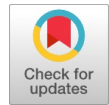


Assesment of Risk Control Activities on Financial Performance: A Case of Diocesan Secondary Schools in Moshi, Tanzania

Audifas E. Said, Nyanjige Mayala, Ladis Komba



Abstract: The study was conducted to assess the Risk Control activities of external audit on the financial performance in a diocesan secondary school in Moshi, Tanzania. This study was guided by Stewardship Theory and employed a quantitative approach and cross-sectional survey design. Quantitative data were analysed using the Statistical Package for the Social Sciences (SPSS) version 22. The target population consisted of 256 individuals, and the sample size was 156. Tables were used to present the study findings. The findings of this study revealed that although training and seminars are given to those Senior Management Teams (SMTs); to the schools on matters related to financial risk control activities, little has been done to employ other strategies like dividing the schools in clusters and have specific time table to allow them to meet and share their ideas and knowledge. Subsequently, the findings revealed that most schools do not have current accounting software for their accounts departments. Additionally, the findings showed that most secondary schools in the diocese lack reliable internet systems. The findings, however, revealed that secondary schools in the diocese face several challenges in preparing financial statements. The study concludes that raising awareness of financial knowledge in other departments, beyond the Accounts department, is of paramount importance in these diocesan secondary schools. To minimize financial risks which might occur in the future. The study therefore recommends that clusters conduct short-term training sessions on risk control activities to enhance financial performance.

Keywords: External Audit, Risk Management, Financial Performance, Secondary schools and Diocese of Moshi

I. INTRODUCTION

An external audit adds credibility to management's inherent assertions, including those in the Financial Risks section. An external audit in private schools, especially Diocesan secondary schools, entails a review of the budget, the allocation of funds, and the actual expenses to ensure that the budgeted revenues and costs are met.

The external Auditors are placed in a position that enables them to suggest improvements in the client's accounting system and controls, as well as offer ideas for enhancing financial performance, tax planning, and clerical efficiency. These schools, under the diocese, were correctly compiled and used. The objective is to minimise risks which occur in these secondary schools in Moshi Catholic.

The External Audit function serves as a useful barometer to identify Risk control activities. Both Salisu and Ransom (2019) pointed out that external audit function provides information that is useful for managerial decision making, identification of organizational financial risks, ensuring best management of resources, assisting social responsibility and minimizing organizational potential risks as a result then the Financial performance of the institution will be at good health Financial performance which represent the task of executing the financial activity. It indicates the extent to which financial objectives or targets have been fulfilled. The term 'financial performance analysis' is also referred to as the analysis and interpretation of financial statements. It also shows the relationship between the balance sheet and the profit and loss account. Financial performance is a subjective measure of how well a firm can utilise its assets from its primary mode of business and generate revenues. The term is also used as a general measure of a firm's overall financial health over a given period (Kisanyanya, 2018, [6][7][3]).

Seremi(2019, [2]) explains the broad objectives of maintaining a sound system of internal control in an organisation to minimise financial risks. He argues that a control system (CS) ensures reliable financial reporting. For him, an essential objective of these controls is to provide accurate financial and non-financial information about the organisation's operations for informed decision-making. On the other hand, it is to ensure compliance with laws and regulations. An organisation must operate in accordance with the rules and regulations of the particular country. These laws may relate to issues such as anti-fraud legal provisions and taxation. In line with the same argument, a sound internal control system will usually help a company achieve its objectives and minimise the risk of losing its resources. Ultimately, it is evident that an organisation can achieve the above objectives if there is a strong external audit, whereby one of its functions is to ensure that the organisation maintains a reasonable internal control. External Auditors need to understand internal control because they can assess its reliability for the preparation of financial statements and design suitable audit procedures.

Manuscript received on 06 September 2023 | Revised Manuscript received on 06 October 2023 | Manuscript Accepted on 15 November 2023 | Manuscript published on 30 November 2023.

