private sectors. A sample size of size 50 respondents was drawn from the population. The convenience sampling technique was used to select the employees while purposive sampling techniques was used to select management in the farm. Questionnaire was the main instrument used to collect data tables, and bar chats were used to determine the frequencies and the percentages in data analysis. The study revealed that internal contest system had been effective at the farm as the result of effective supervision, segregation of duties, proper authorities and approval. Internal control systems faces some problems in its implementation such as poor judgment in decision making and due to carelessness, and fatigue. The study conclude that internal control system at Jessa dairy farm had been effective and efficient having positive effect on employee satisfaction.

CHAPTER ONE: INTRODUCTION.

1.1.Introduction.

This chapter shows the background, problem statement, purpose, objectives, research questions, hypothesis, scope and significances of this study.

1.2.Background of the Study

The American Institute of Accountants first defined the term Internal Control in 1949, followed by further clarifications in 1958 and 1972. In 1977 publicly held companies came under Legislation to adequately implement controls to protect their financial information. A report by the committee of sponsoring organizations in 1992 and the sarbanes-oxley Act of 2002 are more recent documents defining internal controls.

According to Spicer and Pegler in the book of Auditing defines Internal control as the best regarded as indicating the whole system of control, financial and otherwise, estimated by the management in the conduct if a business including internal check, internal audit and other form of control.

However, According to Am King 2011 defined Internal control as a process through which the enterprise reaches its goals results, also plans authority performing, arrangement, monitoring in the whole enterprise or sub divisions according to Council of the institute of chartered.

Accountants of England and Wales" Internal control is the whole system of controls in order to carry on the business of the company in an orderly manner, safeguard its assets and source as far as possible the accuracy and reliability of its records.

When creating an accounting system, business and non-profit organizations must establish a frame work for internal control. The internal control process helps to ensure that the system is working well and that all of the employees involved are performing as expected. Having such as essential business function provides reasonable assurance by decreasing the likelihood of mistakes and safeguarding the organization's assets. Because of its significance, companies do well to consider the fundamental principles of internal control as below.

Responsibilities

Companies must clearly establish responsibilities assigning specific responsibility to individuals ensure that they understand what their part is to in maintaining internal control. If an internal control responsibility is consistently over looked, an effective internal control system will make it clear who is not performing an assigned task.

Recordkeeping

Memory is not an intangible tool, especially when dealing with large amounts of information or transactions. Having correct record keeping procedures will enable companies to have adequate history of transaction on hand.

Insurance and Bonding

Unfortunately, even the best internal control system may not prevent the loss of an asset. By insuring assets and bonding employees, an organization can rest assured that it will be reimbursed for the value of an asset if the asset is stolen or otherwise misappropriated.

Asset Records and Custody.

In an internal control system, the people who have physical access to cash and other assets are not the same people who keep the records relating to that asset. If for example, the person responsible for keeping the petty cash records was the same person who had the key to the petty cash box; it would be easy for that person to help themselves to the cash while falsifying the petty records.

Responsibilities for related transaction.

Sometimes, several tasks must be completed in order to complete a single transaction. In this instance, it is important that different employees each perform the separate tasks making up the transaction.

Technological controls.

Burglar alarms, electronic key boards and other technology based security features can help

organizations protect assets. Technology can often go where people cannot and can be the job 24 hours a day without requiring extra pay or breaks.

Independent Review.

Companies must review their internal controls regularly. That should be done by an individual who did not perform any of the work being checked. An independent evaluator can objectively report on the work being done through the internal control process and has no reason to cover mistakes or be overly optimistic about the control provisions.

1.3. Statement of the problem

In spite of efforts made by the organizations to combat fraud in the private sectors ,millions of funds meant for national development go into the wrong pockets through fraudulent acts by individuals in the sector .some private sectors stewards spend funds on themselves .According to Csazer 2000, there are lots of fraudulent activities in the private sectors due to weak internal control measures .Thus private sector organizations do not have strong policies and systems to check fraudulent activities in the private sectors. Financial laws and regulations are implemented and courts and tribunal continue to administer justice to fraudsters, all in bid to prevent and control fraud but to no avail due to the weak internal control systems and checks in the private sector

1.4. Purpose of the Study

The purpose of the study will be investigate the role of internal control system to the development of private sectors using Jessa farm dairy in Kampala-Uganda

1.5. Objectives

- i. To determine the level of internal control system and to the development in Jessa farm dairy in Kampala-Uganda.
- ii. To determine the types of internal control system used in Jessa farm dairy.
- iii. To determine if there is big differences in the level of internal control system and the development of Jessa farm dairy in Kampala-Uganda.
- iv. To establish the challenges in the internal control system in Jesse farm dairy.

- v. To examine the importance of ICS in Jessa dairy.
- vi. To identify the problem in ICS in Jessa dairy.

1.6. Research Questions.

- i. What are the challenges faced in the internal control system at Jessa farm dairy?
- ii. What is the profile of Jessa farm dairy in Kampala-Uganda?
- iii. What are the internal control systems used at Jessa farm dairy?
- iv. What is the relationship between internal control systems and the development at Jessa farm dairy?

1.7. Hypothesis

There is no significant difference in the role of internal control system and the development in Jessa farm dairy in Kampala-Uganda.

1.8. Scope of the study

1.8.1. Content scope

The researcher concentrated on the collection of data relating to the role of internal control system to the development of Jessa farm dairy. It focused on how the proper uses of internal control systems had affected the development. The researcher will consider the challenges faced in the internal control system at Jessa farm dairy in Kampala-Uganda.

1.8.2. Geographical scope.

The research was carried in Kampala which is the capital city of Uganda. Because the researcher had been in Kampala and the information collection was simple to him because he is well acquainted with the area.

The study was limited to the role of internal control systems in terms of increase in use of it and the decrease in the use of internal control system in Jessa farm dairy.

