



**INTERNAL CONTROL COMPONENTS AND FINANCIAL
PERFORMANCE IN PUBLIC INSTITUTIONS IN RWANDA
CASE STUDY: RWANDA SOCIAL SECURITY BOARD (RSSB)**

**A Thesis submitted in partial fulfillment of the Requirements for the
Degree of Master of Business Administration (Finance Option)**

SUBMITTED BY: UWINGABIYE MARIE JEANNE

REG No: 215032012

SEPTEMBER 2019

DECLARATION

I certify that this work is entirely original work and unique research that has not been published for the award of the master degree.

I hereby declare that this submission is my own work and effort.

Signature.....

Date.....

UWINGABIYE Marie Jeanne

SUPERVISOR SIGNATURE

Signature.....

Date.....

Dr Philippe NDIKUBWIMANA

DEDICATION

*I dedicate this work to God our Father in Heaven.
To my husband DESIRE and my children,
ROSINE&WILLY
To my late parents,
To my Sisters*

ACKNOWLEDGEMENTS

It was difficult to finish this programmer of Masters of Business Administration while continuing and performing others responsibilities and duties, without the support from others person. I would like to extend my sincere gratitude and appreciation to all those who help and support me in order to make his research success.

First and foremost, I would like to thank my Almighty God for granting me good health, strength and guiding me for doing this thesis.

I would like to thanks my husband IRABARUTA Desire Dieudonne for his invaluable contribution, support and sacrifice for my study in Master's program for payment the school fees and others expenses.

I record my appreciation for the encouragement of **my father, who died on 25, May, 2019.** My special gratitude goes to my supervisor Dr Philippe NDIKUBWIMANA, who sacrifices his time to carefully supervise and guide me in this work. For his advice and guidance, ideas, critical reactions that made this work success. May God bless him abundantly in his endeavor.

I thank also University of Rwanda for all support in this Post graduate study especial the College of Business and Economics.

I would thank all my postgraduate lecturers for adding value to my career.

I thank all my friends and classmates whom we shared ideas and cooperated together.

I wish to thank Rwanda Social Security Board (RSSB) for granting access to their documents and providing the necessary information for this research. My profound acknowledgment is staff of RSSB who kindly responded to my questions in the survey.

Finally, thanks go to my children IRABARUTA Rosine, IRABARUTA Willy Norbert for their prayers and in one way or another for the successful completion of this work, may God bless you.

ABSTRACT

The study assessed the internal control and financial performance in public institution in Rwanda. The general objective of the study was to find out whether internal control plays any role in financial performance in public institution. The specific objective of the study was to determine the effect of control environment on financial performance of public institutions in Rwanda, to examine the effect of control activities on financial performance in Rwanda, to analyze the effect of risk assessment on financial performance of public institutions in Rwanda, to assess the effect of information and communication on financial performance of public institutions in Rwanda, to examine the effect of monitoring on financial performance of public institutions. The demographic information was sex, experience, education background. To accomplish objective of this study, the study used both primary and secondary data. The primary data was collected using, the distribution of 30 copies of questionnaires to the staff of finance department and internal auditor officers while secondary data was mainly found in the annual reports of RSSB from 2015 to 2017. Statistical Package for Social Sciences (SPSS) was used to analyses data. The study used descriptive research; the target population of respondent was employees in institution studied whereas the sample size was 30 employees. After collection, data was edited, coded, recorded and tabulated and Multiple regression analysis was used to show the statistical relationship of the variable. The findings discovered that there are effect of control environment on the financial performance of public institution, from regression analysis, a unit increase in control environment could result to increase in financial performance by 0.482. Risk assessment was found to have a positive significant effect on the financial performance of public institution. From regression analysis, a unit increases could result to increase in risk assessment in financial performance by 0.001. The study examined the effect of control activities on the financial finance performance in public institution, from regression analysis, a unit increase in control activities could result to increase in financial performance by 0.213. The finding also found that net investment and net income was declined. From the findings showed that return on assets of RSSB was decreased over the three years. From 13.9% to 8.4% means that RSSB is not effectively managing its assets to generate greater amount of money. The study concludes that there is a significant positive relationship between internal control and financial performance; it concluded that RSSB solvency is still need improvement. The study therefore recommends that the components of the ICS (control environment, control activities, and monitoring) should be enhanced to further improve the financial performance of Public institutions, management should seem to be taking all the right measures to steer the organization toward improved financial outcomes. Management needs to pay close attention to its operating expenses. Management needs to identify the major cost and expenses drivers. RSSB 's management should reduce unnecessary expenses to increase net income in order to maintain the money to pay social security benefits to beneficiaries without delay on payment. RSSB's management should analyze deeply before doing any investment in order to avoid risk exposure.

KEY WORDS: Internal control, financial performance, public institutions

TABLE OF CONTENTS

DECLARATION	i
DEDICATION	ii
ACKNOWLEDGEMENTS	iii
ABSTRACT	iv
LIST OF TABLES	viii
LISTS OF FIGURES	ix
CHAPTER ONE: INTRODUCTION.....	1
1.1. Background of the study	1
1.2. Statement of the problem	3
1.3. General Objective.....	4
1.3.1. Specific objective	4
1.4. Research questions	5
1.5. The justification of the study.....	5
1.6. Limitation of the study and time scope	5
1.7. The significance of the study	6
1.8. Brief description of thesis structure	6
CHAPTER TWO	8
LITERATURE REVIEW	8
2.0. Introduction	8
2.1. Theoretical review	8
2.1.1. Contingency theory.....	8
2.1.2. Agency theory.....	8
2.1.3. Stewardship theory	9
2.2. Conceptual review	9
2.2.1 Internal control	10
2.2.2. Financial performance	20
2.2.2.1. Financial performance measures	20
2.3. The relationship between internal controls and financial performance.	24
2.4. Conceptual framework	24

2.5. Empirical Literature Review	25
2.6. Gap analysis	26
2.7. Summary of Literature Review	26
3.1. Research Design.....	27
3.2. Population identification of the study	27
3.3. Sampling procedure.....	28
3.4. Data collection.....	28
3.4.1. Primary data.....	29
3.4.2. Secondary data.....	30
3.5. Methods of Data Analysis	30
CHAPTER FOUR.....	32
DATA ANALYSIS PRESENTATION, INTERPRETATION	32
4.2 Response Rate	32
4.3. Data presentation analysis and interpretation.....	32
4.3.1. Presentation of RSSB	33
4.4. Data presentation, interpretation and analysis.....	33
4.5. Analysis of financial performance of RSSB	45
4.5.1. Financial Analysis of RSSB	46
4.5.2. Liquidity ratios	46
Profitability ratios.....	48
5.1. Introduction	50
5.2. Majors Findings.....	50
5.2.1. Internal control	50
5.2.2. Financial performance	52
5.3 Conclusion.....	53
5.4 Recommendations	55
5.5. Area for further research	58
REFERENCES	59

LIST OF TABLES

TABLE 1 : Control objective.....	13
Table 2: Mean interpretation.....	30
Table 3: Gender characteristics of respondents	34
Table 5: Experience of respondents	34
Table 6 : Education characteristic of respondents	35
Table 6: Effect of Control Environment on financial performance	36
TABLE 7: Effect of Risk assessment on financial performance	37
Table 8 : Control Activities.....	38
Table 9: Communication and Information.....	39
Table 10: Monitoring and Financial Performance	40
Table 11: Organization’s financial performance	41
Table 12: Model Summary between internal control and financial performance	42
Table 13: Analysis of variance between internal control and financial performance.....	43
Table 14: Test for coefficients between internal control and financial performance	44
Table 15: The current ratio:	46
Table 16: The net working capital	47
Table 17: Debt-to-equity ratio:	48
Table 18: Return on-assets ratio (ROA)	48
Table 19: Net profit marginal of RSSB	49
Table 20: Net investment of RSSB.....	49

LISTS OF FIGURES

Figure 1: Coso Cube	19
Figure 2: Conceptual Framework 1	25

LIST OF ABBREVIATIONS AND ACRONYMS

AS: Auditing Standard

CBM: Chief Budget Manager

COSO: Committee of Sponsoring Organizations

FSAP: Financial Sector Assessment Program

ICS: Internal control

ISA: International Standard on Auditing

IT: Information Technology

MINECOFIN: Ministry of Finance and Economic Planning.

PFM: Public Financial Management

ROA: Return on Asset

ROE: Return on Equity

RSSB: Rwanda Social Security Board

CHAPTER ONE: INTRODUCTION

1.1. Background of the study

Today, across the world, internal control plays an important role in directing and preventing fraud and protecting the organization's resources, toward achievement of the organization goals. Internal control is a topical issue following global fraudulent financial reporting and accounting scandals in both developed and developing countries. Improving internal control in an organization may lead to improvement of financial reporting and decrease of bankruptcy. Internal control are the methods or procedure adopted in organization to safeguard its assets, ensure financial information is accurate and reliable, ensure compliance with all financial and operation requirements, and generally assist in achieving the business objectives

COSO (2009) ,confirmed that the fraud cases of WorldCom and the collapse of the US energy giant of Enron resulted from weak internal control. (Horngren, 1982) his study identified that an institution with an operation effectiveness and efficient internal control has better chances of improved financial performance in an organization. According to (Babatunde, 2013)share a core principle that good governance by its nature ,demands effective systems of internal control.

Hodess(2008),concluded that various indicators indicate that Rwanda performs relatively efforts, corruption remains prevalent in the Rwanda and there have been instances of tax and public fund embezzlement, fraudulent procurement practices and judicial corruption. According to (October, 2013), internal control is a process effected by an organization board of directors, management and other personnel, designed to provide assurance regarding the achievement of effectiveness and efficiency of operation, reliability of financial reporting, and compliance with the applicable laws and regulation. Internal controls were seen at from the perception of Control Environment, risk assessments, Control Activities, information and communication, monitoring whereas financial performance concentrated on liquidity, profitability, and Reporting as the measures of financial performance.

The management should create and establish internal control, strong enough to stand against the lines of fraud in order not only to promote continuity of operation and ensure the liquidity but also facilitate quality audit work, comprehensive financial management practices involve the institutions of strong internal controls, the general expectation is that institution and authorization of legitimate internal controls will lead to strides made financial performance. Nowadays internal control is becoming a key for attaining objectives of any institutions.

Mustapha, Bashir, Sanusi (2015) found out that local government authority should increase their effort to ensure proper and highly effective control system are in place within local government to ensure financial performance of an organization. Improving internal control in institution may lead to improvement of financial reporting and decrease of bankruptcy risk, (Mawanda ,2008) also defined internal control as process defined and affected by those charged with governance, management, and other personnel to provide reasonable assurance about the achievements of an entity's objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

Internal control encompasses an established of rules, policies, procedure implemented by an institution to offer assurance on the reliability of its reports, effectiveness and efficiency of its operation and the compliance and compatibility of their activities with laws and regulation. The importance of the internal control cannot undermine. Since the lack of an effective internal control, is the major cause of frauds. Based on the information from report of the audit general (2017) showed that financial statements for 82 entities (50% of 165 report) received unqualified audit opinion, these financial were free from any material misstatement and reflected true and fair view and balances reported by these budget agencies.

MINECOFIN (2013) Internal control system has five components: the control environment, risk assessments, control activities, information and communication and monitoring.

Poor internal controls system causes asset misappropriations, corruption, organizational fraud and fraudulent statements. The management of government organization must ensure that a proper internal control structure is instituted, reviewed updated to keep it effective. Properly developed and effectively implemented internal control helps to protect against wastage of resource and a basis for the smooth operations of all type of an organization. According to internal audit procedures Manual published by (MINECOFIN,2013)internal control is intended to prevent financial loss and waste, promote efficient public financial management and accountability, prevent or detect and deter fraud or other irregularities, prevent or detect error, safeguard the entity's assets, promote ethical, orderly, efficient and effective government programs or projects, enhance reliability of financial information and reports, and promote compliance with laws and regulations

This study examined internal control and financial performance in public institution in Rwanda. Public Institutions implement internal control according to their nature, and regularly internal control to ensure their adequacy financial performance.

I.2. Statement of the problem

Cox (2000) said that internal control lead to efficiency in utilization of organization resources where by jobs are carried out as explained by their description. (Horn gren,1982) in his study identified that an organization with an operation effectiveness and efficient internal control has better chances of improved accountability than one with weak internal control. AS (2201) found that ICS prevents errors and irregularities by detecting them in timely manner there by promoting operation efficiency, reliability of financial reporting and compliance with relevant laws and regulations.

Effective internal control helps an ion to meet its objective, ensure generation of reliable financial report, increase organization compliance to financial regulation as well as prevent loss of organization resources(Kisanyanya, 2018) . In Rwanda, according to Auditor general report for the financial years (2014,2015,2016,2017) has identified the following main challenges in public institutions: Unreliable financial statements, failures in internal controls, failed projects and persistent weaknesses in contract management, lack of proper planning and coordination in implementation of government programmers,

potential loss of public funds an increasing number of cases of fraudulent activities in public entities, wasteful expenditure of public funds, weak financial problem leads to failure to achieve the organization goals. Auditor General Report of June 2015 to April 2016 confirm that the number of report of audit opinion on financial statement increased from 36% to 50%.