* Correspondence Author (s)

Audifas E. Said Audifas Said*, Masters Student, Department of Economics and Business Studies, Mwenge Catholic University, Moshi, Kilimanjaro, Tanzania. E-mail: audifass@gmail.com, ORCID ID: [0009-0004-3154-979X](https://orcid.org/0009-0004-3154-979X)

Dr. Nyanjige Mayala, Lecturer, Department of Economics and Business Studies, Mwenge Catholic University, Moshi, Kilimanjaro, Tanzania. E-mail: nyanjigem@yahoo.co.uk

Dr. Ladis Komba, Lecturer, Department of Economics and Business Studies, Mwenge Catholic University, Moshi, Kilimanjaro, Tanzania. E-mail: laadiskomba@gmail.com

© The Authors. Published by Lattice Science Publication (LSP). This is an open access article under the CC-BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>)

Assesment of Risk Control Activities on Financial Performance: A Case of Diocesan Secondary Schools in Moshi, Tanzania

Similarly, while the external audit function is essential to the public sector, it is of great concern in higher learning institutions, which Njenga (2017) in Nigeria and Imiete (2018) describe as the industry that processes the workforce for the socio-economic, political, and cultural development of any society. This finding was supported by Siyaya et al.'s research, which assessed the effectiveness of auditing in higher education institutions (Siyaya et al., 2021). The authors also suggested that the most important factors affecting how external audit functions can act as a valuable barometer for determining both strengths and deficiencies. This can enable external auditors to identify the extent to which value can be added to the local and global performance through automation, information and transformation effects.

Thus, there are always uncertainties and risks associated with implementing school activities daily. This could be related to cost, time, or quality. Some of the financial risks in these schools include market risk, credit risk, and operational risk.

Boyers (2018) explains that risk management affects the essential factors for the success of any project, such as budget, communication, stakeholders, and agreed-upon quality.

II. STATEMENT OF THE PROBLEM

External Auditing is a significant aspect for any organization. It helps improve performance, enhance positive outcomes, and reach organisational goals by avoiding unnecessary risks. According to Manyama (2020), who conducted a study on the efficacy of the external audit function in Tanzania, institutions are not independent of internal audit systems in this regard: Arusha District provided evidence that the audit function is ineffective because top management, an insufficient audit staff, and an audit staff that lacks training do not adequately support the auditors. The study recommended allocating more resources to support the recruitment of audit staff, as well as providing periodic training. Urquia (2018) surveyed the effect of the internal control system on financial performance in an institution of higher learning. The study found that the institution's management is committed to implementing control systems. Additionally, it was demonstrated that revenues and expenses were categorised correctly, the university's assets had increased, and the internal control system exhibited a favourable correlation with financial performance (Urguia, 2018). These results suggest a connection between the audit function and the organisation's effectiveness. The essence of external audit for any school is that everyone in the school has a certain degree of responsibility for internal control, which helps minimise risks within the school. Virtually all employees are considered to strive towards enhancing the existence of an effective and efficient external audit system. The. External audit practices in assessing risk control activities in the financial performance of Moshi Diocesan Secondary Schools.

In considering Audit Practices, the researcher has a comprehensive overview of Risk control activities related to financial Performance. Macpherson (2020)

Thus for betterment of avoiding risks to institutions especially diocesan secondary schools in Moshi the top management should offer training and seminars to Heads of schools, Accountants, Cashiers, Storekeepers, Board chairpersons, Academic masters on matters related to Risk, risk assessment, risk transfers, performing risk analysis, risk responses, levels of risk, and risk identification techniques.

III. RESEARCH OBJECTIVE

To assess risk control activities on the financial performance of a case of diocesan secondary schools in Moshi.

A. Research Question

How do risk control activities contribute to the financial performance of a case of diocesan secondary schools in Moshi?