1.8.3. Time scope

The researcher wrote the proposed writing, the researcher went ahead to collect information

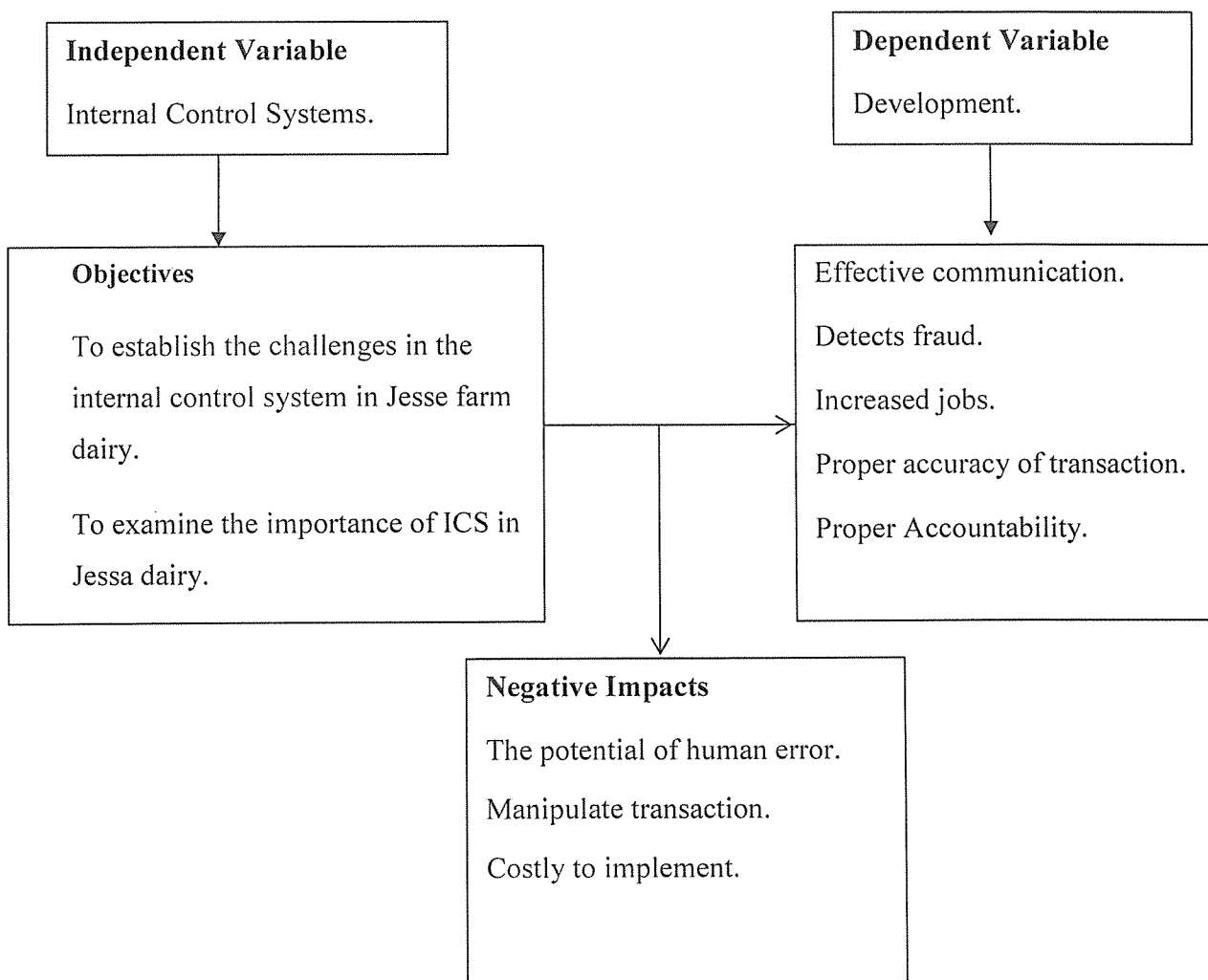
from the field and compiled it for presentation to his supervisor.

1.9. Significance of the study

The primary beneficiary of this researcher was to be helped for the management, leaders/ administration, the academicians, future researchers to identify the undone parts of the work and therefore, provide them with basic further research. It was to be also helpful for the government, provide information to the donors of the Jessa farm dairy.

1.10. Conceptual frame work

Figure 1: Conceptual frame work.



CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction.

This chapter presents a review of literature on the top understanding. The chapter also goes ahead and explains the relationship between internal control systems to the development of private sectors, the major types of internal control system to the development of private sectors and the major components involves in the internal control system with their specific roles and internal control procedures.

Internal control system plays a vital role in how management meets its stewardship or agency responsibility to maintain controls that provide reasonable assurance that those adequate controls exist over entity's assets and records. Proper internal controls do not only ensure that assets and records are safeguarded but also create an environment in which efficiency and effectiveness are encouraged and monitored (Messier, et al, 2008).

According to Ricchiute (2000), the success of private organization is influenced by internal control as it seeks to make efficient use of its resources.

2.2. Definition of the concept

A.M King, (2011) defined internal controls as a process through which the enterprise reaches its goals, results, also plans authority performance, arrangement, monitoring in the whole enterprise or separate subdivisions.

The American Institute of Public Accountants defined internal control system as the plan of organization and all the co-ordinate methods, and measures adopted within a business to safeguard its accounting data, promote operational efficiency and on courage adherence to prescribed managerial policies. A system of internal controls extends beyond these matters which relate directly to the function of the accounting and financial departments.

Awe (2005) defined internal control systems as policies, procedures, practices and organizational structure implemented to provide reasonable assurance that an organization's business objectives will be achieved and un- desired risks will be prevented or protected based on either compliance or management initiated concerns.

If we analyze the above definitions it would be evident that internal control is a broad term with wide coverage. It consists of a number of checks and controls which are exercised in a business to ensure its efficient and economic workings. Thus internal control involves vigilance and directions over important matters like budget and finance, purchase and sales and internal administration by the management.

Every business enterprise is expected to devise a suitable system of internal control in order to carry on the business in an efficient and orderly manner.

2.2.1. DEFINITIONS OF KEY TERMS IN INTERNAL CONTROL SYSTEM

Internal control system

These are policies ,procedures ,practices and organizational structures implemented to provide reasonable assurance that an organizations business objectives will be achieved and undesired risk events will be prevented or detected and corrected , based on either compliance or management initiated concerns.

Controlling

The is a management function which helps to check the errors and to take the corrective actions so that the deviations from standards are minimized and stated goals of the organization are achieved in a desired manner.

Fraud

This is an action or an intent deception in order to make money or obtain goods illegally.

2.3. Relationship between internal control systems and the development of Jessa farm dairy (J.F.D) as a private sector.

According to David (2003), it is evident that failure of internal control system of operation as designed has led to financial resources loss which has adversely affected the overall development. It is difficult for private sectors to obtain realize project costing, constant pricing and investment appraisal under those conditions. This lead to non-accountability, non-transparency, fraud, misappropriation and financial irregularities.

The operational area of the private sector, administration, financial, sales marketing and production are being critically monitored and appraised to ensure that internal control system established are working effectively throughout the period of intended reliance specially the period intended to achieve the following objectives.

To affirm effective internal control help in preventing fraud in private sectors.

To minimize, if not completely eliminates wastages and inefficiencies in business operation and safeguard the assets of the business.

To ensure high degree of accuracy and reliability of accounting data and promote operation efficiency.

To measure how far the policies of the management are being implemented.

To evaluate the efficiency of performance in all aspects of business activities and to highlight the weakness.

2.4.The classification of internal control systems

The institute of chartered Accountants of England and Wales (ICAEW) has classified internal control system under three main categories which are asfollows.

Preventive controls.