Therefore, the reason why researcher choose to conduct this study to analyze the influence of internal control on financial performance in public institution in Rwanda. Public institutions in Rwanda are still challenged by improper management of public funds; lack fair financial reporting and some public institutions do not comply with rules and regulations for public finance management. In spite of government efforts to improve public sector performance, there have been instances of tax and public funds embezzlement, fraudulent payment, wasteful expenditure, poor management public officers to work out the logic of standard internal control.

The critical situation is that public institutions in Rwanda are still challenged by improper management of public funds, lack fair financial reporting and yet they have the services of the internal audit. The office of Auditor-General reports to the parliament public finance commission every year that some public institutions do not comply with rules and regulations for public finance management (Biraro, 2016). The 2013 report clearly mentioned that local government entities do not have adequate mechanisms of enhancing public funds accountability, have persistent weaknesses in preparation and presentation of financial statements, breaking rules and regulations of funds management, existence of fraudulent cases, misappropriation of assets, etc, (Biraro, 2016).

1.3. General Objective

To find out whether internal control plays any role in financial performance in public institution.

1.3.1. Specific objective

1.To determine the effect of control environment on financial performance of public institutions in Rwanda

- 2.To examine the effect of control activities on financial performance in Rwanda
- 3.To analyze the effect of risk assessment on financial performance of public institutions in Rwanda
- 4.To assess the effect of information and communication on financial performance of public institutions in Rwanda.
- 5.To examine the effect of monitoring on financial performance of public institutions

1.4. Research questions

1. What is the effect of control environment on financial performance of public institutions?
2. What is the effect of control activities on financial performance of public institutions?
3. What is the effect of risk assessment on financial performance of public institutions?
4. What is the effect of information and communication on financial performance of public institutions?
5. What is the effect of monitoring on financial performance in public institutions?

1.5. The justification of the study

This study is of interest to academicians and future researchers who will be undertaking other researches related to this. This is because it increases their knowledge on internal control and provides the necessary information to be incorporated into their work. The study also helps them come up with better proposals on internal control and their contribution on financial performance of public institutions.

1.6. Limitation of the study and time scope

The study targeted a public institution. It was carried out on RSSB case to assess and analyze its internal controls and financial performance in public institutions.

Time scope

This study is limited in terms of period since it covered the period of two years from 2017 to 2018 using primary data and secondary data.

1.7. The significance of the study

Public sector entities exist to serve the public. This mandate is the filter through which the key

characteristics of public sector entities are differentiated from less relevant attributes.

In order to achieve this mandate, public sector entities have been granted powers, rights and responsibilities, including a responsibility for policy development and implementation.

The Mandate to serve the public over the long term and the granted powers, rights and responsibilities demand public accountability for the actions, decisions and results of a public sector entity. This Need for public accountability is the overriding characteristic of public sector entities. A copy of the thesis will be put in the University Library to help scholars, academicians and researcher in need of library search on the internal control and financial performance in public institutions in Rwanda. The recommendations of the study were helped the management of public institutions in Rwanda to think who would be interested to come up with various ways in which to improve their efficiency and effectiveness through the use of proper internal control in all their operations in order toward sustainable of financial performance

1.8. Brief description of thesis structure

The study was organized into five chapters focusing on the following:

Chapter one introduced the study by giving the background of study, statement problem, research objective, research questions, justification of the study, and the significance of research, limitation and delimitation of the study.

Chapter two literature reviews focused on theoretical review and conceptual framework

Chapter three was focused on methodology used the research design, study the population identification, sampling procedure data collection, operational definition of variables, methods of data analysis, and ethic consideration

Chapter four data analysis and interpretation were discussed about data presentation, data analysis, results and discussion.

Chapter five was focused on major findings, conclusion and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.0. Introduction

This chapter focused on theoretical review, conceptual review, empirical review, conceptual framework.

2.1. Theoretical review

Various theories have been formulated on internal control and financial performance, contingency theory and agency theory, stewardship theory. These are discussed below

2.1.1. Contingency theory

Lista, Advisor, & Rojas,(2014) contingency theory is an organization theory that claims that there are no best ways to organize a corporation, lead a company or make decision.

Fred(1964),emphasizes the importance of both the leader's personality and the situation in which the leader operates. Contingency theory focuses on the behavioral aspect of an organization in explaining how contingent factors such as culture, technology, and external environment have an influence in organizations designing and functioning.

It is assumed by the contingency theory that no single type of organization's structure is equally applicable to all organizations. Rather, the effectiveness of an organization depends heavily on the type of technology, the size of the organization, environmental volatility, the features of the organization's structure and the system of information that it is using. This theory is related to this study on how control environment affect financial performance.

2.1.2. Agency theory

Agency theory is concerned with resolving problems that can exist in agency relationships; that is, between principals such as shareholders and agents of the principals for example, company executives. The two problems that agency theory addresses are: the problems that arise when the desires or goals of the principal and agent are in conflict, and the principal

is unable to verify what the agent is actually doing and the problems that arise when the principal and agent have different attitudes towards risk.

Adams, (1994) argued that, agency theory also provides a useful theoretical framework for the study of internal auditing function. He also proposed that agency theory not only helps to explain and predict the existence of internal audit but that is also helps to explain the role and responsibilities assigned to internal auditors by the organization and that agency theory predicts how the internal audit function is likely to be affected by organizational change. He concludes that agency theory provides a basis for rich research, which can benefit both the academic community and internal auditing profession. This theory relates to this my study as it helps to explain the role of internal control which help to improve financial performance in public institutions.

2.1.3. Stewardship theory

Donaldson & Davis,(1991) stated that this theory focuses on the ability of the management of the organization to align their goals with the institutional goals. They further stated that stewards' satisfaction and motivation is driven by the success of the organization. Donaldson argued that effective stewardship requires employee empowerment and provision of independence based on trust.

2.2. Conceptual review

It defines relationship of internal control and financial performance

Minecofin (2013) Internal Control means any policies, procedures, measures and actions taken by the management and other personnel of any entity to manage its risks in a manner that, to a great extent, enhances the likelihood that the entity's goals and objectives will be achieved as planned. This all theory related to the study all explain the existence of monitoring, risk assessment, control environment, control activities in the public institution.

2.2.1 Internal control

Internal control is a process, effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance. This definition reflects certain fundamental concepts. Internal control is geared to the achievement of objectives in one or more categories—operations, reporting, and compliance(Foster, 2019)

Internal control is defined as referring to both Administration control and accounting control. Administration control organization showing who reports to who and all the methods, planning and control operations. According to the auditing committee guidelines ,internal control can be defined as the whole system of control ,financial or otherwise established by the management in order to carry out on the business of the an organizational orderly an efficiency manner manner, ensure adherence to management 's policies and secures as far as possible the completeness and accuracy of the records (Adeniyi,2010).The internal control has a great role to help the organization achieve specific goals or objectives. COSO Framework's role is to drive internal controls and to allow the realization of these goals using improved organizational performance and governance. The primary party of strengthening internal control involves changing attitude some employees have towards spending of government money.

Internal auditor 's presence is critical in order to assess whether the control is properly designed, implemented, working effectively and make recommendation to managers on how they improve internal control and that every public money be properly accounted. Proper internal controls should be designed to make it as difficult as possible to commit errors and fraud. Internal control is a term normally used to define how organization ensures that an entity meets its financial and other objectives. Internal control not only contributes to managerial effectiveness but also important duties of corporate boards of directors (Verschoor, 2007). The board of directors can be equated to councilors in this study who have an oversight role of policy making and control of resources to improve financial performance.

Every institution should have an internal control firmly in place. Proper internal control should be designed to make it difficult as possible to commit errors and frauds. Policies and procedures establishing guidelines for the financial and liability recording, valuing, processing, posting and reporting of financial data and safeguarding of an organization's assets is vital in preventing cases of embezzlement. Many of the frauds discovered in business are uncovered through internal controls, strong system plays an important role in government organization. Abdullahi & Muturi, (2016) argue that there are two types of major internal controls associated with management of large firms, particularly diversified firms, which have an important effect on firm innovations these are, strategic controls and financial controls. Strategic controls entail the use of long-term and strategically relevant criteria for the evaluation of business.

Management is responsible for the determination of the extent to which internal control are able to be applied within the organization. Adequate internal control should be designed to make it as difficult as possible to commit fraud and to minimize innocent mistakes.

Management is responsible for the determination of the extent to which internal control are able to be applied within the organization. Internal control is the integration of the activities ,plans attitudes, policies and efforts of the people of an institutions working together to provide reasonable assurance that the organization will achieve its objectives and mission.(Dinapoli, 2016).

2.2.1.1. Objective of internal control

The 2013 Framework lists three categories of objectives, similar to the 1992 Framework(KPMG, 2013)

2.2.1.1.1. Operations Objectives

Operations objectives related to the effectiveness and efficiency of the entity's operations, including operational and financial performance goals, and safeguarding assets against loss. In the 1992 Framework, the operations objective was limited to "effective and efficient use of the entity's resources(KPMG, 2013)

2.2.1.1.2. Reporting Objectives

Reporting Objectives related to internal and external financial and non-financial reporting to stakeholders, which would encompass reliability, timeliness, transparency, or other terms as established by regulators, standard setters, or the entity's policies. In the 1992 Framework, the reporting objective was called the financial reporting objective and it was described as "relating to the preparation of reliable financial statements"(KPMG, 2013)

2.2.1.1.3. Compliance Objectives

Compliance objectives related to adhering to laws and regulations that the entity must follow. In the 1992 Framework, the compliance objective was described as "relating to the entity's compliance with applicable laws and regulations." The 2013 Framework considers the increased demands and complexities in laws, regulations, and accounting standards that have occurred since 1992(KPMG, 2013).

2.2.1.2. Control Objective of ICS

Control objective are desired goals or conditions for a specific event in order to achieve, minimize the potential that waste, loss, unauthorized use or misappropriation will occur. For a control goals to be efficiency,effective,compliance with it can measurable and observable (Appiah, 2012)

TABLE 1 : Control Objectives

Validity	Only valid or authorized transactions are processed
-----------------	---

Occurrence	Transactions occurred during the correct period.
Completeness	All transactions are processed without omissions
Valuation	Transactions are calculated using an appropriate methodology or are computationally accurate
Segregations of duties	The objective is to make sure those duties and responsibilities are assigned to individuals in manner that ensure that no one individual can control both recording function and the procedures relative to processing the transaction.
Error handling	The objective is to make sure that errors detected at any stage of processing receive prompt corrective action and are reported to the appropriate level of management.
Authorization	The objective is to ensure that responsible personnel in accordance with specific or general authority approve all transaction before the transaction is recorded.
Right Obligation	Assets should represent the rights of the company, and liabilities its obligations.
Presentation Disclosure	Financial statements are properly classified and disclosed.
reasonableness	Results should be reasonable.

Source: (Appiah, 2012)

Specific target used to determine whether a control, operating effectively is called the control objective. Control objectives fall under several detailed categories, an organization should put in place methods to ensure the integrity of financial and accounting information Internal control has been defined by the Committee of Sponsoring Organization of the Trade way Commission (Foster, 2019)in internal control integrated framework, as; “A process effected by an entity’s board of directors, management and other personnel designed to provide reasonable assurance regarding the achievement of objectives in the following categories, effectiveness and efficiency of operations (basic operational objectives, performances goals and safeguarding resources); reliability of financial reporting; compliance with applicable laws and regulation.

2.2.1.2. The measure of internal control

Internal Controls are to be an integral part of any organization's financial and business policies and procedures. Internal controls consist of all the measures taken by the organization for the purpose of protecting its resources against waste, fraud, and inefficiency, ensuring accuracy and reliability in accounting and operating data, securing compliance with the policies of the organization; and evaluating the level of performance in all organizational units of the organization. the main responsibility of the internal control in local government covers ensuring full protection of council's assets, ensuring proper utilization of council's resources, proper authorization of revenue and expenditures, proper expenditure monitoring, removal of any misconduct in finance. MINECOFIN, (2013) the Internal Audit Department is the custodian of these ICS to ensure that these measures are adhered to, so as to improve financial performance in Public Institutions.

The responsibilities of the internal audit (IA) is increasing with the sophistication of the economy and the business of organizations. From these responsibilities we can list examination of Accounts to determine their accuracy and reliability, review the company's policies, operations and procedures to agree with expectation and standards, establish and programmer adequate accounting system and effective forms of control providing advice to management in respect to the changes in the economy, and supervise the progress of the entity.

In Public institutions the sophistication has brought changes such as the integrated financial management system which requires sophistication in determining the accuracy and reliability of these accounts and providing advice to management in respect to the changes to improve financial performance. The committee of sponsoring organization of the Tread way Commission (KPMG, 2013))identified five interrelated components of internal controls as:

2.2.1.2.1. Control environment

Components of internal control The control environment describes a set of standards, processes, and structures that provide the basis for carrying out internal control across the

organization(Foster, 2019).The control environment set the quality of an business, influencing the control realization of its people. It is the basis for all other components of internal control, providing discipline and structure Roger (2009). Control environment actors include the integrity, ethical values and competences; management 's philosophy and operating style; delegation of authority and responsibility; human's resources policies.