IV. THEORETICAL FRAMEWORK

A. Stewardship Theory

Stewardship theory is presented as an alternative to agency theory. Unlike agency theory, which focuses on control and conflict, stewardship theory emphasises cooperation (Sunderamus, 2019) and provides a non-economic premise for explaining relationships. It is the theory that has been developed for organisational behaviour scholars over the past 20-25 years. Still, it has been expressed and practised in different forms for much longer than that. Indeed, Dodd expressed specific ideas that are comparable to or consistent with stewardship theory in his publications from the 1980s and during his well-known public disputes with Berle. While engaging in what is often referred to as "managerialism" between the 1920s and the early 1970s, directors in the US and the UK widely perceived themselves as stewards and behaved with a broad stewardship mindset (Stout 2013). According to the stewardship theory of corporate governance, it makes sense to establish management and authority structures that provide unified command and facilitate autonomous decision-making, as this enables businesses to respond swiftly and decisively to market opportunities. People can generally be trusted to act in the public good and the interests of their shareholders. This approach leads, for instance, to the combination of the roles of CEO and board chairperson and for audit committees to be either non-existent or lightweight. According to the stewardship hypothesis (Davis et al., 2003; Nicholson and Kiel, 2003), managers are ethical, more driven by intrinsic than extrinsic rewards, and self-driven to maximise group interests. The stewardship theory is adopted for this study because it strongly argues that managers and boards of directors are good stewards of a firm, and they should be given utmost trust.

B. Strengths of Theory

The greatest strength of Christiania Earth Stewardship is that it is mainstream. It offers a deeper understanding of the gospel, providing a pathway into Christian environmentalism that many people can follow.



It has defined for the first time a whole new set of questions for Christian faith and practices that are nevertheless faithful to the gospel message.

It maintains a celebratory and joyous spirit as well, no easy task in the face of our environmental problems. It does this by focusing on the Creators and Christ's redeeming love

C. Weaknesses of Stewardship Theory

Managers may not always act as good stewards, and they can and sometimes do exploit their position to make decisions that are not in the interest of their shareholders. Bad stewards have lost sight of the organisation's founding principles, substituting instead what is expedient or best meets their needs. The role of the steward is over-simplified and unrealistic. They lack empirical evidence, as the CEO is not the chairman of the board. The theory reinforces the egos of senior executives.

D. Relevance of Stewardship theory in the study

The stewardship function is to demonstrate to shareholders that their funds are safe and being used wisely by the directors. It is the responsibility of shareholders to appoint the directors to run and manage the company on their behalf. Therefore, in this study, the theory will be used to justify the external audit practices among diocesan and school management. Selecting good school headmasters and school boards, as well as skilled accountants, will help ensure good financial performance of these schools.

V. LITERATURE REVIEW

A. Contribution of Risk Control Activities in Financial Performance

Musah et al. (2018) examined the factors that determine the effectiveness of external audits among state-owned enterprises (SOEs) in Ghana. The study was conducted in response to several scandals involving Ghanaian state-owned enterprises (SOEs) and the scarcity of empirical research on the factors influencing audit effectiveness that could address these issues. The study focused on the respondents' perceptions of the effects of variables such as the internal audit unit's competence, size, relationship with external auditors, management's support for the audit function, and the internal audit unit's independence on audit effectiveness among Ghana's state-owned enterprises (SOEs). They conducted surveys of the management, auditors, and accountants of these sampled SOEs in Ghana. The study's findings indicated that the most critical factors of audit effectiveness are managerial support for the audit function. The study also found that a solid working relationship between internal and external auditors, as well as the size of the audit unit, were essential drivers of external audit effectiveness. The researcher has not identified the type of research approach applied, nor the population of the study and its sample size. The data analysis and presentation of the study, however, were not explained. Additionally, there are no significant positive effects of external auditing on organisational performance. Sampling techniques are also not provided.

Bednarek (2018, [4]) conducted research to determine the elements that influence audit effectiveness. According to a survey of 342 Polish firms, the characteristics of the audit,

audit activity, and relationships across organisations all have an impact on the effectiveness of the audit. The effectiveness rises as the internal audit's age increases, audit engagement performance is routinely monitored, and audit performance measurement and self-assessment results are used to introduce changes. The audit committee identifies significant risks. It establishes priorities for the annual and strategic audit plans, and commissioned audits do not account for more than 20% of the audit's work.