These are controls that predict potential problems before they occur and make adjustments. Prevent an error, omission or malicious act from occurring. Examples of private controls include using well designed documents to prevent errors and establishing suitable procedure for authorization of transactions.

Detective controls

These controls are designed to detect and report the occurrence of an omission, an error pr a malicious act. Example of detective control includes duplicate checking of calculations, periodic performance reporting with variance error message over tape labels and hash totals counter cheques post due count reports.

Corrective controls

These controls help to minimize the impact of a threat, identify the sense of a problem, correct errors arising from the problem. They also correct problems discovered by detecting controls and modify the processing systems to minimize future occurrence of the problem. Examples of corrective controls are contingency planning back up procedures and rerun procedures.

2.5.The key elements of internal control system

All systems of internal control have certain features in common; these are check list principles or rules, concepts of internal control. The elements of internal controls are discussed below (Awe, 2005).

Supervision.

Any system of internal control should include the supervision by responsible officials of day today transactions and recording. Thus managers and directors should ensure employees work under their guidance and also ensure that workers are held responsible for their actions effectively and efficiently.

Physical safeguards.

These are concerned mainly with the custody of asset and involve procedures and security measures designed to ensure that access to assets is limited to authorized personnel. Thus management should ensure that organizations assets such as computers and its accessories, vehicles, are safeguarded against theft, misuse and accidents.

Management control and management information system.

These are control exercised by management outside the day today activities of the business systems. These include the overall supervision control by management. Thus management should ensure that they acquire information systems which will ensure the work and operation run smoothly and effectively.

Segregation and duties.

An individual should not be responsible for the recording and processing of complete transaction. Segregation of duties helps to reduce the risk international manipulation or errors and increases the element of checking. The functions which are separate include authorization; execution custody and recording the case of computer based accounting systems, systems development and daily operation.

Authorization and Approval.

All transaction should require authorization or approval by an appropriate responsible person or authority. Thus managers and directors should that all cheques and other important documents are authorized and approved by them to ensure credibility and validity.

2.6.Challenges of implementing Internal control systems.

According to Messier et. al, (2008), the effectiveness of internal control systems is subjected to certain inherent challenges which make it implementation somehow difficult. It includes management override of internal controls, human errors or mistakes in judgment, break down and collusion.

Judgment.

Human judgment can limit the effectiveness of internal controls. Management and other personnel may exercise poor judgment in making business decisions or in performing routine duties because of inadequate information, time constraints (Boynton et al, 2001).

Breakdowns in the internal controls.

This occur when personnel misunderstands the instructions or made errors due to carelessness, fatigue, ignorance for example errors may occur in designing, maintaining or monitoring automated controls. (Messier et al, 2008).

Management override

Thus management override prescribed policies or procedures for illegitimate purposes with the

intent of personal gain or to enhance the presentation of financial statements. Override practices include deliberate misrepresentation to auditors and other such as by issuing false documents to support the recording of fictitious sales transaction (Boynton et al, 2001).

Collusion.

Thus when employees act with another employee, patients or suppliers to penetrate and conceal fraud to prevent its detection by internal controls. For example collusion among workers and their colleagues.

Inadequate Frauds.

Not all control systems are easy to come by as some require huge amount of frauds before being implemented (Arey and Leobbecke, 1997).

2.7. The following are major five components of internal control systems (ICS).

Senior Executives have sought long ways to better control the enterprises they run. Internal control is put in place to keep the company on course toward profitability goals and achievements of its mission, and to minimize surprises along the way (Robbins and Coulter, 2009). They enable managers to deal with rapidly changing economic and competitive environments shifting customers' demands and priorities and restructuring for future growth (Robbins and Coulter, 2009). Internal control promotes efficiency, reduce risk of asset loss, and help ensure the reliability of financial statements and compliance with laws and regulations (Robbins and Coulter, 2009).

Internal control consists of five interrelated components. These are derived from the way management runs a business, and integrated with the management process. Although the components apply to all entities, small and medium size companies may implement them than large ones. The components according to Robbins and Coulter, (2009) are;

Control Environment.

The control environment sets the tune of an organization influencing the control consciousness of its people. It is the foundation for all other structure. Control environment factors include the

integrated, ethical values and philosophy and operating style, the way management assigns responsibility and authority and organizes and its people, and the attention and direction provided by the board of directors (Arens and Leubbecks, 1997).

Risk Assessment.

Every entity faces a variety of risks from internal and external source that must be assessed. A precondition to risk assessment is the establishment of objectives, linked at different levels and internally consistent. Risk management is the identification and analysis of relevant risks to achievement of the objectives, forming a basis for determining how the risks should be managed. Because economic, industry, regulatory and operating conditions will continue to change mechanisms are needed to identify and deal with the special risks associated with change (Ernst and Young, 2002).

Control Activities.

Control activities are the policies and procedures that help to ensure management directives are carried out. They help to ensure that necessary actions are taken to address risks to the achievement of the entity objectives. Control activities occur throughout the organizations, verification, reconciliations and reviews of operating performance, security of assets and segregation of duties (Arens and Leobbecks, 1997).

Information and Communication.

Pertinent information must be identified, captured and communication in a form and time frame that enable people to carry out their responsibilities. Information systems produce reports, containing operational, financial and compliance-related information, that make it possible to run and control the business. They deal not only with internally generated data, but also information about external events, activities and conditions necessary to informed business decision making and external reporting.

Effective communication also must occur in a broader sense, flowing down, across and up the organization. All personnel must receive a clear message from top management that control responsibility must be taken seriously. They must understand their own role in the internal control systems, as well as how individual activities relate to the work of others. They must

have a means of communicating significant information upstream. There also need to be effective communication with external parties, such as customers, suppliers, regulators and shareholders(Klout and Sanderlock, 1992).

Monitoring.

Internal control systems need to be monitored. It is a process that assesses the quality of the systems performance over time. This is accomplished through un-going monitoring activities, separate evaluations or a combination of the two. Ongoing monitoring activities occur in the course of operations. It includes regular management and supervisory activities, and other actions personnel take in performing their duties. The scope and frequency of separate evaluations will depend primarily on an assessment of risks and the effectiveness of ongoing monitoring procedures. Internal control deficiencies should be reported upstream, with serious matters reported to top management and the board (Wootand Sanderlock, 1992).

2.8.REVIEW OF THE RELATED THEORIES OF INTERNAL CONTROL SYSTEMS

The Agency theory.

According to the agency theory, affirm consists of annexes of contracts between the owners of economic resources and managers who are charged with using and controlling those resources (Jensen and Meckling 1979). The theory posits that agents have more information than principals and that this information asymmetry adversely affects the principal's ability to monitor whether or not their interest are being properly served by agents.

Attribution Theory.