KPMG, (2013) the control environment is the set of standards, processes, and structures that provide the basis for carrying out internal control across the organization. The board of directors and senior management establish the tone at the top regarding the importance of internal control including expected standards of conduct. Management reinforces expectations at the various levels of the organization. The control environment comprises the integrity and ethical values of the organization; the parameters enabling the board of directors to carry out its governance oversight responsibilities; the organizational structure and assignment of authority and responsibility; the process for attracting, developing, and retaining competent individuals; and the rigor around performance measures, incentives, and rewards to drive accountability for performance. The resulting control environment has a pervasive impact on the overall system of internal control.

Thomas, (2007), the control environment is concerned with the actions, policies and procedures that reflect the overall attitude, top management, directors and owners of an entity about internal control and its importance. The control environment factors are governance, ethical value and integrity, management operating style, competence, organization structure, human resources procedures and practices. The control environment factors are governance where the leadership actions and tone established and practiced by the governing body can have a profound impact on how the employees of the organization performs their responsibilities, which in turn affects the achievement of the organization's mission. And vision. Ethical values and integrity where ethical value are the standards of behavior that form the framework for employees conduct. Management encourage integrity by establishing and publishing a code of conduct, rewarding employees' commitment to the organization's ethical values, establish method of reporting ethical violations and consistently enforcing disciplinary practices for all ethical valuation.

2.2.1.2.2. Risk assessment

It forms the basis for determining how risks will be managed. A risk is defined as the possibility that an event will occur and adversely affect the achievement of organizational objectives. Risk assessment requires management to consider the impact of possible changes in the internal and external environment and to potentially take action to manage the impact(Foster, 2019).

Every entity faces a variety of risks from external and internal sources. Risk is defined as the possibility that an event will occur and adversely affect the achievement of objectives. Risk assessment involves a dynamic and iterative process for identifying and assessing risks to the achievement of objectives. Risks to the achievement of these objectives from across the entity are considered relative to established risk tolerances.(KPMG, 2013)

Risk assessment is the identification and study of relevant risks that threaten the accomplishment of objectives; A risk assessment in organization is a careful examination of what could cause harm to operations, public institutions must take precautions to prevent harm from happening. When risks are well known, necessary control measures are easy to apply. In risk assessment, you need to assess which operations might be harmed and then place the best way of managing the risk. Think about what controls organization have in place and how the work is organized. Improving internal control need not cost a lot. Failure to take simple precautions and corrections can cost an organization a lot more if fraud happens.

2.2.1.2.3. Control activities

Control activities are actions (generally described in policies, procedures, and standards) that help management mitigate risks in order to ensure the achievement of objectives. Control activities may be preventive or detective in nature and may be performed at all levels of the organization (Foster, 2019)

Control activities are the actions established through policies and procedures that help ensure that management's directives to mitigate risks to the achievement of objectives are carried out. Control activities are performed at all levels of the entity, at various stages within business processes, and over the technology environment. They may be preventive or detective in nature and may encompass a range of manual and automated activities such as authorizations and approvals, verifications, reconciliations, and business performance reviews. Segregation of duties is typically built into the selection and development of control activities (KPMG, 2013)

The following are the examples of such controls: procedures for transaction authorization, transaction verification, and segregation of duties, system access passwords, tendering processes, bank reconciliation, and monthly review of budget execution reports, "imihigo" performance review (Minecofin, 2013).

Transaction in a business environment requires approval and authorization by an appropriate Officer and authorization limit be clearly specified. Control activities in this category are designed to provide reasonable assurance that all transactions are within the limit set by policy or appropriate officials have granted that exceptions to policy. In a municipal urban council approval and authorization is one of the internal control measures in place, user departments generate request for funds through the head of finance to the chief executive for approval before any transaction takes place. This is to ensure that errors and frauds are detected and prevented, since no single individual controls the transaction from its initiation to completion.

2.2.1.2.4. Information and communication

Obtained or generated by management from both internal and external sources in order to support internal control components. Communication based on internal and external

sources is used to disseminate important information throughout and outside of the organization, as needed to respond to and support meeting requirements and expectations.

The internal communication of information throughout an organization also allows senior management to demonstrate to employees that control activities should be taken seriously (Foster, 2019)

Information is necessary for the entity to carry out internal control responsibilities to support the achievement of its objectives. Management obtains or generates and uses relevant and quality information from both internal and external sources to support the functioning of other components of internal control. Communication is the continual, iterative process of providing, sharing, and obtaining necessary information. Internal communication is the means by which information is disseminated throughout the organization, flowing up, down, and across the entity. It enables personnel to receive a clear message from senior management that control responsibilities must be taken seriously. External communication is twofold: it enables inbound communication of relevant external information, and it provides information to external parties in response to requirements and expectations. (KPMG, 2013)

According to Minecofin,(2013) this entails the reliability and timeliness of reported information, the frequency of internal communication regarding the need and objectives effective internal controls in the entity, and the effectiveness of the mode of communication and reporting practices in the entity. This component encompasses the identification and flow of information within an entity in a way that enable people to perform their duties and responsibilities.

2.2.1.2.5. Monitoring

Monitoring are periodic or ongoing evaluations to verify that each of the five components of internal control, including the controls that affect the principles within each component, are present and functioning. around their products (Foster, 2019).

Internal controls need to be monitored which is a process that assess the quality of the system's performance overtime. Managers should have high level of knowledge of an

organizational activity and closely involve in operations which positions them to identify variances from expectation and potential inaccuracies in reported financial information. This entails how well management monitors implementation of controls over time. Continuous monitoring helps to identify poorly designed or ineffective controls. Five components of internal control are applicable to all entities, but how they are configured with an entity will depend on several factors among them are as follows, the size of an entity its organization and ownership characteristics, the business nature applicable rules and regulations of its operations.

2.2.1.4. Relationship between Components of Internal control and Objective

A direct relationship exists between objectives, which are what an entity strives to achieve, components, which represent what is required to achieve the objectives, and the organizational structure of the entity (the operating units, legal entities, and other). The relationship can be depicted in the form of a cube(KPMG, 2013).

Figure 1: COSO CUBE



Source: COSO 2013

The three categories of objectives, operations, reporting, and compliance are represented by the columns. The five components are represented by the rows; an entity's organizational structure is represented by the third dimension.

2.2.2. Financial performance

Public sector entities do not exist to generate a financial return on investment rather to provide public services and goods as determined through political process in an effective and efficiency manner (Dabla-Norris et al., 2011).The principal purpose of the public entities is to provide services that enhance or maintain the wellbeing of the public. Organization, be public sector entities or private, apply a variety of measures in their routine operations to ensure that their objectives are met, that financial reporting is of required quality, timing and that rules and legislations are followed. Such measures include expenditure controls to ensure compliance with the budget, segregation of duties to lower risk of error and fraud. Financial performance discusses to the point to which financial goals being or have achieved and is an important aspect of finance risk management. It is the process of measuring the results of a firm's policies and operations in monetary, financial Performance Report is a summary of Financial Performance of an organization. Public institution does not exist to generate a financial return on investment but rather to provide public services and good as determined through political process in an effective and efficient (Dabla-Norris et al., 2011)

2.2.2.1. Financial performance measures

Performance is measured by either objective or subjective criteria; argument for subjective measures includes difficulties with collecting qualitative performance data from small firms and with reliability of such data arising from differences in accounting methods used by firms.

First, models based on the two conceptual views of financial performance are compared and evaluated against accountabilities. Then, a hybrid alternative is compared and evaluated against the accountabilities. Ideally, the model chosen would, help to resolve issues regarding the measurement of financial performance in public sector that gives rise to the project; increase the degree of accountability demonstrated in public sector financial statement through meeting the identified financial statement accountabilities; and increase the clarity of presentation and understanding of financial performance and financial position of a public sector entity.

2.2.2.1.1 Reliable Accountability

Accountability is a concept of ethics and governance with several meanings. This concept is similar to responsibility, answerability, blameworthiness, and liability. As an aspect of governance it has been central to discussions related to problems in the Public sector. In Rwanda, the Auditor General reviews financial statements of all public entities and forwards the report to the Parliamentary. Accountability is a type of relationship that comes to existence when an obligation is taken on by an individual such as to assume a role or discharge a task.

2.2.2.1.2. Profitability ratios

Profitability ratio normally composed by two main categories: margins and returns. The most important most profitability ratios are:

Gross profit margin how much money is made after direct costs of sales have been taken into account or the contribution as it is also known. Operating expenses margin lies between the gross and net measures of profitability. Overheads are taken into account, but interest and tax payments are not. For this reason, it is also known as the EBIT (earnings before interest and taxes) margin.

Net profit margin is a much narrower measure of profits, as it takes all costs into account, not just direct ones. All overheads, as well as interest and tax payments, are included in the profit calculation.

Return on capital employed calculates net profit as a percentage of the total capital employed in a business. This allows you to see how well the money invested in your business is performing compared with other investments you could make with it, like putting it in the bank.

2.2.2.1.3. Liquidity ratio

Assessing your ability to meet your short-term financial obligations.

Cash ratio compares the amount of cash and investments to short-term liabilities. This ratio excludes any assets that might not be immediately convertible into cash, especially

inventory. Quick ratio same as the cash ratio, but includes accounts receivable as an asset. This ratio explicitly avoids inventory, which may be difficult to convert into cash.

Current ratio compares all current assets to all current liabilities. This ratio includes inventory, which is not especially liquid, and which can therefore mis-represent the liquidity of a business

Though it can be useful to engage in liquidity ratio analysis, the results can lead one to be overly optimistic or pessimistic about a potential borrower or creditor, for the following reasons:

Timing there may be a cash inflow or outflow that falls just outside of the requirements of a ratio (being stated as a long-term asset or liability) that could have a severe impact on the target entity. For example, there may be a balloon payment on a loan that is due in just over one year, and so is not classified as a current liability.

Seasonality the balance sheet information upon which these ratios are based may be entirely different in a few months, if the entity is subject to seasonal influences.

Bad debts and obsolescence the accounts receivable and inventory in different versions of the liquidity ratios can include varying amounts of assets that will never be converted into cash.

If so, they will skew the results of these ratios.

2.2.2.1.4. Solvency ratio

The debt to equity ratio is a financial, liquidity ratio that compares a company's total debt to total equity. The debt to equity ratio shows the percentage of company financing that comes from creditors and investors. A higher debt to equity ratio indicates that more creditor financing (bank loans) is used than investor financing shareholder solvency ratio measuring your long-term debt against your assets and equity to determine your financial stability.

The equity ratio is an investment advantage or solvency ratio that measures the amount of assets that are financed by owners' investments by comparing the total equity in the company to the total assets. Debt ratio is a solvency ratio that measures a firm's total liabilities as a percentage of its total assets. In a sense, the debt ratio shows a company's

ability to pay off its liabilities with its assets. In other words, this shows how many assets the company must sell in order to pay off all of its liabilities.

2.2.2.2 Rwanda financial system

Significant progress has been made in reforming the financial system since initial 2005 financial sector assessment program (FSAP) improving the stability structure and efficiency of the financial system modernizing financial sector registration and infrastructure and strengthen the framework for monitoring systematic risk. The banking sector has recovered from a period of restructuring and cleaning up legacy problem. The financial face few challenge affecting financial stability and development posed in particular by the agenda to improve access to finance and provide more long term financing to the economy.

In recent years the government of Rwanda has made impressive progress in rebuilding its public financial system, which like so much of the country was largely destroyed during genocide and civil war of 1994. However, much remain to be achieved before Rwanda can claim to have a coherent, modern and effective PFM system auditable consolidated public accountant have been produced since 2007 and various audit of individual ministries and agencies have identified as the on major concern the existence of divers and inadequate accounting practice across government.

At the national level government has undertaken a number a number of major focusing from 1997 on stretching the legal and institution framework major reform have taken place between 1997 and 2004, with establishment of government institution that control if organization fulfil suitably their mission and participate to spread the compliance of rules good practice such as planning reporting and delivering good service the ministry of finance and economic planning are responsible for overall public financial management. Their issue guard line for budgeting submission preparation and reconciliation of receipt and payment account, planning and asset management. The consolidated financial statement is based on the financial statement prepared and submitted by the individual budget agency.

2.3. The relationship between internal controls and financial performance.

Internal control comprises five components: control environment, the entity's risk assessment process, the information and communication systems, control activities and the monitoring of control (Foster, 2019). However, for purpose of this study the research will narrow on three components of internal controls.

According to (Foster, 2019) the commission further added that internal control is a management tool used to provide reasonable assurance that the public sector organization's objectives are being achieved efficiently.

It is therefore worth noting from the above that properly instituted internal control will ensure completeness of all transactions undertaken by an entity; that the entity's assets are safeguarded from theft and misuse; that transactions in the financial statement are stated at the appropriate amount; that all assets in the financial statement do exist; that all the assets in the financial statement of the company are revalued regularly and recoverable amounts stated and transactions are presented according to the Generally Accepted Accounting principles.

2.4. Conceptual framework

An effective internal control, the five components of environment work to support the achievements of an entity's mission, strategies, and related business objective (Foster, 2019).