Omri (2019) investigated Tunisia-specific factors that affect the success of external audits. Responses to a questionnaire sent to the chief audit executives of 148 Tunisian firms served as the source of the data. The effectiveness of the audit function is evaluated based on six key parameters using multiple regression analysis. Results showed that the independence of the audit, the objectivity of internal auditors, management support for internal audit, the use of the internal audit function as a management training ground, and the industry of the organisation all had an impact on the effectiveness of the audit. Practitioners and scholars interested in determining the factors that influence auditing effectiveness in developing nations can benefit from the study's material. From the survey above, only a sample is given without the total population of the study being identified. The research approach and design are not even narrated, together with the sampling techniques and procedures—no type of data collected is identified, nor their analysis or presentation.

Achina (2019, [4]) investigated the factors that influence the efficiency of external audits in Ghana's decentralized local government administration systems. Metropolitan, Municipal, and District Assemblies (MMDAs) make up Ghana's local government system. The Ashanti region of Ghana, which has the most significant number of Metropolitan, Municipal, and District Assemblies (MMDAs), was the primary area of interest for the study. The growing interest in auditing local government entities served as the driving force behind the study. The results of a descriptive survey using questionnaire data showed that the majority of audit employees at MMDAs in Ghana's Ashanti Region possess the necessary professional expertise. Contrary to popular belief, audit quality is not always compromised in the public sector, as demonstrated by the study, which also showed that local audit laws and international auditing standards are adhered to. While top management support was shown to have no impact on internal audit effectiveness, professional competence, generational independence, and career development were found to have statistically significant positive relationships with internal audit effectiveness.

Lawrence (2018, [1]) examined the factors that influence the effectiveness of audit functions in Jamaican commercial banks. According to the report, the effectiveness of internal audits is significantly influenced by the calibre of the audit inquiry, organisational independence, professional competence, and management support. They concluded that policymakers and stakeholders must comprehend the critical role internal audit plays in the long-term financial stability and well-being of

Assesment of Risk Control Activities on Financial Performance: A Case of Diocesan Secondary Schools in Moshi, Tanzania

any financial organization. From the study, the researcher has not identified the type of research approach applied, nor the population of the survey and its sample size. The data analysis and presentation of the study, however, were not explained.

Also, there are no positive and significant effects of external auditing on organisational performance. Sampling techniques are also not provided. Most of the reviewed studies have been conducted in the tourism sector, Local Government, and Commercial Banks; however, the present study was undertaken in Private schools, particularly in Diocesan Secondary Schools in Moshi, to allow for more revealing findings. Moreover, most of the revealed studies have employed both qualitative and quantitative (mixed-methods) research approaches. The present study, however, used only one approach to provide reliable information. In brief, the novelty of this study lies in filling this gap.

VI. RESEARCH METHODOLOGY

The study employed a pragmatic research design, utilising a cross-sectional approach with a quantitative research methodology. The target population for this study was 34 secondary schools in Moshi Diocese, 20 heads of the school, 20 accountants, 20 academic masters, 20 storekeepers, 20 cashiers, 20 finance board chairpersons of the school, 20 board chairperson, 9 external auditors, five school directors, 1 educational director and one procurator. Secondary schools were targeted because they are educational institutions which have been experiencing the risk of financial performance. To achieve the purpose of this study, 'which is assessing the risk control activities on financial performance' the study collected data using sampling method from Heads of school, Accountants, Academic masters, Store keepers, Cashiers, Auditors, Educational Director and Procurator because this study based on virtue of their positions implied impracticality sampling which refers to selecting a few representative elements or units from a population. This study used a quantitative data collection instrument. Therefore, the data collection instruments employed in this study were

Table 2: The table shows Responses on Possible Remedies Towards Risk Control Activities on Financial Performance in Secondary Schools in Moshi Diocese (n=153)

Statements	SD		D		N		A		SA		Mean	SD
	f	%	f	%	f	%	f	%	f	%		
External Audit has improved financial Performance	1	1	0	0	15	10	59	38	79	51	4.60	1.69
Benchmarking has improved the school's financial competence and minimizes financial risk	0	0	6	4	46	30	61	40	41	27	4.30	0.95
Risk levels have significantly reduced in schools due to External auditing	1	1	4	3	37	24	64	42	48	31	4.30	0.66
Employees are using the school vehicles for personal purposes	145	94	9	6	0	0	0	0	0	0	2.20	1.62
The school has ways of measuring liquidity ratios	11	7	35	23	39	38	41	27	8	5	3.50	1.35
The school has a Proper system of fraud detection	4	3	7	5	50	32	69	45	24	16	3.90	1.10
Some of the School's assets have gone missing	118	77	13	8	8	5	12	8	3	2	2.7	1.73
Our school leverage has been increasing due to proper inventory Management	2	1	5	4	45	29	71	46	31	20	4.2	1.51