Attribution theory is a social psychology theory that explores how people interpret and behaviors and how they ascribe causes to the events and behaviors .According to Schroth and shah (2000),studies using attribution theory examine the use of information in the social environment to explain events and behaviors .Raffett (2007)asserts that when evaluations believe comparable persons would have acted differently in a given circumstances ,they (evaluators)tend to attribute responsibility for an outcome to the person.

Reliability Theory. Reliability theory simply describes the probability of a system completing its expected function during an interval of time (Gravrilov and Gavrilova 2001). It was originally a tool used to help nineteenth century maritime insurance and life insurance companies in computing profitability rates to charge their customers. According to the reliability theory, an internal control system comprises of components that are interrelated and each for component

GENERAL INFORMATION ABOUT JESSA DAIRY FARM

Jessa dairy farm is a dairy processing company in Uganda. Its head office and factory of jessa dairy farm is located along old port bell road in the industrial area of Kampala, Uganda's capital and largest city. The coordinates of the company headquarters and factory are 0.19 11.0 "N, 32° 35' 58.0"E (latitude. 0.319724; longitude 32.599448).

Jessa dairy farm is an indigenous Ugandan operation, a member of the Mulwana group of companies, which included a dairy farm, a plastic manufacturing company, a better manufacturing business, a horticultural farm and area estate development company.

In 1988, the late James Mulwana and his wife Sarah Mulwana established a dairy farm at Mikka village in wakiso district approximately 54kilometres (34m), by road, northwest of Kampala along Kampala-Hoima road. They stocked the farm with 550 Friesian cows and named it Jessa mixed farm limited. In 1994, Jessa dairy farm limited was formed to produce packed milk, butter, yoghurt and cream.

Jessa dairy farm limited is owned by the estate of its founder, the late James Mulwana 1936-2013). The factory manufactures the following products among others fresh milk, milk, yoghurt and cream.

4.2.VISION STATEMENT

To provide the leadership, voice and programs for a vibrant dairy industry where farm families, dairy businesses and associated organisations can thrive and be profitable.

4.3.MISSION STATEMENT

To empower the people, create the partnerships and coordinate the resource to grow the profitability of dairy industry.

4.4.Objectives of Jessa dairy farm

1. To provide economic and social benefits to farmers and their wide communities.
2. To provide employment opportunities to the people in Uganda.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1.Introduction.

The chapter endeavors to describe the methods and techniques that were to collect information or data. It explain in details the method of data collection, research design, research tools, measures, procedures and ethical consultation which was used in the study.

3.2.Research design

The researcher was both qualitative and quantitative research design to collect data from Jessa farm dairy, this quantitative design was used to get detailed information for diversity of multiple realities using methods such as interviews and observation, quantitative research design was such that some information is put by the research in numeral form or tabular form.

3.3. Research population

The study population was 58 respondents who were selected from the different departments of Jessa Farm Dairy like the board members, project accounts, other project staff and secretaries. The following are the departments where respondents were selected from finance department, controlling, auditing, budgeting and cash management.

3.4. Sample size

A sample of fifty (50) respondents comprised of head of departments, cashier, accountants, senior officers, office attendants, departmental secretaries was sampled quarterly and purposely to prove the degree of validity of instruments. Quota sampling method was used since it addresses issues of receptiveness where matrix described the characteristics of the respondents that determine the proportion of the male and female, and what proportion falls into the various department.

The researcher used Slovenes formula to come up with a sample size to be used in the study. The Slovenes formula states that a given population the minimum sample size.

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

Where n= the required sample size

N= the known population size

e= the level of significance which fixed at 0.05

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

$$n = \frac{58}{1+58 (0.05^2)}$$

$\frac{58}{1.145} = 50$ number of the population to be used in the study

3.4.1.The sampling techniques of the study

The researcher employed three sampling techniques for carrying out the research; this includes quota sampling, multi-stage cluster sampling and purposive judgmental sampling in data collection.

3.4.2.Instrument of data collection

The following instruments were applied in data collection and analysis.

Questionnaires

These instruments were advanced by the researcher to get information on facts of the internal control systems on the development of Jessa farm dairy.

The researcher anticipates that questionnaires were helpful to collect data from respondent who had no time to be interviewed within Jessa farm dairy and also those who may have time. The respondents answered or filled in the answers at their own place or free time.

Interview

The researcher carried interview with the samples such as heads of department, finance officer and internal accountants more so using the information that was relevant for him to draw logical conclusion on which he based his opinion.

The researcher tried to create a conducive environment for interview by building a rapport through explanation of the purpose of the study and assurance of confidentiality. The researcher preferred this data collection methods since he hoped that it will give him room to make clarification ensure of the questions through probing for easy understanding and will ensure validity.

Observation

In this method, the researcher used eye to observe what actually happened on the ground and take the record, more so the researcher observed the activities of the correspondents, books of accounts in the finance department, the internal control system that are in place and are being used at the area of the study. This was done using observation techniques such as natural observation.

3.5. Research design

This was done by arranging data and drawing tables to respond the finding. Here the researcher aimed at proper statistical interpretation.

Primary sources

The researcher was involved in face to face contact and conversation with the respondents or interviewing from whom he hopes to get the information pertaining the topic of the study.

Secondary sources

The researcher collected and used data from the previous reports on the study of different text books, journals, internet, reports from company performance among other secondary literature.

Data processing

The processing of data was done so as to verify the data collection. This was so on order to ensure the completeness and infirmity, editing was done by the researcher which involved checking the data by the data for error, omissions and gaps. This was helpful for the researcher to detect the errors that might influence the results. Editing also was helpful for the researcher to ensure that every question in the interview guide has been answered and these answers given are accurate and correct. Tabulation was also used in the presentation of respondents of social demographic characteristics which was also included by rewarding the answers given according to the sub-themes of the study.

Data Analysis

Under data analysis, both quantitative and qualitative methods were used in this statistical and new statistical approach which was used in the analysis of the finding.

3.6. Ethical consideration.

Before going to the field, the researcher first acquired an introductory letter from the university introducing him to the field so that the informants or correspondents was having no room to doubt. The searcher also tried to explain the purpose and the benefits of the research to be carried out. The researcher personally administered questionnaires to the respondents in order to avoid delay, to avoid collecting wrong data, ensure completeness and accuracy and confidentiality of the data collected was strictly adhered to.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.0 INTRODUCTION

This chapter presents the facts, which the research discovered. The findings were presented in line with the objectives of the study whereby the raw data in form of questionnaires was analyzed and interpreted which ensured uniformity, legibility and consistency. The data-filled questionnaires were copied and analyzed by tallying and tabling in frequency polygons while identifying how often certain responses occurred and later evaluation was done. The information was then recorded in terms of percentages. Also, interview results were coded on frequency tables which were calculated in terms of percentages and presented in this study as illustrated below.

4.1 Background Characteristics of the respondents

The Background information of the respondents was important because they comprised of both sexes but of different marital status and age groups from various settings among others. This was intended in order to get a variety of views and unbiased responses which made the study a reality. The findings are shown in the figures below;

4.1.2. RESPONSE RATE

A total of 50 respondents were sampled and questionnaires administered to them at Jessa dairy farm.