This section will focus on how the independent variable relate to the dependent variable

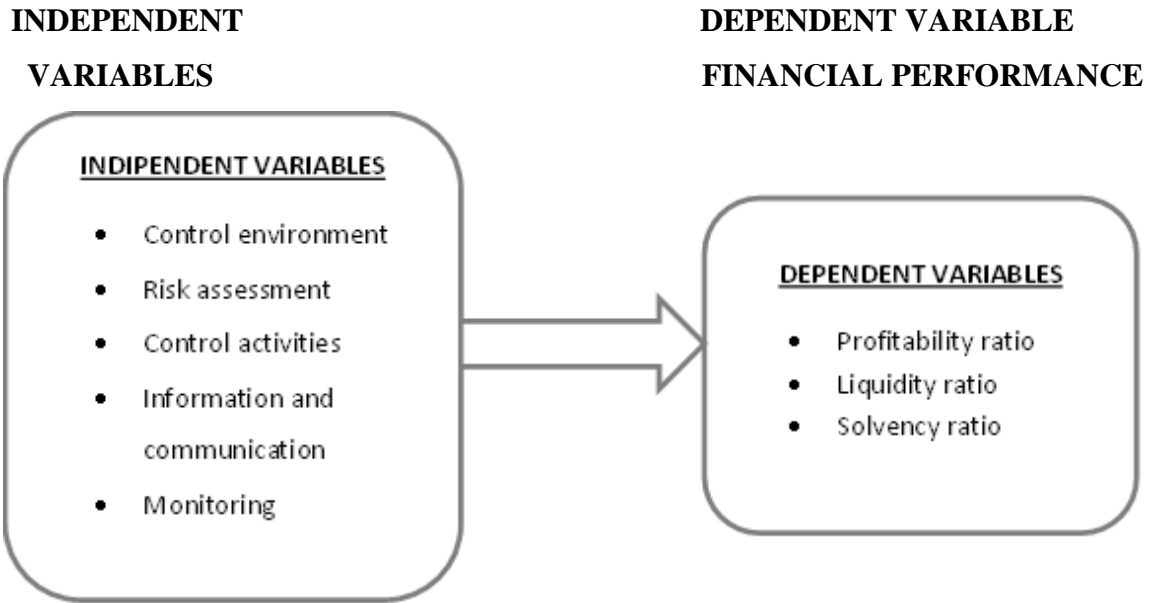


Figure 2: Conceptual Framework 1

Source: Self-conceptualization from the literature review

2.5. Empirical Literature Review

KAMAU CAROLINE NJERI, (2014) shown a research on special effects of internal control on financial performance in an organization. In his research he examined and was sought to found the connection among internal controls and financial performance in an organization of Uganda. Internal controls were looked at from the perspective of Control Environment, Internal Audit and Control Activities whereas Financial performance focused on Liquidity, Accountability and Reporting as the measures of Financial performance.

The Researcher set out to establish the causes of persistent poor financial performance from the perspective of internal controls. The study established a significant relationship between internal control and financial performance. (Njanike, Mutengezanwa, & Gombarume, 2011) assessed factors that influence the internal controls in ensuring good corporate governance in financial institutions in developing economies with special reference to Zimbabwe. The research paper assessed how lack of internal controls affected good corporate governance and aimed to bring out elements of good corporate governance.

It emerged that failure to effectively implement internal controls contributed significantly to poor corporate governance

Njiru,(2016) his study was about the effect of internal controls on financial performance of public water companies in Kenya. His research objective was to establish the effect of segregation of duties on financial performance of public water companies in Kenya, to determine the effect of cash reconciliations on financial performance of public water companies in Kenya, to evaluate the effect of inventory audits on financial performance of public water companies in Kenya.Ssekajugo, (2014) their research was about Performance of Public Institutions in Ngororero District, North Western Rwanda. The research paper indicated that the level of performance of public institutions in Ngaruroro district was also found to be high. This was ascertained by the average mean of 2.62 which according to mean legend deciphers a high level of performance. Significant difference in the level of performance among different public institutions in Ngaruroro district was also noticed to be extant.

2.6. Gap analysis

Most researchers have only shown that internal control helps an organization to reduce inefficiency and risks, improve the reliability of financial reporting to building trust and confidence of the stakeholders, the study found those now days, the embezzlement of funds from public institutions is more common due to lack of accountability and lack of commitment of accounting. The researchers in their previous studies have shown that ICS is a positively significant for good financial performance in the public institutions.

2.7. Summary of Literature Review

Thus, there is essential to create the relationship between the internal control performances of Public organizations of Rwanda. It can be determined from components of internal control that Control Environment, Control Activities, Risk Assessment, Information and Communication and Monitoring are important of financial performance.

CHAPTER THREE

RESEARCH METHODOLOGIES

This part defines the research methodology of the study that was used to attain the objective of the study. The research methodology refers to a set of methods and principle that are used when studying a particular kind of work. In order to collect useful information which allows discussing and answering the research question, the researcher used various methods and techniques. This chapter presents a detailed description of the research methodology that used in gathering and analyzing the data on the internal control and financial performance financial in Public Institution in Rwanda, in RSSB. This chapter were covered the research design, study population identification, sampling procedure data gathering, operational definition of variables, methods of data analysis. It is guideline help the research to think about which instruments to be used in data collection that ensure relevant information to the research.

3.1. Research Design

A research design is a plan and strategy of assessment in order to collect data. and to obtain answers to research questionnaires.

In study, used a descriptive research. Researcher choose a survey research design because is usually concerned with describing a population with respect to important variables with the major emphasis being establishing the relationship between the variables.

3.2. Population identification of the study

A population is defined as the totality of persons or objects which a study is concerned (Grinnel & William 1990) Population is all elements, individuals, or units that meet the selection criteria for population to be studied, and from which a representative sample is taken for detailed examination.

H Nuzul Azam, (2012) observation people as the great gathering of all subjects from where a sample is drawn. Based on Auditor General Report (2017) in Rwanda there is 165 Public Institutions, some of them are financial institutions including RSSB which is pension scheme. In Rwanda there is one public pension fund, the Rwanda Social Security Board

and around 40 private pension scheme. In this study, The population was 180 employees work in RSSB headquarter.

the target population refers to employees work in department of finance and in internal audit in institutions of RSSB. The population of this study is 180 employees work in RSSB headquarter.

3.3. Sampling procedure

Joy owango, (2014), a sample is a subset of population under study; the author argues that the results obtained from this sample are considered the same as those that would have been obtained if the study had been administered to the whole population.

In this study no need to calculate sample size because RSSB is only one public pension in public institution. Simple size of this study was 30 employees in financial department and internal audit. Under the study, the most suitable technique was purposive sampling. Purposive technique enabled the researcher to choose respondents basing on the fact that they have desirable characteristic and variables related to the issue being studied (Kothari ,2004). The type purposive sampling of non-probability sample based on characteristics of a population that are of interest and the objective of the study, which enables the researcher to answer the research questions. Purposive sampling therefore saves on time and resources that the researcher used to collect the information.

3.4. Data collection

The data collection depends on the kind of data to be collected. In this study both primary and secondary data were used. A number of closely related operations which are performed with the purpose of summarizing the collected data and organizing these in such a manner that they answer researcher questions data were analyzed using both qualitative and quantitative techniques. Data analysis included checking, editing, coding, classification and tabulation of collected data so that they could be analyzed into information. Analysis of data involves using descriptive statistics to enable the researcher derive meaningful description and distribution of scores.

Measures of central tendency were used to get the average scores (mean), so as to determine the average number of respondents per item on the questionnaire. Standard deviation was

used to measure the validity of scores from the mean in the distribution. The numerical tool that was used in the study is numerous regression. It was used to find out the influence of internal control on financial performance. Regression study was used to show out with expressing relationship of independent variable (control environment, risk assessment, control activities, communication and information, monitoring) and dependent variable (financial performance of RSSB). Analysis using the Statistical Package for Social Sciences (SPSS version 20) program was used. SPSS was used because of its simplicity and comprehensiveness in analyzing quantitative data. Data collection instruments as the tools to be used to gather data. In order to collect data about internal controls and financial performance in RSSB, the

Following instruments were used questionnaire and interview schedule will administrate to the staff of RSSB The quality of the data collection instruments was assessed through validity and reliability of the instruments. Validity refers to the extent to which an instrument measures what it purports to measure. Triangulation was used in this study to ensure validity of the research findings. A pilot study was carried out on a group of staff members who were excluded from the real study so as to ensure that the instruments to be used (questionnaires and interview guides) were clear and not having ambiguity

Data collected by using primary and secondary data gathering methods.

3.4.1. Primary data

Primary data were collected fundamentally through planned questionnaires, data collected as result of investigation. The survey was basically conducted using questionnaires. During the research, primary data were used to obtain from the sample elements relevant information concerning the whole people under the study. The questionnaire was addressed to the staff financial and internal auditor of RSSB headquarter.

3.4.1.1. Questionnaire

A questionnaire is a set of questions to which respondents' recorded their answers as administered. This method was appropriate for the research because the filled questionnaires can be used for future reference. Questionnaires retrieved

Rwanda Social Security Board: -Finance 14

-Internal Audit 16

Written questions prepared by the researcher about the problems under investigation based on

The research objectives of the study were given to respondents. The questionnaires was Closed ended

3.4.2. Secondary data

Secondary data on the other hand were gather through review of available documentation such as audit reports, finance and administrative procedures and policies manuals, text books, reports as well as journals. The source of the secondary data was from the record of RSSB financial report relevant to research.

3.4.2.1 Document reviewing

This involved reviewing various documents with information related to the area of study. It involved reviewing publications, journals, textbooks and internet information such as Auditor General Report, financial statement of RSSB, website of RSSB.

3.5. Methods of Data Analysis

3.5.1 Mean and Standard deviation

Table 2: Mean interpretation

Mean interpretation	Range
Strong agree	1-1.25
Agree	1.25-1.80
Strong disagree	1.80-2.25
Disagree	2.25-4

Statistical Package for Social Sciences (SPSS) version 20.0 will be used as an aid to analysis. SPSS is preferred because of its ability to cover a wide range of most statistical and graphical data analysis and is attic.

3.5.2. Regression analysis

In order to determine the relationship between internal controls and financial performance, a multiple regression will conduct to establish the relationship that existed between three independent variables of internal control and the dependent variable financial performance.

Specifically, the regression model in this study was $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \epsilon$,

Where Y =Financial performance X_1 =control environment, X_2 =risk assessment, X_3 =control activities, X_4 =Information and communication, X_5 =Monitoring, ϵ =Error term.

3.6. Ethical consideration

I strictly adhered to the professional ethical conduct of research. Appointments were made with the respondents through local authorities, and interviews were conducted with utmost secrecy and confidentiality. I maintained close relationship with the respondents.

The goal of ethics in research is to ensure that no one is harmed or suffers adverse consequences from the research activities.

CHAPTER FOUR

DATA ANALYSIS PRESENTATION, INTERPRETATION

This chapter was cover basic techniques and tools for data collection and analysis. The chapter included the Data presentation analysis and interpretation

The study was decided to be conducted in the headquarter of RSSB area, due to easy of availability of information and cost saving from the researcher

The result is presented and interpreted in accordance with the research objectives.

4.1. Unit analysis

The researcher went to the field of research (RSSB) to distribute the questionnaires. The study conducted in the finance department and internal audit and from each department the researcher picked 14 personnel in department of finance and 16 personnel for internal audit. The research adopted such analysis to avoid the cost structure during his study and time constraints, each sample enabled to provide the appropriate and sufficient information for the data collection, because the researcher used appropriate technique for selecting the sample for the purpose of data collection and analysis.

4.2 Response Rate

The study sought to collect data from 20 respondents, a total of 20 respondents“ responded constituting 100% of the respondent’s rates. The study was related to internal control and financial performance on public institutions. Case study RSSB

4.3. Data presentation analysis and interpretation

The chapter include analysis of data collected from the field by use of questionnaires, interpreted the resultant of the study and results based on collected primary data and information from the respondents, the analysis and interpretations are provided after each table, always taking into consideration the initial research question. The respondents were invited to participate in the study trough a covering a letter explaining the main purpose of the study. The respondent was show Internal controls and financial financial performance in public Institution.

Accompanying table with short explanation make the matter clearer and understandable. Four-point Likert was used in this study as it is very simple and clearer than other scales.

4.3.1. Presentation of RSSB

4.3.1.1. RSSB mission

“To provide high quality social security services, ensure efficient collection, benefits provision, management and investment of members’ funds.”

4.3.1.2. RSSB vision

“To envision a comprehensive social security system that addresses the social security needs of all Rwandans”

4.3.1.3. RSSB corporate values

In trying to achieve our vision and mission, we serve with empathy, creativity, integrity and determination by following the ICARE principles:

- Integrity
- Collaboration
- Accountability
- Respect
- Excellence

4.4. Data presentation, interpretation and analysis

4.4.1. Descriptive statistics

General information of respondents.

Gender characteristics of respondents.

The study examined and described the gender details of respondents.

Table 3: Gender characteristics of respondents

		Frequency	Percent
Valid	male	18	56.3
	female	14	43.8
	Total	32	100.0

Source: field data,2019

The table 3 indicated that respondents according to their gender distribution there both males and females The results imply that RSSB employs both male and female and this is good indicator of fairness the researcher consider the gender in this study as to see if there are gender equality in RSSB as we know gender equality denotes women having the same opportunities in life as men, including the ability to participate in the public sphere.

Table 4: Experience of respondents

		Frequency	Percent
Valid	1-3 years	3	9.4
	3-5 years	6	18.8
	6 years and above	23	71.9
	Total	32	100

Source: field data,2019

The table 4 and figure below showed that 71.9% have experience of six years and above in RSSB, a percentage of 18.7% have experience between three years and five years.