questionnaires for all groups, except for the Procurator and Educational Director, who were given an interview schedule. Furthermore, the sample for the study was obtained from Conbanch Alpha. Questionnaires and Interview schedules were used to collect data. Quantitative data was analysed by using the Statistical Package for Social Sciences (SPSS) version 22. To establish the reliability of the research instruments, the researcher has used a pilot test. In ensuring the validity of the research instruments, the researcher presents the questionnaires to the research supervisors for scrutiny and suggestions on their validity, relevance, clarity, and suitability of the information contained.

VII. FINDINGS AND DISCUSSION

A. Introduce the Research Question

The study, which assessed risk control activities on financial performance, was conducted by Procreator, involving the Education Director, Head of Schools, Board chairpersons, Finance board chairpersons, School Directors, Accountants, Cashiers, Storekeepers, Auditors, and Academic Masters. Table 1.1 will provide the results.

Table 1. Shows Demographic Characteristics of the Respondents

		Gender	Position in the office	Age	Level of education	Work experience
N	Valid	153	153	153	153	153
	Missing	3	3	3	3	3

As stated above, in Table 1:1, out of 156 respondents to whom the questionnaires were given, only three schools' questionnaires were not submitted to the researcher. The collected questionnaires have an average response rate of 98.1%. And the uncollected questionnaires were 1.9%. To put it another way, the analysis was conducted with 153 respondents, and the results are presented in Table 1.2 below.

Arrangement of inventory has been helping our school maintain its stocks	0	0	2	1	15	10	30	19	107	69	3.4	0.42
Periodic stock taking has become helpful in preventing the loss of assets	0	0	1	1	8	5	39	25	106	69	4.4	0.52

Source: Field data (2023)

As shown in Table 2, while the majority of the heads of schools and Accountants (89%) expressed an affirmative opinion, agreeing that the school's financial performance has improved with external auditing, it is therefore crucial to assemble ways forward to combat financial risk and achieve healthy economic performance. Thus, the mean of 4.46 is a remedy.

The researcher assessed the risk Control activities used by the schools to ensure good financial performance. The information was obtained through questionnaires for Accountants, Cashiers, External auditors, Heads of schools, School Managers, and interviews were also held with top leaders at the Moshi Cathedrals, including the Procurator and Educational Director. The researcher examined two sections: risk control activities and financial performance of the secondary schools.

External audit has improved financial performance as regards to risk control activities the result were; 1% of the total number they Strongly Disagree with the statement, While there were no (0%) respondent answered that it is Disagree; At the same time 10% they were Not sure with the statement; while 38% Agreed with the statement and the rest which is 51% they have strongly Agree that the Risk control activities can be done through External auditing and as the result then there is good financial performance; which means, external auditing has positive relationship with risk control activities. Achina (2018) also supports this finding through his research, as the study demonstrates this using a p-value of 4.30. In conclusion, external audit practices have a positive impact on the financial performance of schools.

Benchmarking has improved financial performance as regards to risk control activities the result were; 0% of the total number they Strongly Disagree with the statement, While there were 4% respondent answered that it is Disagree; At the same time 30% they were Not sure with the statement; while 40% Agreed with the statement and the rest which is 27% they have strongly Agree that the benchmarking as on the management activities has improved school financial performance. This has also been found by Omri (2018) in a study on factors influencing external auditing. This, therefore, implies that benchmarking as a management function has a positive impact on organisational performance. The mean of 4.30 from Table 2 indicates that the findings are relevant for those who strongly agree. Measuring risk levels has improve financial performance as regards to risk control activities the result were; 1% of the total number they Strongly Disagree with the statement, While there were 3% respondent answered that it is Disagree; At the same time 24% they were Not sure with the statement; while 42% Agreed with the statement and the rest which is 31% they have strongly Agree that the Risk control activities can be done through External auditing and as the result then there will be good financial performance. As shown clearly in Table 2, with a mean of 4.30, the study concludes that risk measurement, as

conducted by external auditors, helps improve financial performance in most schools within the Moshi Diocese.

