

**INTERNAL CONTROL SYSTEMS AND FINANCIAL MANAGEMENT OF PALLISA  
DISTRICT LOCAL GOVERNMENT**

**BY  
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**DECLARATION**

**ILEGESI NATHAN**, declare that, the material in this report has never been submitted to any university or institution of higher learning for any academic qualifications. This report is as a result of my own independent research effort and investigations.

Signature..... Date.....

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**APPROVAL**

This is to certify that this research has been compiled and submitted by **LEGESI NATHAN** a student of Busitema University registration number **BU/UP/2017/355** under the approval of my supervisor.

Sign:.....

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Date:.....

## **DEDICATIONS**

I dedicate this report to my beloved Parents Mr. Taika Tom and Mrs. Taika Agnes, my siblings, Aujo Rinah, Baluka Martha, Taika Kolele Titus, Atulinda Agatha, Hilda and Clowi, plus all my friends Kia Vicky Sharon, Agumar Stephen, Kanene John, Molo Robert, Mukyala Moureen, Nakisita Melida, and those who have been there for with me throughout my educational struggle.

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## **ABSTRACT**

This study focused on assessing the impact of internal control systems on financial management of Pallisa District Local Government. The study was guided by specific objectives like: to determine the effect of control environment on financial management, effect of control activities on financial management, and the effect of monitoring & evaluation systems on financial management of Pallisa District Local Government. The study based on the sample size of 32 respondents and a target population of 35 respondents. The study employed descriptive survey research design to describe the relationship between variables, Regression model and Pearson's linear correlation coefficients were used in the analysis. The findings revealed that control environment significantly affects financial management of Pallisa District Local Government; control activities have a significant relationship on financial management in Pallisa District Local Government and a positive relation between monitoring and evaluation systems on financial management of Pallisa District Local Government. Additionally, findings indicated that an improvement in internal control system improves financial Management of Pallisa District Local Government and ineffective internal control system leads to poor financial management. The researcher concluded that effective control environment increases financial management in Pallisa District Local Government, an improvement in control activities increases financial management in Pallisa District Local Government, improvement in internal control system improves financial management Pallisa District Local Government. Improving the monitoring & evaluation system increases financial management in Pallisa District Local Government. The researcher recommended that Pallisa District Local Government should make sure that both management and employees are assigned appropriate levels of authority and responsibility to facilitate effective internal control.