Followed by a percentage of 9.4% who have between one and three years of experience This may have an impact on performing duties related to finance and internal audit unit. To build long term performance of any organization, experience must engage across the services and learn about community needs and initiatives that serve all experience. Experience of employees in working within public institution help effectively the organization performance.

Education characteristics of respondents.

Details about the education levels of respondents were obtained and the results and revealed in table below

Table 5 : Education characteristic of respondents

		Frequency	Percent
Valid	Masters and above	12	37.5
	Degree	20	62.5
	Total	32	100.0

Source: field data,2019

Education is the most important input for planning purposes, generally, the education facility influences proper performance of an individual and any other occupational.

The table 5 reveals that above that the majority of respondents involved in internal control in RSSB holds bachelor degree, this means that the respondents are adequately academically qualified in the field of finance, accounting this indicated by a percentage of 62.5% followed by 37.5% represent who hold Master's degree. There are no illiterate employees in RSSB.

Internal controls

This section answers objective one of the researcher. The study sets one of its objectives to critically analyze and reveal how the Internal control of the Institution actually perform, and details are presented in the following table

The respondents were requested to determine internal controls system and financial performance in RSSB four point Likert scale.

Table 6: Effect of Control Environment on financial performance

CONTROL ENVIRONMENT N=30	Mean	Std.
RSSB is committed to competence in the requirements of particular jobs and in translating those requirements into knowledge	1.28	0.634 Deviation
The entity assigns authority and responsibility to provide a basis for accountability and control.	1.31	0.471
RSSB's Employees are committed to following an organization's policies, procedures, its ethical and behavioral standards.	1.41	0.499
Appropriate Disciplinary action is taken when an employees does not comply with policies and procedures	1.41	0.665

Source: Primary data, 2019

The above table are details of the measures of effectiveness of the control environment under different key statements obtained from the respondents.

The results from the table above shows that the respondents provided that in RSSB is committed to competence in the requirement of particular job. This indicated by (M=1.28, S. D=0.634) were agreed with the statement.

The respondents agreed that RSSB assigns authority and responsibility to provide a basis for accountability and control as indicated by the mean M=1.31, S. D=0.471, According to above findings, respondent agreed that RSSB 's employees are committed to following an organization's policies and procedures and its ethical and behavioral standards, indicated by a mean of 1.41, S. D=0. 499.By institutions a comprehensive set of policies and procedures, making that each employees accountable for ethical behavior and adherence to lows ensures that transactions occur in a reliable way.

From the above table the respondents agreed that appropriate disciplinary action is taken when an employee does not comply with policies and procedures or behavioral standards, indicated by Mean of 1.41, S. D=0.499. Respondents also agree that the institution has an accounting and financial management system in place (M=1.05, S. D=0.224). This shows that they generally agree about the existence of accounting software and finance management system in RSSB.

From, the above findings, it is evident that the RSSB focus on control environment as one of the functionality of internal controls of the organization that affect the financial performance of Public Institutions in Rwanda.

TABLE 7: Effect of Risk assessment on financial performance

RISK ASSESSMENT N=30	Mean	Std. Deviation
Management need to determine the level of operational, financial and compliance risk they are willing to assume	1.31	0.471
RSSB’s risk assessment process involves the identification, analysis, and management of the risks of material misstatement of the financial statements	1.22	0.42
Management evaluates and mitigates risk appropriately	1.28	0.444
Management defined appropriate objective for the organization	1.41	0.499
Management has established practices for the identification of risks affecting RSSB	1.34	0.483

Source: Primary data, 2019

The result from in the above table, the respondents has confirmed that management need to determine the level of operational, financial and compliance risk they are willing to undertake indicated by M=1.31, S. D=0.471, implying that they agree with the statement.

From above findings in the table, respondent agreed that RSSB’s risk assessment process involves the identification, analysis the risks of material misstatement of the financial statements showed by M=1.22, S. D=0. 420.The respondents agreed that management evaluate and mitigates risks appropriately, this showed by M=1.28, S. D=0.444, agreed with the above statement. The findings indicate that respondents were agreed that management defined appropriate objective for the organization, this showed by M=1.41, S. D=0.499

According to COSO,(2009) Risk assessment, every entity, regardless of scope, faces a diversity of risks from both internal and external sources that must be appraised and answered to. By considerate the diverse kinds of risk and possible answers, senior supervisor is well organized for the day when direct reply is wanted. Risk assessment is

the identification and examination of appropriate risks to attain goals, form a basis for determining how to manage the risk and the appraisal of the answer. General information of respondents collected in the research was helpful in compiling the picture of the management level of education, experience and the gender.

Table 8 : Control Activities

Control activities N=30	Mean	Std. Deviation
Duties are segregated among different people to reduce the risks of error inappropriate action.	1.41	0.665
Department have budget review where actual expenditure is compared with budget expenditure	1.34	0.489
Management specifies activities or transaction that needs supervisory approval before they are performed or executed by employees.	1.406	0.499
Management has identified individuals who are responsible for coordinating the various activities within the entity	1.22	0.42
RSSB has Physical Security.	1.41	0.41

Source: field data,2019

The findings indicated that the respondents agreed with statement regarding responsibilities are separated between diverse persons to diminish the risk of error or incorrect action, this indicated by M=1.25, S. D=0.444 .In the table above the respondents agreed that duties are segregated among different people to reduce the risks of error inappropriate action, indicated by M=1.41, SD=0.665, the respondent agreed that management specifies activities or transactions that need supervisory approval before they are performed or executed by employees, indicated by M=1.34, S. D=0.489

The findings from above table agreed that department have budget review where actual expenditure is compared with budget expenditure, this indicated by a percentage of M=1.34, S. D=0.489

From the above information, the respondents agreed that managing has identified individuals who are accountable for directing the various actions within the entity, this indicated by a M=1.22, S. D=0.420

Table 8 showed that the respondents were strong agreed that RSSB has Physical Security. This indicated by a percentage of M=1.41, S. D=0.41 were agreed this statement

Table 9: Communication and Information

Communication and information N=30	Mean	Std. Deviation
RSSB's Management communicates the information necessary for employees to RSSB has Physical Security.	1.41	0.665
Communication relates to provide a clear understanding of financial reporting and safeguarding controls ,how they work.	1.47	0.499
The quality of information generated by RSSB's information system is critical to the institution's operation and success.	1.47	0.671
External and internal information attained from the information systems provide management with necessary reports on the RSSB's performance relative to safeguarding dependable financial reporting and protection of assets.	1.34	0.483
Communication helps to evaluate how well guidelines and policies of RSSB are working and being implemented.	1.28	0.634

Source: primary data, 2019

The findings indicated that respondents agreed with statement that RSSB's management communicates the information necessary for employees, this showed by $M=1.41, SD=0.665$, the respondent agreed that the quality of data generated by RSSB's information systems is critical to the organization's operations and achievement this leveled by a $M=1.47, S. D=0.671$

Respondents agreed with statement that communication relates to providing a clear understanding of financial reporting and safeguarding controls, how they work, this indicated by $M=1.47, S. D=0.499$

The table above showed that, the respondents agreed that, external and internal information obtained from the information systems provide management with necessary reports on the RSSB's performance relative to ensuring reliable financial reporting and safeguarding of assets, this indicated by a $M=1.34, S. D=0.473$ this indicate that even though information is necessary, all public institutions have implemented this practice of communication. This therefore, positive impacted on the financial performance of some Institutions in Rwanda. The respondents were agreed that the communication helps to evaluate how well guidelines and policies of RSSB are working and being implemented. Communication helps to evaluate how well guidelines and policies of RSSB are working and being implemented.

Table 10: Monitoring and Financial Performance

.Monitoring N=30	N	Mean	Std. Deviation
Monitoring process helps ensure that control activities and other planned actions affect financial performance.		1.34	.665
RSSB's monitoring process assess the quality of an organization's internal control over time.		1.41	.471
Management focus their effort on high risk area		1.28	0.634
They are periodic monitoring activities, such as self – assessment by various department and internal audit appraisals in RSSB.		1.34	.483

Source: field data,2016

The findings from above table indicated that respondent agree that Monitoring process helps ensure that control activities and other planned actions affect financial performance, indicated by M=1.31, S. D=0.665 agreed with the statement.

The above table indicated the respondents were agreed this statement regarding that RSSB's monitoring process evaluates the excellence of an institutions 'internal control over time, this indicated by M=1.41, S. D=0.471

From information in above table the respondents agreed that Management focus their effort on high risk area This revealed by M=1.28, S. D=0.634 From table above, respondents were agreeing with statement regarding They are periodic monitoring activities, such as self –assessment by various department and internal audit appraisals in RSSB as reflected by M=1.34, S. D=0.483.

Table 11: Organization’s financial performance

Financial performance N=30	Mean	Std. Deviation
RSSB maximize performance in terms of revenue and operating margins, and increase stakeholder’s value	1.25	.410
RSSB has Monthly bank reconciliation for all cash accounts	1.41	.487
RSSB comply with all the rules and regulations.	1.34	.470
RSSB’s financial statements all aim to provide an overview of an organization’s performance and position at a given point in time.	1.22	.684
the financial transaction (income and expenditure) are recorded on daily basis	1.34	.499

Source: field data

This section related to financial performance of Public Institutions in Rwanda was examined by analyzing data collected under dimensions of financial performance.

From the findings in above table, respondents strong agreed that, RSSB maximize performance in terms of revenue and operating margins, and increase stakeholder’s value This showed by $M=1.25, SD=0.410$. RSSB has Monthly bank reconciliation for all cash accounts

This is revealed by a $M=1.41, S. D=0.487$. This confirmed that monthly matching of transactions to check register against bank statement help to keep accurate accounting record. If an item is on the books but not appeared on the bank statement, adjustment to create reconcile is done

From the above findings, respondents were agreeing that RSSB’s financial statements all aim to provide an overview of an organization’s performance and position at a given point in time. This indicated by a percentage $M=1.22, S. D=.684$. The respondents were the financial transaction (income and expenditure) are recorded on daily basis, this indicated by $M=1.34, SD=0.499$.

According to (Di Vaio & Varriale, 2018) Performance reviews of specific functions or activities may focus on compliance, financial, or operational issues. Reconciliation involves cross-checking transactions or records of activity to ensure that the information

reported is accurate. For example, revenue and expense activity recorded on accounting reports should be reconciled or compared to supporting documents to ensure that the transactions are recorded in the correct account and for the right amount. From the above table RSSB maximize performance in terms of revenue and operating margins, and increase stakeholder's value, this indicated by M=1.45,. From above finding in table, the respondents were agreed that RSSB comply with all the rule and regulations, this it indicated by M=1.34, S. D=0. 634. Performance is attempt thought meeting its obligation effectively using record of transaction on daily basis and report regularly because managers need them to make decisions as reflect by 90%. This means that good internal control is a measure of good financial performance in the organization and vice versa.

Regression Analysis

In this study multivariate regression was done to establish the relationship between internal control and financial performance of public institutions. The study applied the statically package for social sciences (SPSS) to compute the measurements of the multiple regression for the study. The analysis was undertaken at 5% significant level. The study evaluated the independent variables and the dependent using questions. The findings are provided below:

Table 12: Model Summary between internal control and financial performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.957 ^a	.916	.757	.250

- a. Predictors: (Constant), communication and information, control activities, control environment, risk assessment, monitoring

Source: Research Findings, 2019

The table indicate, the model summary of regression analysis, below are the findings in the table

The result in the table above show that the R the correlation coefficient equal to 0.957 showing a strong relationship between internal control and financial performance in public

institution. In statistic R squared tell us the variation in the dependent variable due to independent variable. From the above findings, the value of R squared indicate that 91.6% of the change in financial performance in RSSB is explained by the change internal control in order to clarify the percentage of difference in the dependent variable financial performance as clarified by the independent variables. The researcher used coefficient of determination that was obtained from the model summary, coefficient of determination was used to explain whether the model is good predictor. From the results of the analysis, the findings show that the independent variables (Control Environment, Risk Assessment, Control Activities, Information and Communication and monitoring) contributed to 75.7% of the variation in financial performance as explained by adjusted R2 of 0.757% which shows that the model is a good prediction

The study conducted an Analysis of Variance, in order to test the impact of the relationship between internal controls and financial performance of public institutions. The findings were as shown below

Table 13: Analysis of variance between internal control and financial performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.117	5	.4234	4.888	.001 ^b
	Residual	1.213	14	.0866		
	Total	5.24	19			

Source: research findings, 2019

The results of the findings above revealed that the level of significance was .001^a that is less than 0.05. Therefore, the regression model is statistically significant in predicting how internal control affect financial performance in RSSB. The F critical 5% level of significance Because F computed is 4.888 which is greater than F critical, this implied that this whole model was significant. Level this the regression model is significant in predicting the relationship between internal control and financial performance.