The Risk of using Schools vehicles for personal activities have reduced the risk of misuse school assets and leads to improve financial performance as regards to risk control activities the result were; 94% of the total number they Strongly Disagree with the statement, While there were 6% respondent answered that it is Disagree; At the same time 0% they were Not sure with the statement; while 0% Agreed with the statement and the rest which is 0% they have strongly Agree that the Risk control activities can be done through External auditing and as the result then there will be good financial performance. According to the table, the mean of 2.20 indicates that most schools' assets, mainly cars, are used primarily for school purposes. Therefore, external audits have a significant impact on financial performance.

Schools has ways of measuring liquidity ratios to minimize the risk of misuse the liquidity and improve financial performance as regards to risk control activities the result were; 7% of the total number they Strongly Disagree with the statement, While there were 27% respondent Disagreed with the statement; At the same time 38% they were Not sure with the statement; while 5% Agreed with the statement and the rest which is 0% they have strongly Agree that the Risk control activities can be done through External auditing. As a result, there will be good financial performance.

The schools has proper system of fraud detection as regards to risk control activities the result were; 3% of the total number they Strongly Disagree with the statement, While there were 5% respondents Disagree with the statement; At the same time 32% they were Not sure with the statement; while 45% Agreed with the statement and the rest which is 16% they have strongly Agree that the Risk control activities can be done through External auditing and as the result then there will be good financial performance. Based on the response above, 93 respondents, which equals 61%, with a mean of 3.9, agreed that there is good fraud detection in the school; as a result, it contributes to organisational performance. This finding aligns with Omri's (2018) research, which suggests that the independence of the external auditor contributes to improved financial performance. Schools assets have being missing therefore the schools has to have external auditors to avoid or minimizing this risk of losing schools assets; as regards to risk control activities the result were; 3% of the total number Strongly Disagreed with the statement, While there were 5% respondents Disagreed with the statement; At the same time 32% they were Not sure with the statement; while 45% Agreed with the statement and the rest which is 16% they have strongly Agree that the Risk control activities can be done through External auditing and as the result

Assesment of Risk Control Activities on Financial Performance: A Case of Diocesan Secondary Schools in Moshi, Tanzania

then there will be good financial performance. Having a mean of 2.7, the study concludes that there is no severe misreporting of assets to the school due to external auditing. Schools leverage have being increasing due to proper inventory control; The borrowed funds (debt) are used for acquisition of assets in the hopes that the income of the new asset or capital gain would surpass the cost of borrowing therefore the Risk minimization due to External auditing will increase the leverage of the schools and thus improves financial performance as regards to risk control activities the result were; 2% of the total number they Strongly Disagree with the statement,

While there were 1% respondent answered that it is Disagree; At the same time 3% they were Not sure with the statement; while 29% Agreed with the statement and the rest which is 46% they have strongly agree that the risk control activities can be done through external auditing and as the result then there will be good financial performance with the 4.2 mean implies that the response are remedies. Following the total number of respondents who agreed that school leverage has been increasing due to proper inventory management. One hundred two respondents, representing 66%, made this decision. This finding aligns with the research by Musah (2018) on Risk Control and Management. Thus, this implies that leverage and asset control have a positive impact on financial performance, as per the study.

In Statement Nine, regarding whether the schools' inventory arrangement has been helping them maintain their stocks, one of the risk management or risk control activities is avoiding the misuse of current and non-current assets. Therefore, inventory management minimises the risk of wasting and losing the school's wealth. When this is done properly assets has improve financial performance as regards to risk control activities the result were; 0% of the total number they Strongly Disagree with the statement, While there were 1% respondent answered that it is Disagree; At the same time 10% they were Not sure with the statement; while 19% Agreed with the statement and the rest which is 69% they have strongly Agree that the Risk control activities can be done through External auditing and as the result then there will be good financial performance.