However by the end of the data collection process. 47 questionnaires were returned posing a despondence rate of 94% and non-response rate of 67% as shown in the table below;- it implied that more than half the targeted population participated in the process giving high level of precision to the finding of the study as shown in the table below;-

Table 2:showing response rate

Type of response	Frequency	Percentage
Despondence	47	94%
Non response	3	6%
Total	50	100%

Source: Primary Data 2018

Table 3:Gender of respondents

Responses	Frequency	Percentage
Male	20	42
Female	27	58
Total	47	100

Source: Primary Data, 2018

Table 3 shows that, female took a greater percentage In the survey as represented by 58% whereas 42% represented male respondents, implying that females to a greater extent participated in the study.

Table 4:Marital status

Responses	Frequency	Percentage
Single	09	19
Married	30	64
Divorced	09	13

Cohabiting	00	00
Widow	02	04
Total	47	100

Source: Primary Data, 2018

From the above table 4; 19% of respondents represented those who were single, 64% represents those who were legally married, 04% of respondents represented those who were widow and finally 13% of respondents divorced from their partners. This table imply that majority of respondents were married as represented by 64%.

Table 5: Classification of respondents by age

Age	Frequency	Percentage
20-25	05	11
26-35	34	72
36-40	06	12
41- and above	00	00
20-25	02	05
Total	47	100

Source: Primary Data, 2018

Table 5; shows that the biggest percentage of the interviewees were in the age bracket of 26-35 years as showed by 72%, 11% of the interviewees were in the bracket of 20-25 years while 12% represents interviewees who were in the age bracket of 36-40 years, 00% of the respondents were in the age bracket of 41- and above, implying that it is to a greater extent that at Jessa dairy farm employees are still energetic who are in the age bracket of 26-35 years as portrayed in figure 4 above. This table implies that most of

respondents were between 26-35 years which means that they were mature enough for the research study

Table 6: Respondents' level of education

Responses	Frequency	Percentage
Masters	02	04
Degree	07	15
Diploma	18	38
Certificate	13	28
Secondary	07	15
Total	47	100

Source: Primary Data, 2018

The biggest percentage of respondents had completed Diploma in different fields as it was revealed by 38% of the respondents, then 28% represents respondents who had completed Certificate in different fields, 15% of the interviewees were Bachelor's degree holders, whereas 15% also finished secondary and 4% enrolled Master's Degree as showed in the table above. Therefore, this means that most respondents had technical knowledge about the study as represented by 38%.

Table 7: Number of years of service of respondents atJessa dairy farm.

Responses	Frequency	Percentage
1-5 years	15	32
6-10 years	24	51
11years and above	08	17
Total	47	100

Source: Primary Data, 2018

From the table above, it was found out that the biggest percentage of the respondents had worked with the organization for a period between 6-10 years as represented by 51% whereas 32% shows respondents who had worked with the organization for the period between 1-5 years. 17% represents interviewees who had worked with the Jessa for the period of 11 years and above. This implies that most of respondents have been in the area of study for a long period of time, thus possessing a lot of experience and information regarding the farm as represented by 51% of respondents' aims at seeing Jessa dairy farm better as represented by 51%

Table 8: Nature of employees performance in Jessa dairy farm

Responses	Frequency	Percentage
Poor	04	09
Fair	15	32
Better	12	25
Good	14	20
Excellent	02	04
Total	47	100

Source: Primary Data, 2018

During the interviews and data collected in the field where respondents were asked to comment on the nature of employee performance in Jessa Dairy Farm and responses were as follows; 09% said that the nature of employee performance is poor, 32% of the sample population said it was fair, better was noted with 25%, 20% also noted that: employee performance in Jessa Dairy Farm was good and lastly 4% of the sample population finalized [noting that employee performance was excellent as shown in the table 12 above. This implies that the employee performance were fair as represented by the majority of respondents as represented by 32%.

The table 8: Showing position /affrication

Category of respondents	Frequency	Percentage
Senior managers	08	17
Employees from accounts section	08	17
Procurement officers	19	40
Stores department	12	26
Total	47	100

Source: Primary Data, 2018

Using the coding statistic method; the researcher conveyed of bring data on the position/ affrication where the senior managers 17% respondents, employees from accounts section 17% respondents, procurement offices 40%, stores department 26%. This implies that the respondents of procurement officers 40%, were the best in the participating on this topic.

Department of respondents

Table 10 showing the department of respondents

Department of respondents	Frequency	Percentage
Top management	12	26
Directors	5	10
Administration & general	08	17
Accounts / finance	22	47
Total	47	100

Source: Primary Data, 2018

The table shows that 26% were the top management officers, directors were 10% respondents, whereas 17% were administrators and general and the finance / account, were 47%. Using the findings here the account, department was the far compared to others Jessa dairy farm.

Table 11 showing relationship between internal control systems and the development of Jessa dairy farm.

Responses	Frequency	Percentage
Yes	42	89
No	05	11
Total	47	100

Source Primary data 2018

Different responses were collected about whether there is a relationship between internal control systems and the development of jessa dairy farm as follows 89% were of the view that there is relationship where as 11% clearly said there is no relationship between internal control systems and development of jessa dairy farm as shown in the table above. According to the data analysed, there is a big relationship as represented by 89%.

Table 12 showing the effectiveness of internal control systems.

Is the internal control systems are effective at jessa dairy farm.

Responses	Frequency	Percentage
Strongly agree	02	04
Agree	24	51
Disagree	06	13
Strongly dsagree	04	08

Neither agree nor disagree	11	24
Total	47	100

Source: Primary Data, 2018

As assessment of 4% of the respondents strongly agreed that is effectiveness of internal control system at the farm whereas the biggest percentage noted with 51% of the interview also agreed with the statement. Surprising 13% of the interview disagree with the statement and said that internal control at the farm has not effective, similarly 8% of respondents strongly disagreeing and lastly 24% of the respondents neither agreed nor disagreed with the question.

Table13 showing that there any challenges that affecting implementation of internal control system.

Responses	Frequency	Percentage
Strongly agree	10	21
Agree	22	48
Disagree	10	21
Strongly disagree	05	10
Neither agree nor disagree	00	00
Total	47	100

Source Primary data 2018

Skepics arose when this question was asked during the field study where interview were conducted from, where by 21% strongly agreed with the statement, this was followed by 48% of the respondents who a agreed with the statement whereas surprisingly 10% the other group of the respondents disagreed and finally only 21% of respondents neither disagreed or agreed or in other words they were neutral to the statement. The majority of respondents agreed that there so many challenges represented by 48%.

Table14 showing what are the factors that affecting employee's performance at jessa dairy farm.