Table 14: Test for coefficients between internal control and financial performance

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.989	2.163		5.331	.000
control environment	.482	.395	.612	1.211	.004
risk assessment	.101	.2005	.328	0.059	.001
control activities	.213	.1331	.637	1.609	.003
communication and information	.264	.194	0.181	.1.365	.002
Monitoring	.892	.224	.843	.542	.004

Source: Research Findings, 2019

This table shows the level of significance on the variables, it also provides the standardized and unstandardized

From the above table , the result in the table showed that control environment, control activities information and communication risk assessment, and monitoring indicated a significant positive relationship on financial performance in public institution, it was shown that their p-value were less than 0.05. The highest influential variable was control environment with a regression coefficient of 0.482(p-value =0.004). Then risk assessment with a coefficient of 0.101(p-value=0.001) the control activities with a coefficient of 0.213(p-value=0.003) ,then information and communication with a coefficient of 0.264(p-value=0.002) Since all the p-value were less than 0.05, it means that all independent variables had positive relationship on financial performance of the public Sector under this study. The researcher sought to establish the extent to which internal control impact on financial performance”. The following regression equation was obtained:

$$=0.989+.483X1+.101X2+.213X3+.264X4+.892X5$$

The results from the table above of regression model indicate that when all factors remain constant, the effectiveness and efficiency of internal control lead to strong financial performance of the institutions. The results of the multiple regression model show that there is a positive Relationship between internal control and financial performance of RSSB. This implies that a single unit increases any of the independent variables results into a responding increase in financial performance of public institutions. These result showed that a unit increase in control environment could result to increase in financial performance by 0.483 all other factors constant, a unit increase in risk assessment could result to increase in financial performance by 0.101, a unit increase in control activities could result to increase in financial performance by 0.213. A unit increase in information and communication could result to increase in financial performance by 0.264 all else held constant. A unit increase in monitoring could result to increase in financial performance by 0.892 all else held constant.

4.5. Analysis of financial performance of RSSB (source: secondary data)

RSSB collects contributions from employers and employees in Rwanda and provides benefits to pensioners, invalids and other beneficiaries. RSSB has many stakeholders, including creditors, government, customer, staff, every stakeholder has its own purpose and benefit in pursuing the financial performance of institution. Government Agencies institution must publish its financial statement. The objective of the report is to provide stakeholders with accurate and reliable financial statements that provide an overview of the institution's financial performance, financial analysis involves using financial data to assess a company's performance and make recommendations about how it can improve going forward.

In order to prepare this financial analysis part, only secondary data has been used. The sources that has been used to collect necessary data is given below:

- Financial statement of RSSB for the year of 2015- 2017.
- Websites of RSSB
- Different websites.

4.5.1. Financial Analysis of RSSB

An analysis of the company's ratios is generally the first step in a financial analysis.

4.5.2. Liquidity ratios

Liquidity ratios show the cash availability of a RSSB and its ability to meet short-term dues. Examples of Liquidity ratios: Quick ratio (acid-test ratio) and working capital ratio (current ratio). The quick ratio, or the acid-test ratio, measures the capacity of a company to clear its current liabilities using only its "quick assets" (assets that can be converted into cash within 90 days, including cash itself, besides short-term investments, marketable securities).

Table 15: The current ratio:

is calculated by the current assets dividing by current liabilities.

	Current asset		
	2015	2016	2017
Current assets	259,604,310,905	324,917,922,638	407,731,285,005
Current liabilities	11,761,825,837	33,377,232,192	50,081,696,258
Current ratio	22.1	9.7	8.1

Table 4.14. shows whether a RSSB can meet its current liabilities using its current assets it has 22.1 ratio of liquidity to debt on 2015, 9.7 ratio on 2016, 8.1 ratios on 2017 it decreased a bit higher. It means the RSSB's current assets were decrease even if is able to meet its current liabilities using its assets.

NET WORKING CAPITAL=

This measurement is important to management, because it shows the firm's short-term liquidity as well as management's ability to use its assets efficiently.

Table 16: The net working capital

	NET WORKING CAPITAL OF RSSB		
	2015	2016	2017
Current assets	259,604,310,905	324,917,922,638	407,731,285,005
Current liabilities	11,761,825,837	33,377,232,192	50,081,696,258
NET WORKING CAPITAL	247,842,485,068	291,540,690,446	357,649,588,747

This above information indicates whether RSSB has adequate cash to manage its daily operations, which is why it is known as the working capital. Since RSSB's current assets exceed her current liabilities its WC is positive. This means that RSSB can pay all of its current liabilities using only current assets.

That the RSSB is able to generate enough from operations to pay for its current obligations with current assets. A large positive measurement could also mean that the RSSB has available capital to expand rapidly. It can fund its own expansion through its current growing operations. If an organization can't meet its current obligations with current assets, it will be forced to use its long-term assets, or income producing assets, to pay off its current obligations. This can lead decreased operations, sales, and may even be an indicator of more severe organizational and financial problems

Solvency ratios

Debt management ratio judge the debt management performance of the company. If a company goes for too much debt for financing is operations, it might end up in every hard financial situation. Solvency ratios indicate a company's viability in the long term whether it can meet its long-term obligations to creditors and sustain itself. These ratios compare the debt of a company with its equity, earnings, and assets.

Table 17: Debt-to-equity ratio:

The debt-to-equity is calculated by dividing the total liabilities by the total equity.

	DEBT equity ratio OF RSSB		
	2015	2016	2017
Debt	11,761,825,837	33,377,232,192	50,081,696,258
Equity	694,414,539,249	753,088,484,367	841,299,958,340
Equity ratio	1.7%	4.4%	6.0%

Source: Secondary data

Table showed debt to equity ratio of RSSB was increased from 2015 to 2017.

Profitability ratios

Profitability ratios demonstrate how effectively a RSSB is using its assets to gain profits.

The return-on-assets ratio is calculated by dividing the net income by the total assets

Table 18: Return on-assets ratio (ROA)

	The return on Equity of RSSB		
	2015	2016	2107
Net income	97059579514	68,488,589,610	71,017,739,901
Equity	694 414 539 249	753,088,484,367	841,299,958,340
ROE	13.9%	9.1%	8.4%

Table Presented return on asset ratio .According to MARSHALL HARGRAVER(2019)return on assets (ROA) is an indicator of how profitable a company is relative to its total assets. ROA gives a management an idea as to how efficient a company's management is at using its assets to generate earning. ..ROA of 2015(13.9%) is higher than 2016(9.1%) and 2017(8.4%).

From the above analysis it showed that return on assets of RSSB was in good position, but it showed in decreasing over the three years.

From 13.9% to 8.4%. It means that RSSB is not effectively managing its assets to generate greater amount of money comparing to previous years.

Table 19: Net profit marginal of RSSB

	2015	2016	2017
Net income	97 059 579514 514	68,488,589,610	71,017,739,901
Contribution(Revenue)	98,446,815,949	138,575,550,653	146,126,211,570
Net profit ratio	98.5%	49.4%	48.6%

Source: secondary data.

Table above It showed that net income contribution ratio is 98.5% in 2015, a percentage of 49.4% in 2016 and a percentage of 48.6% in 2017 It measures profitability with respect to contribution generated. That means, what percentage of contribution are remaining after all expenses are paid by the organization.

Net high profit margin ratio indicates that the company is managing well. On the above trend line we can see that the RSSB had a decreasing trend. It was struggling to achieve higher ratio on the 2016, 2017 years. Then in 2015, it showed a lot more profit. In 2015, it reached to the highest on 98.5% which means the RSSB was able to generate more revenue while keeping the expense constant.

Table 20: Net investment of RSSB

	Net investment of RSSB	
2015	2016	2017
39 730 790 947	17,363,775,420	16,912,403,112

Source: Secondary data

Table above It showed that net investment of RSSB is decreasing. Net investment of RSSB is positive.

CHAPTER FIVE

SUMMARY FINDINGS, CONCLUSION AND RECOMMENDATION

5.1. Introduction

The intent of this chapter is to present summary of findings of the research objectives, conclusions and recommendation based on various methodology used to gather information. This study was taken with the general objective of determining the level of awareness and practice of internal control and financial performance in Public Institution in Rwanda.

5.2. Majors Findings

5.2.1. Internal control

It is not sufficient to have internal control since a system can be ineffective and fail without full support of the highest levels of management and the employee attitude and awareness (Foster, 2019). From the findings showed that the respondents' gender it indicated that the employees in Public institutions male were 45% female were 55%, with Bachelor degree the findings showed that the employees who hold Masters were still few in Public institutions. It was further showed that respondents had more experience of 6-10 years and above.

The findings showed that the public institutions basing on control environment According to (The Institute of Internal Auditors, 2011) the control environment is the foundation on which an effective system of internal controls built and operated in an organization and it has effect on financial performance. The study sought to evaluate the effect of control environment on the financial performance of public institution, from regression analysis, a unit increase in control environment could result to increase in financial performance by 0.482. The study found out that the institutions had effective control environment. The number of staff in finance and audit departments was adequate and well trained on accounting and financial management system. Control environment in RSSB was found to have a positive and significant on financial performance of institutions

The respondent agreed that RSSB's control environment were more effective because its culture and competence are opening valued. Management in Public institutions specifies knowledge and skills needed to perform particular job. This study stated that the institutions had proper risk assessment tools and risk assessment management system. The study sought to evaluate the effect of risk assessment on the financial performance of public institution, from regression analysis, a unit increase in could result to increase risk assessment in financial performance by 0. 101. Risk assessment was found to have a positive significant effect on the financial performance of public institution, in Rwanda. The findings showed that risk assessment as component of internal controls of the organization affect the financial performance of Public Institutions, this indicate that the management had put in place measures for mitigation of critical risks that may come from fraud management were identify risk that they were willing to assume.

Revenue and expense activity recorded on accounting reports should be reconciled or compared to supporting documents to ensure that the transactions are recorded timely, in the correct account, and for the right amount. The study examined the effect of control activities on the financial performance of Public Institutions from regression analysis, a unit increase in control activities could result to increase in financial performance by 0. 213. The results discover that Public Institutions had accounting and financial management systems, the segregations of duties among different employees enable the Public institutions to reduce the risk of error or inappropriate action. In public institutions the person who is responsible for an asset's recordkeeping is not who is responsible for physical control of that asset.

Unclear segregation of duties is one of the cause of un reliable internal control. it is the responsibilities of public officials to ensure clear segregation of authority where employees are involved in corrective action process without lack of clarity, each duty and tasks are separate and have different responsibility (University Business Practices, 2016). The study sought to evaluate the effect of information and communication on the financial performance of public institution. The findings indicated that the respondents agreed that Institutions provide quality of information is critical success, quality of information

generated by institutions must be accuracy, completeness consistency, uniqueness, and timeliness to be useful and lead to success of an institution (Mazzarol, 1998).

. In addition, the study showed that effective flow of information and communication enhanced financial accountability and financial performance of the institution (Kisanyanya, 2018). The respondent agreed that Public Institutions 'Management communicate the information necessary for employees to perform their assigned task. The study tried to find to evaluate the effect of monitoring on the financial performance of public institution (Kisanyanya, 2018) The findings showed that monitoring in Public institution is important, monitoring help an organization to ensure that control activities and other planned action to affect financial performance were carried out properly and in timely manner and that the end result affect performance of institutions (AS 2201).

This study was showed that monitoring has a positive and significant effect on the financial performance of the institutions. The respondents revealed that management of the institution is committed to the controls of the institution and they actively participate in monitoring and supervision of the activities of the organization (United Nations, 2010). The study found that the public institution had adequate and effective of internal control and financial performance, From regression analysis, a unit increase in information and communication could result to increase in financial performance by 0.892

5.2.2. Financial performance

Financial performance review can help to examine organization goals and plan effectively for improvement. According to the findings showed that the respondent express their opinion of the effectiveness of financial performance, that Public institution 's financial statement all aim to provide an overview of an organization 's performance and position ,at a given point in time financial performance is a subjective measure of how well a firm can use asset from its primary mode of business and generate revenue, performance is a measure by how efficient an institutions is in use of resources in achieving objectives. According to secondary data collected from financial statements audited by Auditor General state that financial statement does not give a true and fair view of the financial position of Rwanda Social Security Board (RSSB) as at 30 June 2017, and of its financial

performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards and the Law No. 07/2009 of 27/04/2009 relating to Companies in Rwanda as amended to date. In addition, proper books of account have not been maintained.

According to Pekuri, Haapasalo, & Herrala,(2011), performance is measured by how efficient the enterprise is in use of resources in achieving objectives. The staff agreed that RSSB comply with all the rules and regulations, and the financial transaction (income and expenditure) are recorded on daily basis this implies that a well record financial transaction and use of the budget is a key instrument in determining the performance of the Organization. From the findings of secondary data about analysis of financial statement of RSSB, indicated that there is a decrease of working capital from 2015to 2017.

It was struggling to achieve higher ratio of net profit margin ratio on the 2016(49.4%), 2017(48.6%) years. Then in 2015, it showed a lot more profit. In 2015, it reached to the highest on 98.5% which means the RSSB was able to generate more revenue while keeping the expense constant. The findings showed that net investment and net income was declined. From the findings showed that return on assets of RSSB was decreased over the three years. From 13.9% to 8.4%. It means that RSSB is not effectively managing its assets to generate greater amount of money comparing to previous years. The lower the debt-to equity ratio, the better is the company's health, this indicated that in 2015 RSSB' debt to equity ratio is 1.7% where in 2016 is 4.4% and in 2017 was 6%, this finding showed that RSSB's debt increased from 2015 to 2017.

5.3 Conclusion.

It is evident from the findings that the dimensions of internal control thus control activities, control environment, risk assessment, information and communication and monitoring have a significance effect on the financial performance of public institutions of Rwanda. The study was to investigate the internal control and financial performance of public institutions in Rwanda. This objective was achieved through a questionnaire survey. Internal control involves financial control set up by the management in order to ensure

achievements of its planned objectives. According to above findings, the following conclusion can be drawn:

we concluded that public institutions of Rwanda have effective internal controls and financial performance because the component of internal control thus control activities, control environment, risk assessment, information and communication and monitoring have a significance important on the financial performance of Public Institutions of Rwanda. It was indicated that control activities were carried out regularly by most Public Institutions This is supported by clear separation of duties, supervision, approval transaction, budget review, communication channel, and how management focus on high risk and how took measure to mitigate risks.

We concluded that RSSB solvency is still need improvement while RSSB's current ratio was excellent, the organization should be able to cover all its short term obligations as they come due. RSSB's net profit margin was declined from 2015 to 2017. The study concludes that the budget is available help the institution to meet its intended goals. According to the above findings the respondents agreed that in public institution Authorization and Approval are applicable, Transactions should be authorized and approved to help ensure the activity is consistent with departmental or institutional goals and objectives. Since a weak internal control is blamed on to the management, who is responsible to establish the whole system of control, financial and otherwise in order to carry on the activities of public institution in order and efficient manner. Internal control must be built to help run the institution and achieve its aims on ongoing basis to ensure that organization's financial performance is improved.

The results of the study help in identifying the gaps within the internal controls and financial performance in public institutions. It is also of invaluable benefits to management and those charged with governance and training in the institutions under study on how to streamline the systems of internal controls system thus ensuring improved financial performance and ultimately ensures attainment of the institutional objectives.

Based on the study findings, financial performance is the financial achievement of the company, it is important to understand the managers of the company. The ratio of liquidity,

solvency, profitability. Efficiency, leverage can be used as a benchmark of financial performance (Fatihudin & Mochklas, 2018). It is obvious from the study that internal control paves away to good financial performance in public institution.

Since the introduction of Public Financial Management(PFM)reforms, there has been improved public sector management and public officers should improve their effort to ensure establishment of good working relations and regular interactions in helping public institutions meet their responsibilities(No, 2011)

For numbers of years Rwanda has been trying to establish solid and strong effective financial performance (PFM reform agenda in Rwanda and MTEF based approach to budgeting) in order for allocations of resources to the priority needs to the intended projects. PFM reforms have reached a satisfactory level of implementation based on an accounting and financial reporting are using a fully automated, integrated, and interfaced financial accounting and budgeting system under a new accounting model. Reward for good performance has created higher employee morale and satisfaction. Internal control must be monitored and maintained. In the particular, the study concludes that there is a significant positive relationship between internal control and financial performance.

5.4 Recommendations

Based on the findings of the study, we recommend that the components of the ICS (control environment, control activities, and monitoring) should be enhanced to further improve the financial performance of Public institutions. Management should emphasize in clear separation of duties, supervision, approval transaction, budget review, communication channel, and management would focus on high risk and should took measure to mitigate risks.

There is a need for management to fully understanding their obligations and take necessary actions in ensuring financial performance of an organization of public institutions, Management in the public institutions must awareness of employees in order to change their core beliefs and help to ensure efficient and effective operations to achieve the objectives of public institutions

Management should work to improve cost and expenses control as for the moment, even if current ratio was better, management will need to significantly reduce operating expenses. Management needs to identify the major cost and expenses drivers. Management should identify and assess the utilization of assets to generate money, RSSB's debt to equity ratio was increased over the three years. RSSB's solvency is still need improvement management should seem to be taking all the right measures to steer the organization toward improved financial outcomes

Management should keep an eye to debt in order to maintain institution's health, net income also was declined over the three years, RSSB is responsible to manage the contributions fund of Beneficiary. RSSB 's management should reduce unnecessary expenses to increase net income in order to maintain the money to pay social security benefits to beneficiaries without delay on payment. From findings showed that investment made by RSSB generated lower return, net investment was decreased over the three years, and management should do deeply analysis before doing any investment in order to avoid risk exposure. An entity must justify the raising and management of public resources and how the resource was used.

There is need to take legal actions for those who have misused organization funds and recoveries made. RSSB's management should emphasize in clear separation of duties, supervision, approval transaction, budget review, communication channel, and management would focus on high risk and should took measure to mitigate risks., there is a need for management to fully understanding their obligations and take necessary actions in ensuring financial performance of an organization of public institutions, Management in the public institutions must awareness of employees in order to change their core beliefs and help to ensure efficient and effective operations to achieve the objectives of public institutions .The study recommends that assessment of risk associated with institutions, objective is carried out regular so that the management can know whether or not the institution objective will be met.

Management should make sure that they involve their staff in the process of assessment for thorough and effective risk identification and prevention internal control is a right

significant aspect with regard to safety of financial performance of any organization. To The officers entitled with the authority to incur and approve expenditure need also to be accountable for every resource utilized and the organization gets value for its investments Organizations public should always ensure that principles of good internal are always adhered to enhance the value of their organization and protects the legitimate interests of the stakeholder.

For the institutions to perform well financially, their internal controls must to be developed, refined and realized carefully. To the Employees also have a right to identify risk in their department and they put in place a control mechanism there is need for the employees responsible for preparation of financial statements and reporting to be transparent and honest and also be held accountable for any misreporting. There is also a need for RSSB to have solid organization structure and continuous trainings for its staff and management.(Ibrahim, Diibuzie, & Abubakari, 2017) Organization structure and adequate trainings will influence internal control which impact on their financial performance. Internal control ensures strict adherence to status, codes and manuals, minimize the risk of errors, irregularities and helps to protect resources against loss due to waste, abuse, and mismanagement.

The components of the ICS (control environment, control activities, and monitoring) should be enhanced to further improve the financial performance of Public institutions. From the findings. It is important to note that Rwanda has improved on its public financial management system. The more policies are aligned to the national priorities and the more the mistrust indicators are pushed down. An organization chart is good means of defining this structure as long as it kept up to date. The department's lines of authority and policies and procedures should be reviewed periodically to ensure they are in agreement with the organization's strategic mission.

Therefore, one strong internal control is established will enhance operational efficiency and effectiveness and contribute to the public interest by enhancing and improving the financial performance of the public institutions. RSSB as institutional has responsibilities

to collect and manage contributions as provided by laws, management should make sure that contribution funds are managed properly to enhance beneficiaries' health.

5.5. Area for further research.

This study assesses the internal control and financial performance in public institutions in Rwanda. The future research is advised to take this document as reference by considering other element to show also contribution of internal control on financial performance in public institutions. Further research should also be conducted to find out the contribution of internal control to ward accountability in public sector. It hereby recommended that future studies incorporate all factors that were left out of scope and evaluate how they affect the results. The study recommended that similar study should be done in other institutions other than public institutions.

REFERENCES

- Abdullahi, M. H., & Muturi, W. (2016). Effect of Internal controls on Financial Performance of Higher Education Institutions in Puntland. *International Journal of Economics, Commerce and Management*, IV(12), 762–780.
- AICPA. (2014). *The importance of internal control in financial reporting and safeguarding plan assets Employee Benefit Plan Audit Quality Center Plan advisory*. 1–44. Retrieved from <https://www.aicpa.org/content/dam/aicpa/interestareas/employeebenefitplanauditquality/resources/planadvisories/downloadabledocuments/plan-advisoryinternalcontrol-hires.pdf>
- Appiah, J. A. (2012). *Institute of Distance Learning Assessment of Audit Internal Control Practices in the Eastern Regional Hospital , Koforidua*.
- Babatunde, S. A. (2013). Stakeholders perception on the effectiveness of internal control on financial accountability in the Nigerian public sector. *International Journal of Business and Management Invention*, 2(1), 16–33.
- Biraro(2013,2014,2015,2016, 2017) report of the audit general of state finance for the year ended 30 June
- Corresponding, A. A. (2014). *Enhancing the Performance of Electricity Distribution Companies in Nigeria via Internal control*. 5(22), 197–214.
- COSO. (2009). Guidance on monitoring internal controls. *Committee of Sponsoring Organizations of the Treadway Commission*. Retrieved from https://www.coso.org/Documents/COSO_Guidance_On_Monitoring_Intro_online1_002.pdf
- Cristina, B. (2009). *Information And Communication In Banks - Key Elements Of The Internal control – An Empirical Analysis Between Romanian , American And Canadian Models Of Control Information And Communication In Banks - Key Elements Of The Internal control –* . (April 2015).
- Dabla-Norris, E., Brumby, J., Kyobe, A., Mills, Z., Papageorgiou, C., Berg, A., ... Pierre, J. (2011). *Investing in Public Investment: An Index of Public Investment Efficiency; by Era Dabla-Norris, Jim Brumby, Annette Kyobe, Zac Mills, and Chris*

- Papageorgiou; IMF Working Paper 11/37; February 1, 2011.*
- Di Vaio, A., & Varriale, L. (2018). Management innovation for environmental sustainability in seaports: Managerial accounting instruments and training for competitive green ports beyond the regulations. *Sustainability (Switzerland)*, 10(3), 1–35. <https://doi.org/10.3390/su10030783>
- Dinapoli, T. P. (2016). *Standards for Internal Control in New York State Government Office Of The New York State Comptroller*. (October). Retrieved from https://www.osc.state.ny.us/agencies/ictf/docs/intcontrol_stds.pdf
- Donaldson, L., & Davis, J. H. (1991). Stewardship Theory or Agency Theory: CEO Governance and Shareholder Returns. *Australian Journal of Management*, 16(1), 49–64. <https://doi.org/10.1177/031289629101600103>
- Fatihudin, D., & Mochklas, M. (2018). *How Measuring Financial*. 9(6), 553–557.
- Foster, P. L. (2019). *Coso Internal Control – Integrated Framework : An Imple mentation Guide*. (January).
- H Nuzul Azam. (2012). *Reserach process*. (1979), 85–134. Retrieved from http://studentsrepo.um.edu.my/3861/4/Chapter_4_Research_Design_And_Method.Pdf
- Ibrahim, S., Diibuzie, G., & Abubakari, M. (2017). The Impact of Internal controls on Financial Performance: The Case of Health Institutions in Upper West Region of Ghana. *International Journal of Academic Research in Business and Social Sciences*, 7(4), 684–696. <https://doi.org/10.6007/ijarbss/v7-i4/2840>
- International, T., & Hodess, R. (2008). Overview of corruption in Rwanda Content : Summary : *Development*.
- Israel, G. D. (2003). *Determinins Sample Size*. Retrieved from <http://edis.ifas.ufl.edu/pd005>
- joy owango. (2014). University of Rwanda. *Clarivate Analytics*, (i), 6–9.
- KAMAU CAROLINE NJERI. (2014). Effect of Internal Controls on the Financial Performance of Manufacturing Firms in Kenya By a Research Project Submitted in Partial Fulfillment of the Requirement for the Award of the Degree of Master of Science in Finance , University of Nairobi. *Deparment of Finance and Accounting, School of Business, University of Nairobi II*.

- Kisanyanya, A. G. (2018). Internal controls and Financial Performance of Public Institutions of Higher Learning in Vihiga County , Kenya. *Journal of Business and Management*, pp. 31–41. <https://doi.org/10.9790/487X-2004053141>
- KPMG. (2013). *2750-New-COSO-2013-Framework-WHITEPAPER-V4*. 1–8.
- Lista, P., Advisor, F., & Rojas, F. (2014). *Contingency In Organizational Behavior Organization Decision-Making and the Market Environment: Examining Contingency in Organizational Behavior*. (January). Retrieved from <https://www.icpsr.umich.edu/ICPSR/prize/lista.pdf>
- Mazzarol, T. (1998). Mazzarol1998. *International Journal of Educational Management*, 12(4), 163–175. <https://doi.org/10.1108/09513549810220623>
- Mubin, M., Lal, I., & Hussain, A. (2014). Determinant of Return on Assets and Equity and Industry Wise Effects: Evidence from KSE (Karachi Stock Exchange). *SSRN Electronic Journal*, 5(15), 148–158. <https://doi.org/10.2139/ssrn.2372792>
- Njanike, K., Mutengezanwa, M., & Gombarume, F. B. (2011). Internal Controls in Ensuring Good Corporate Governance in Financial Institutions. *Annals of the University of Petrosani : Economics*, 11(1), 187–196.
- Njiru, D. (2016). *the Effect of Internal Controls on Financial Performance of Public Water Companies in Kenya a Proposal Submitted in Partial Fulfilment of the Requirements for the Degree of Master of Science in Finance and Accounting of*. (14), 1–240.
- No, P. (2011). *Ministry of Finance and Economic Planning (MINECOFIN), Government of Rwanda Simplified Public Financial guidelines for Chief Budget Managers*. (July).
- October, E. P. (2013). *Government of Rwanda Audit Committee Handbook*. (October).
- PAUL ODHIAMBO ORIGA. (2015). *Effect of Internal Controls on the Financial Performance of Manufacturing Firms in Kenya*. 1–51. Retrieved from http://erepository.uonbi.ac.ke/bitstream/handle/11295/94578/Origa, Paul O_Effect of internal controls on the financial performance of manufacturing firms in Kenya.pdf?sequence=1
- Pekuri, A., Haapasalo, H., & Herrala, M. (2011). Productivity and Performance Management – Managerial Practices in the Construction Industry. *International Journal of Performance Measurement*, 1, 39–58.
- Procedures, R. A., Environment, I., Material, O. E., & Misstatement, M. (2009).