Responses	Frequency	Percentage
Long working hrs	06	13
Staff related factors	08	17
Nature of the environment	15	32
Strict rules	06	13
Long distance to workplace	07	15
Others	05	10
Total	47	100

Source Primary data 2018

Among the factors that affect employees performance are arranged from 13% attributed to long working hours as shown in the table above , followed by 17% of the respondents said that staff related factors like discrimination, females being harassed by males employees, then 32% emphasized on the nature of environment that sometimes does not favour employees and 13% represented respondents who said that strict rules demotivated them especially from their seniors, 15% were affected by long distance to workplace and lastly, 10% represented those who said others like personal factors, family factors, cultural factors i.e working on Saturday when you are an Adventist portrayed in the table above. Therefore, nature of the environment also affected employees performance as it were pointed out by respondents.

Table15 showing responses on what should be done to improve employee’s performance at jessa dairy farm.

Responses	Frequency	Percentage
Salary increment	15	32
Incentives	08	17
Paying in time	12	25
Overtime pay/allowance	06	13
Others	06	13
Total	47	100

Source Primary data 2018

According to data collected and interviews had with respondents, the following responses were found 32% proposed salary increment in order to improve performance of workers, 17% noted that availing incentives to employees is the way to go if employee performance is to improve 25% were of the view that employee performance should be addressed by paying employee’s salaries and entitlement in time, then 13% of respondents yarned for overtime pay / allowance and lastly 13% represented those who said others like piece rate system, providing houses to staffs. However, the majority of respondents proposed that there should be salary increments if employee’s performance is to be put at hand as represented by 32%.

4.5. SECTION B: EMPLOYEE SATISFACTION

Table 16 employee satisfaction

Respond /answers	Number / frequency and percentage of respondents									
	Strongly agree		agree		Not sure		disagree		Strongly Disagree	
	freq	%	freq	%	freq	%	freq	%	freq	%
1.our suggestions on circulation of information between departments are considered and ended upon appropriately	-	-	10	66.7	5	33.3	-	-	-	-
2.our reward system in the farm are administered the same in all departments	-	-	3	20.0	9	60.0	3	20.0	-	-
3.the farm is concerned with long term welfare of the employee	5	33.3	5	33.3	3	20	2	13.3	-	-
4.we receive periodic evaluations that identify training need and opportunities for improvement.	4	26.7	7	46.7	4	26.7	-	-	-	-
5.the farm recognizes our accomplishments	-	-	9	60.0	6	40.0	-	-	-	-
6.immediate superior deals	-	-	7	46.7	7	46.7	1	6.7	-	-

with our problem fairly										
7. the farm has adequate safety and health standards	4	26.7	9	60.0	2	13.3	-	-	-	-

Source : Primary Data April 2018

Figure 1.employee satisfaction

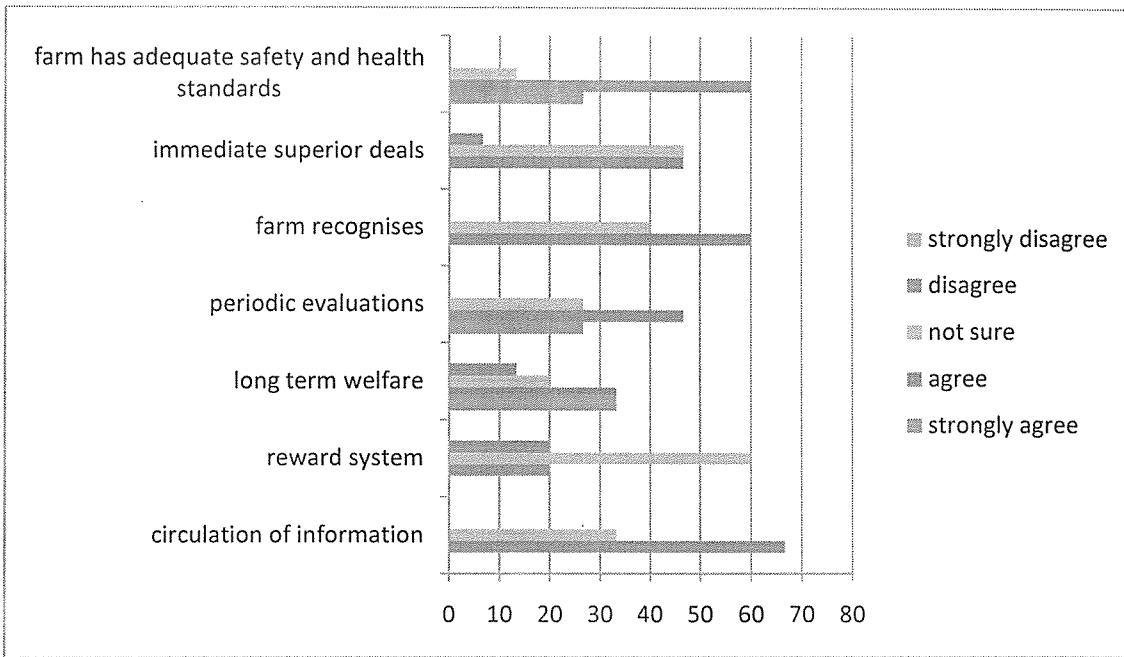


Table shows that none of the respondents strongly agreed that their suggestions on circulation of information between departments are considered and acted upon appropriately while 66.7% of respondents also agreed but 33.3% were not sure while none of the respondents disagreed or strongly disagreed. More so none of the respondents strongly agreed that their reward systems are administered the same in all departments while 205 agreed and 60% of the respondents are not sure also 20% disagreed while none of the respondents strongly disagreed. Furthermore 33.3% of respondents strongly agreed that the farm is concerned with the long-term welfare of the employee while 33.3% agreed and 205 were not sure, 13.3% disagreed while 5.9% strongly disagreed. In addition 26.7% of respondents indicated strongly agreed that they receive periodic evaluations that identify training needs and opportunities for improvement while 465

also agreed but 26.7% are not sure while none of the respondents either disagreed or strongly disagreed.

Again none of the respondents strongly agreed that the farm recognize their accomplishments while 60% agreed, 40% were not sure while none of the respondents either disagreed or strongly disagreed.

To continue, none of respondents strongly agreed that immediate superior's deals with employee problem fairly while 46.7% also agreed but 46.7% were also not sure while 6.75 disagreed and none of the respondents strongly disagreed. Lastly 26.7% of respondents strongly agreed that the term has adequate safety and health standards while 60% also agreed, 13.3% were not sure while none of the respondents either disagreed or strongly disagreed.

As shown in the figure above a frequency of 13 strongly agreed that employee satisfaction measures were basing practiced while a frequency of 50 agrees, a frequency of 36 were not sure and a frequency of 6 disagreed.

Table 17: to determine the challenges of implementing internal control system.