- International Standard on Auditing 315 Identifying and Assessing the Risks of Material Misstatement Through Understanding the. *Auditing*, (December), 262–312.
- PwC. (2013). Internal Control — Integrated Framework Executive Summary. *Coso*, (May), 1–20. Retrieved from <https://www.coso.org/Pages/ic.aspx>
- Sigilai, D. K., & Njiru, A. (2016). Assessment of Internal controls Effects on Revenue Collection At Nakuru Level Five Hospital. *International Journal of Economics, Commerce and Management United Kingdom*, IV(10), 1004–1022. Retrieved from <http://ijecm.co.uk/>
- Rwanda Social Security Board (2015,2016,2017), Annual report of Financial Statements for The Year Ended 30 June
- Ssekajugo, D. (2014). *Performance of Public Institutions in Ngororero District , North Western Performance of Public Institutions in Ngororero District , North Western Rwanda*. (October 2013).
- The Institute of Internal Auditors. (2011). Auditing the Control Environment. *The International Professional Practices Framework - Practice Guide*, (April), 37.
- The National Archives. (2013). Effective Communications : Raising the profile of your archive service to promote your service. *The National Archives*. Retrieved from www.nationalarchives.gov.uk.
- United Nations. (2010). The fourth domain for gender equality, decision-making and power. In *Achieving Gender Equality, Women's Empowerment and Strengthening Development Cooperation*.
- University Business Practices. (2016). Understanding Internal Controls A Reference Guide for Managing University Business Practices. *University Business Practices*. <https://doi.org/10.1103/PhysRevB.65.085206>
- Verschoor, C. C. (2007). Coso Enterprise Risk Management: Understanding the New Integrated Erm Framework. *Internal Auditing*. <https://doi.org/10.1002/9781118269145>

Appendix A

QUESTIONNAIRES ADRESSED TO EMPLOYEES OF RSSB, FINANCE DEPARTEMENT AND INTERNAL AUDITORS.

UNIVERSITY OF RWANDA, College of Business and Economics

MASTER OF BUSINESS ADMINISTRATION (MBA).

Dear Respondent,

My name is **UWINGABIYE Marie Jeanne**. I am currently carrying out a study for the purpose of writing a thesis as a requirement for the award of Master of Business Administration University of Rwanda College of Business and Economics (CBE). **The topic of study is the internal control on financial performance in public institution in Rwanda.** Case study of RSSB. You have been selected to participate in this study due to the importance of your position in the Institution. I kindly request you to spend a few minutes of your time in answering the following questions.

The information you provide will only be used for the purpose of this study and will be treated with utmost confidentiality. Your participation in facilitating this study will be highly appreciated.

SECTION A: General information

1. What is your gender

1. Male	
2. Female	

2. Education level

1. Masters and above	
2. Degree	
3. Diploma	
4. Secondary	

3. Experience:

1. 1-3 years	
2. 3-5 years	
3. 6-10 and above	

SECTION B: INTERNAL CONTROL AND FINANCIAL PERFORMANCE IN RSSB

Please rank the following statement on Likert scale

1	2	3	4
Strong agree	Agree	Strong disagree	Disagree

4. Rank the extent to which your organization **controls the environment**.

CONTROL ENVIRONMENT	1	2	3	4
RSSB is committed to competence in the requirements of particular jobs and in translating those requirements into knowledge and skills.				
The entity assigns authority and responsibility to provide a basis for accountability and control.				
RSSB has Accounting and Financial management system.				
RSSB 'S employees are committed to following an organization's policies and procedures and its ethical and behavioral standards.				
Appropriate disciplinary action is taken when an employee does not comply with policies and procedures or behavioral standards.				

5 Rank the extent to which your organization's management is involved **in Risk assessment**

Risk assessment	1	2	3	4
Management need to determine the level of operational, financial and compliance risk they are willing to assume.				
RSSB's risk assessment process involves the identification, analysis, and management of the risks of material misstatement of the financial statements.				
Management has established practices for the identification of risks affecting RSSB.				
Management defined appropriate objectives for the organization .				
Management evaluates and mitigates risk appropriately.				

6. Rank the extent to which your organization practices the following **control activities**

Control activities	1	2	3	4
Duties are segregated among different people to reduce the risk of error or inappropriate action.				
Department have budget review where actual expenditure is compared with budgeted expenditure.				
Management specifies activities or transaction that needs supervisory approval before they are performed or executed by employees.				
Management has identified individuals who are responsible for coordinating the various activities within the entity				
RSSB has Physical Security.				

7. Rank the extent to which the following statements relate to your organization's **information and communication system**

Information and communication system	1	2	3	4
RSSB's Management communicates the information necessary for employees to RSSB has Physical Security.				
The Communication relates to providing a clear understanding of financial reporting and safeguarding controls, how they work, and the responsibilities of individuals within the organization related to those controls				
The quality of information generated by an institution's information systems is critical to the institution's operations and success..				
External and internal information obtained from the information systems provide management with necessary reports on the RSSB's performance relative to ensuring reliable financial reporting and safeguarding of assets				
Communication helps to evaluate how well guidelines and policies of RSSB are working and being implemented.				

8. Rank the extent to which the following statements relate to your organization's **monitoring procedures**

Monitoring	1	2	3	4
Monitoring process helps ensure that control activities and other planned actions to affect internal controls are carried out properly and in a timely manner in RSSB.				
RSSB's monitoring process assesses the quality of an organization's internal control over time.				
Internal review of implementation of internal control in units is conducted periodically in RSSB.				
They are Periodic monitoring activities, such as self-assessments by various departments and internal audit appraisals in RSSB.				
Management focus their efforts on high risk areas.				

9. Rank the extent to which the following statements relate to your **organization's Financial performance**

RSSB maximize performance in terms of revenue and operating margins, and increase stakeholder's value.	1	2	3	4
RSSB has Monthly bank reconciliation for all cash accounts.				
RSSB comply with all the rules and regulation.				
RSSB's financial statements all aim to provide an overview of an organization's performance and position at a given point in time.				
the financial transaction (income and expenditure) are recorded on daily basis				

Thank you for your participation

Appendix B



UNIVERSITY of
RWANDA

COLLEGE OF BUSINESS & ECONOMICS

OFFICE OF THE DIRECTOR OF RESEARCH & INNOVATION

April 28th, 2019

TO WHOM IT MAY CONCERN

This is to certify that Ms Uwingabiye Marie Jeanne bearing Reg No 21503212 is a student in Master of Business Administration program (MBA-Finance), at the University of Rwanda-College of Business and Economics. She is currently in the process of gathering data for research work entitled "Internal Control systems and Financial Performance in Public Institutions".

She will approach you with the aim of collecting relevant information to complete her study. We request you to kindly extend the necessary cooperation in providing the needed data.

Do not hesitate to contact the Directorate of Research and Innovation should you need further information.

Sincerely

A handwritten signature in blue ink, appearing to read 'Bideri'.



Prof. Bideri Ishuheri Nyamulinda
Ag Director of Research and Innovation
University of Rwanda-College of Business and Economics
Mob Tel 0738407631 or 0788716140

Email: principal.cbe@ur.ac.rw

P.O Box 1514 Kigali, Rwanda

www.ur.ac.rw

May 7, 2019

UWINGABIYE Marie Jeanne
Masters of Business Administration – Finance
University of Rwanda,
Email: dujeanne1@gmail.com,
Phone number: +250 788 328 548.

The Director General,
Rwanda Social Security Board,
P.O Box 250/6655,
Kigali, Rwanda.



Dear Sir,

Re: Request for Permission to Collect Data

In partial fulfillment of writing a dissertation as a requirement for the award of Master of Business Administration at the University of Rwanda, College of Business and Economics (former SFB), I am conducting a research study entitled "The Internal Control System and Financial Performance of Public Institutions in Rwanda". Case study RSSB

It is in that regard that I am writing to request for permission to conduct this research study at Rwanda Social Security Board. The gathering of data will be carried out through the distribution of survey questionnaires which are to be filled by finance staff. The survey process should take no longer than thirty (30) minutes. This will help in the collection of information in connection with the above mentioned research topic.

The information provided by your institution will only be used for the purpose of this study and will be treated with the utmost confidentiality.

Your approval to conduct this survey would be greatly appreciated. Thank you for your time and consideration.

Sincerely,


UWINGABIYE Marie Jeanne



Kigali on, 07 JUN 2019
Ref: No RSSB/2806/hr/19

Prof. Bideri Ishuheri Nyamulinda
Director of Research and Innovation
University of Rwanda
College of Business and Economics

Dear Sir,

Re: Your request for data collection.

We acknowledge receipt of your recommendation letter dated 28th April 2019 requesting the opportunity for **Mrs. UWINGABIYE Marie Jeanne, Tel 0788328548** to collect data in Rwanda Social Security Board (RSSB) on the topic entitled **"Internal Control Systems and Financial Performance in Public Institutions"**

Considering that the information to be obtained in this research will be solely used for working on her dissertation in order to complete your studies, this is to inform you that your request is granted. She is required to meet the Director of Accounting Unit for orientation.

Yours Sincerely,

By authority delegation


NYIRISHEMA Innocent
Corporate Services Division Manager



C.C

- Director of Accounting Unit
- Ag Director of Human Resources and Administration Unit

Plot 1003 Ubumwe Cell, African Union Boulevard, • Kiyovu, Nyarugenge • P.O Box 250/6655, Kigali
Tel: +250788151000/ +250220171000 • Toll Free line: 4044 • E-mail: info@rssb.rw • Web: www.rssb.rw

RESEARCH

ORIGINALITY REPORT

13%	12%	0%	0%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	isae3402.conclude.nl Internet Source	1%
2	www.pacd.org Internet Source	1%
3	jbsq.org Internet Source	1%
4	www.upet.ro Internet Source	<1%
5	www.pork.org Internet Source	<1%
6	nipawin.com Internet Source	<1%
7	pakistan.accaglobal.com Internet Source	<1%
8	www.ifrnd.org Internet Source	<1%
9	www.aicpastore.com Internet Source	<1%

10	fbs.admin.utah.edu Internet Source	<1%
11	www.skymem.com Internet Source	<1%
12	www.h-townrunners.com Internet Source	<1%
13	www.gjat.my Internet Source	<1%
14	www.gasb.org Internet Source	<1%
15	www.icatt.org Internet Source	<1%
16	cawinners.com Internet Source	<1%
17	koreanlii.khu.ac.kr Internet Source	<1%
18	researcharchive.vuw.ac.nz Internet Source	<1%
19	www.utgjiu.ro Internet Source	<1%
20	www.simplilearn.com Internet Source	<1%
21	walkerinfo.com Internet Source	<1%

22	mosaic.cc.geneseo.edu Internet Source	<1 %
23	ccsenet.org Internet Source	<1 %
24	www.emergingstars.com Internet Source	<1 %
25	www.picpa.org Internet Source	<1 %
26	www.sarasotagov.com Internet Source	<1 %
27	www.pleinplus.nl Internet Source	<1 %
28	control.vpfa.fsu.edu Internet Source	<1 %
29	isacahouston.org Internet Source	<1 %
30	scholar.cu.edu.eg Internet Source	<1 %
31	www.cliffsnotes.com Internet Source	<1 %
32	www.umdj.edu Internet Source	<1 %
33	Submitted to University of Durham	

Student Paper

<1%

34 Tebogo Israel Magang, Koketso Bafana Kube.
"Compliance with Best Practice Governance Principles by State Owned Enterprises in Botswana", International Journal of Business and Management, 2018
Publication

<1%

35 www.dokumente.ios-regensburg.de
Internet Source

<1%

36 corporatefinanceinstitute.com
Internet Source

<1%

37 media.proquest.com
Internet Source

<1%

38 archives.gov
Internet Source

<1%

39 iesl.lk
Internet Source

<1%

40 rwfacts.com
Internet Source

<1%

41 www.degruyter.com
Internet Source

<1%

42 www.frascanada.ca
Internet Source

<1%

43	journals.sagepub.com Internet Source	<1%
44	www.bk.rw Internet Source	<1%
45	www.mifotra.gov.rw Internet Source	<1%
46	facweb.bcc.ctc.edu Internet Source	<1%
47	www.dla.mil Internet Source	<1%
48	www.fasab.gov Internet Source	<1%
49	www.bdo.ca Internet Source	<1%
50	www.rebs.ro Internet Source	<1%
51	tv.accaglobal.com Internet Source	<1%
52	herkules oulu.fi Internet Source	<1%
53	erepository.uonbi.ac.ke Internet Source	<1%
54	new.flytap.com Internet Source	

66	link.lib.umanitoba.ca Internet Source	<1 %
67	www.kengen.co.ke Internet Source	<1 %
68	www.ci.montrose.co.us Internet Source	<1 %
69	theses.qmu.ac.uk Internet Source	<1 %
70	www.aessweb.com Internet Source	<1 %
71	www.csr.gov.rw Internet Source	<1 %
72	www.slideserve.com Internet Source	<1 %
73	www.ehow.com Internet Source	<1 %
74	eduprojects.ng Internet Source	<1 %
75	ro.ecu.edu.au Internet Source	<1 %
76	link.springer.com Internet Source	<1 %