Respond /answers	Number / frequency and percentage of respondents									
	Strongly agree		agree		Not sure		disagree		Strongly Disagree	
	freq	%	freq	%	freq	%	freq	%	freq	%
1.poor judgment in making business decisions or in performing routine duties because of inadequate information, time constraints etc.	-	-	4	80.0	1	20.0	-	-	-	-
2.personnel misunderstand instructions or make errors	-	-	5	100.0	-	-	-	-	-	-

due to carelessness and fatigue.										
3.we over rule prescribed policies to enhance the presentation of financial statement	-	-	-	-	-	-	3	60.0	2	40.0
4.Employee acts with another employee, patients or supplier to penetrate and cause misstatement in the financial statements.	-	-	-	-	-	-	4	80.0	1	20.0
5.farm does not have enough funds to implement internal control system	-	-	-	-	5	100.0	-	-	-	-

Source primary date April 2018

Figure 2.showing challenges of implementing internal control system

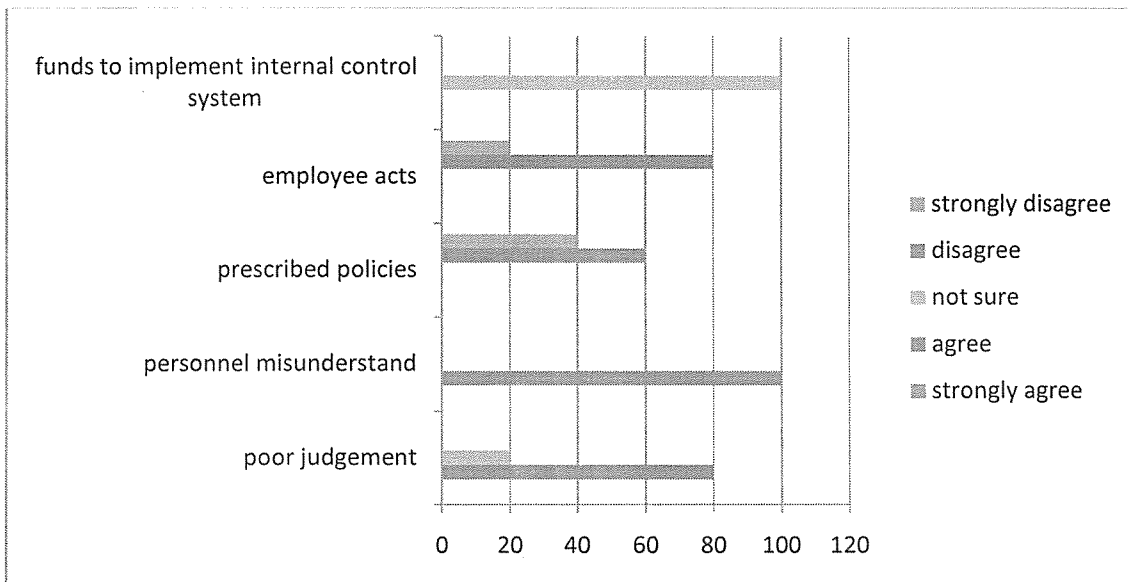


Table 17 shows that none of the respondents strongly agreed that there is poor judgment in making business decisions or in performing routine duties because of inadequate information, time constraints etc. while 80% of the respondents also agreed but 20% were not sure while none of the respondents either disagreed or strongly disagreed. More so none of the respondents strongly agreed that personnel misunderstand instructions or make errors due to carelessness, fatigue while 100% agreed while none of the respondents is either not sure disagreed while none of the respondents is either not sure disagreed or strongly disagreed.

Furthermore, none of the respondents indicated strongly agreed, agreed or not sure of whether management overrule prescribed policies to enhance the presentation of financial statements while 60% disagreed and 40% strongly disagreed.

In additional, none of the respondents indicated strongly agreed, agreed or not sure of whether employees act with employees, patient or supplier and cause misstatement in the financial statements while 80% disagreed and 20% strongly disagreed.

Lastly, none of the respondents indicated strongly agreed or agreed as to whether the farm does not have enough funds to implement internal control system while 100% are not sure with none of the respondents indicating disagreed or strongly disagreed.

4.3. Discussion of research findings

The research was conducted mainly to meet some set of objectives. This section discusses the findings of the research with regards to the set objectives so as to find out if they were met as set out to achieve.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATION.

5.1. Summary findings

After careful analysis of the study, it was discovered that 46.7% of respondents indicated strongly agree that internal control system in jessa dairy farm was effective as a result of effective supervision of workers while that same percentage of respondents indicated agreed. Again 66.7% of respondents indicated that all transactions in the sector were being approved by the appropriate person authority. There was also appoint of view that segregation of duties were done to ensure that duties of employees were shared for more than one individual with which 60% of respondents attested to that fact by indicating strongly agree with 33.3% indicating agree. Also 66.7% a respondents indicated that management protected sectors assets from theft, and misuse and lastly management had acquired the necessary information systems and equipment to ensure smooth work and operations with which 53.4% of respondents confirmed to that fact.

The study revealed that the internal control system at jessa dairy farm is doing its best to ensure employee satisfaction at its best in order to attain high working standards among employees so as to provide effective services. With employee satisfaction, workers are very committed to work at the farm without any biases with regards to delivery of services. With this, the study revealed that on the average more than 66% of respondents confirmed to the fact that employee satisfaction is at its best.

Again, the study discovered that internal control system is being managed well but is still facing challenges. These challenges include, poor judgment in making sound decision of the sector, personnel misunderstanding instructions or making errors due to carelessness, fatigue and management overruling prescribed policies to enhance the presentation of financial statements. More so employee acting with another employee, patient or supplier to penetrate and cause misstatement in the financial statements.

Here more than 90% of respondents on the average attested to the fact that internal control system faces some challenges.

5.2.CONCLUSION

Based on findings, it can be concluded that internal control system at jessa dairy farm a private sector has been effective and efficient. Its effectiveness has had great positive impact on productivity and therefore the less concentration on them will cause the farm to be less efficient with messier etal (2008), proper internal control systems does not only ensure that assets and records are safeguarded but also create an environment in which efficiency and effectiveness are encouraged and munitured.

Again, it can also be said that must employee satisfaction measures at jessa dairy farm have been put in place which is serving as a motivational factor to employees to give out their best to the benefit of the farm. Moreover, the backbone of employee satisfaction is respect for workers and the job they perform by recognizing their accomplishments as stated by Ernst and Young (2002).

In conclusion the researcher confirms that internal control system faces some challenges in its implementation as stated by messier etal(2008), that the effectiveness of internal control systems is subject to certain inherent challenges which make it implementation somehow difficult and these include poor record keeping high illiteracy rate, inadequate funds, lack of laid down procedure, ignorance and poor supervision in the private sector, therefore the management of the farm with the help of the government or other private sectors must assume the responsibility of addressing these challenges to operate effectively.

5.3.RECOMMENDATIONS

The researcher makes the following recommendations to jessa dairy farm in Kampala-Uganda.

Management must constantly organize, training and development programs for employee of jessa dairy farm on internal control system before its implementation to improve efficiency.

There should be review of internal control system from time to time so that new standards can be embraced for performance and improvement. It would help to change weak conventions and new conventions can be accepted for operations.

There should be review of employee satisfaction policies by jessa dairy farm to ensure that new standards can be incorporated for performance and development.

Supervision and instructions given to employee and personnel should be clear and concise so as to prevent poor decision making and no necessary errors. This could be done by giving employees proper orientation on the various tasks perform.

REFERNCES

- Archibong E.(1992) The Bank I Inspector .LONDON New Born Publishers
- Awe .O.(2005) The theory and practice of AUDITING Lagos Gilgal creaton and publications
- Arens.o and Leobbeck D (1997).Organisational structure and Design Landon Demand media
- BabangidaI.B(1989)Budget speech in new Nigerian ,Monday 2,January.
- Bello S.(2001).An Evaluation of the role of internal Auditors in fraud prevantation and internal control.
- Boynton J ,Race ,P And Gregory ,J(2001) Factors that affect internal control .Landon Demand Media
- Csazer ,P (2000) Bank fraud causes and preventations New York. Herman Publishing
- Ernst T And Young G (2000) Management and organizational behavior .Landon Pitman Publishing
- Fakunle B (2006) Audit companion sokoto Nigerial faculty of social science and Administration ,Usman Dandofiyu University
- Klout A and Sanderock B (1982) Internal control management and Auditing London .Irwin Book Team publications PP 23.

Institute of chartered Accountants of England and Wales (2006). Financial Reporting and Audit practice . London Demand media

Robbins S and Coulter M (2009) Internal control management .London person education

Messier , W .F Levy and Smith A (2008) importance of organization structure and internal control .London Demand media

Ricchiute A . (2000) Internal control systems and procedures , proceedings of the workshop on Bank audit and inspection , London , Pitman Publishing

APPENDICIES

APPENDIX I:A.QUESTIONNAIRES

My name is Lusizi Lawrance a student of Kampala International University pursuing Bachelor of Business Administration (Accounting and Finance). I am carrying out a research on the topic **‘The role of internal control systems to the development of private sectors.A case study of Jessa dairy farm in Kampala Uganda.’** The purpose of this study is to collect information on the role of internal control systems to the development of Jessa Dairy Farm.

Your respondent will be treated with high degree of confidentiality and the information gathered or obtained is strictly for academic purposes.

PERSONALDATA(QN 1-5)

Please help to tick the most appropriate and fill in the blank spaces where applicable

1.Age

- (a). 18-24 (c) 30-45
(b).25-30 (D) 45 and above

2.Sex

- (a) Male (b) Female

3. Marital status

- (a) Married (b) Single

4. Level of education

(a) certificate

(B) diploma

(C) degree

(D) masters

5. Department

(A) Administration

(B) Accounts

(C) human resource

(d) other (specify).....

RESEARCH QUESTION ONE (6-7)

6. How do you find the internal control systems used in your organization ?

(a) Very good

(b) Good

(c) Fair

(d) Non

7. How do you determine the efficiency of internal control systems used in your organisation

.....
.....

RESEARCH QUESTION TWO (8-9)

8. Does the development cope up with the internal control systems?

(a) Yes

(B) NO

(c) Somehow

(c) non

9. Do internal control systems affect the development ?if yes ,how

.....

RESEARCH QUESTION THREE (10-11)

10. Which of the following internal control systems components do you have?

- (a) The control environment Yes None
- (b) Risk assignment Yes None
- (c) Accounting information and communication system Yes None
- (d) Control Activities Yes None

11. Which of the following internal control system types are mostly used by the sector

- (a) Preventive control
- (b) Collective control
- (c) Detective control
- (d) Protective control

RESEARCH QUESTIONS FOUR (12-15)

12. What are the general contribution of internal control systems on the development of Jessa Dairy Farm

- (a) Past.....
- (b) Present.....

13. What are the specific contribution of internal control systems in the development in your sector

.....
.....

14. What are the problems encountered by the management in the implementation of internal control system in the sector

.....
.....

15 .How has management come up to solve the problems mentioned above ?

.....
.....

APPENDIX II: INTERVIEW GUIDE

Dear respondents

I am Lusozzi Lawrance a student Kampala international university offering Bachelor’s Degree in Business Administration. As part of the requirements for the completion of the degree program. I am carrying out a study on the topic “role of internal control systems to the development of private sectors a case study of jessa dairy farm. Your contribution and input will be highly appreciated and the answers provided will only be used for academic purpose and will be treated with utmost confidentiality. Hence you are requested to answer questions as freely as possible.

1.What gender of employees.

2.The marital status

3.Age of employees

.....

4.Employees level of education

.....

5.Number of years of service of employees.

.....

6.Different departments at the farm.

.....

7.Position of employees.

.....

8.Nature of employee performance

.....

9.Employees are being satisfied at the farm?

.....

10.Relationship between internal control systems and the development of jessa dairy farm.

.....

11.Is the internal control systems are effective at the farm.

.....

12.Is there any challenges that affecting the implementation of internal control systems.

.....

.....

13.what should be done to improve employees performance at jessa dairy farm?

.....

.....

14.What are the factors that affecting employees performance at the farm?

.....

.....

THANK YOU FOR YOUR RESPONSES GIVEN TO ME!



**KAMPALA
INTERNATIONAL
UNIVERSITY**

Ggaba Road, Kansanga* PO BOX 20000 Kampala, Uganda
Tel: +256 772 323 344, Fax: +256 (0) 41 - 501 974
E-mail: joseph.kirabo@kiu.ac.ug,
* Website: <http://www.kiu.ac.ug>

**COLLEGE OF ECONOMICS AND MANAGEMENT
DEPARTMENT OF ACCOUNTING AND FINANCE**

April, 23rd 2018

To whom it may concern

Dear Sir/Madam,

**RE: INTRODUCTORY LETTER FOR LUSOZI LAWRENCE
REG NO 1153-05014-01449**

This is to introduce to you the above named student, who is a bonafide student of Kampala International University pursuing a Bachelor's Degree in Business Administration, Third year Second semester.

The purpose of this letter is to request you avail him with all the necessary assistance regarding his research.

**Topic: - THE ROLE OF INTERNAL CONTROL SYSTEMS TO THE
DEVELOPMENT OF PRIVATE SECTORS.**

Case Study: - JESSA DAIRY FARM.

Any information shared with him from your organization shall be treated with utmost confidentiality.

We shall be grateful for your positive response.

Yours truly,



DR. JOSEPH B.K. KIRABO
HOD – ACCOUNTING AND FINANCE
0772323344