As shown in Table 1.2, schools' periodic stock-taking has decreased the risk of losing some assets. As Table 1.2 states, with a value of 3.4, it explicitly shows the remedies for risk control activities. Periodic stock taking has improve financial performance as regards to risk control activities the result were; 0% of the total number they Strongly Disagree with the statement, While there were 1% respondents Disagreed with the statement; At the same time 5% they were Not sure with the statement; while 25% Agreed with the statement and the rest which is 69% they have strongly Agree that the Risk control activities can be done through External auditing and as the result then there will be good financial performance. For the case of periodic stock taking against asset loss, 106 respondents strongly agreed that there is a close relationship between periodic stock taking and asset loss, which affects financial performance. This conclusion is in line with that of Lawrence (2018, [1]) on his research on the Effectiveness of internal control, He concludes that the periodic stock taking has decreased the

loss of assets. Thuby, having a mean of 4.4, which the respondents agreed indicates that stock taking decreases the loss of assets, implies a positive relationship between Stock Taking, External Auditing, and Financial Performance.

VIII. CONCLUSION AND RECOMMENDATION

Based on the findings of the study. It can be concluded that; the control activities used by the school administrations in controlling Risks to the schools is the use of accountants of the schools who prepares the ground for auditing activities, preparation of budgeting, also the use of cashiers and store keepers who minimize the risk of misuse of stocks in the schools. These external auditors conduct audits and provide their views on risk control for improved school finance performance. Good involvement of School Board Chairpersons and Finance Chairpersons in rules, regulations, laws, and financial policies is a key strategy for minimising risks to schools. As a result, the economic performance becomes the heart of all schools in the diocese.

IX. RECOMMENDATIONS

The study recommends that top management provide training to the school management teams and accountants. Additionally, the study suggests that the head of the schools purchase accounting packages for some of their accountants, as some are outdated and others are corrupted. At other schools, they're not available at all, and they still use a manual method for their work. Lastly, but not least, the study recommends that management should invest in reliable internet systems for their schools to avoid the risk of failing to submit returns to the TRA, WCF, and Loan Board, which may occur due to the use of accountants' phones instead of using routers.

DECLARATION STATEMENT

Funding/ Grants/ Financial Support	No, I did not receive any financial support for this article.
Conflicts of Interest/ Competing Interests	No conflicts of interest to the best of our knowledge.
Ethical Approval and Consent to Participate	No, the article does not require ethical approval or consent to participate, as it presents evidence that is not subject to interpretation.
Availability of Data and Material/ Data Access Statement	Not relevant.
Authors Contributions	All authors have equal participation in this article.

REFERENCES

1. Lawrence (2018) Effects of Internal Control Systems on Organisational Performance of Remittance Companies in Mogadishu, Somalia. *Journal of Business Management*, 153-167.
2. Ahmed, S. O., & Ng'anga, P. (2019). Internal Control Practices and Financial Performance of County Governments in the Coastal Region of Kenya. *International Journal of Current Aspects*, 29-41. Asare, T. (2009).



3. IKinyua, J. K., Gakure, R., Gekara, M., & Orwa, G. (2018). Effect of Internal Control Environment on the Financial Performance of Companies Quoted in the Nairobi Securities Exchange. *International Journal of Innovative Finance and Economics Research*, 29-48.
4. Bednarek, (2018). Effectiveness of internal controls: perception or reality. *Journals of Business*, 30-45.
5. Achina (2019). Effect of Internal Control on the Financial Performance of Microfinance Institutions in Kisumu Central Constituency, Kenya. *Scholarly Journal of the Scientific Committee of the Sponsoring Organisation*. (2013). - Internal control / integrated framework executive summary. Committee of Sponsoring Organisation of the Treadway Commission (COSO) (pp. 1-8).
6. Corporate Kinyua, J. K., Gakure, R., Gekara, M., & Orwa, G. (2015). Effect of Internal Control Environment on the Financial Performance of Companies Quoted in the Nairobi Securities Exchange. *International Journal of Innovative Finance and Economics Research*, 29-48.
7. Internal auditing in the public sector: Promoting good governance and performance improvement. *International Journal on Governmental Financial Management*, 3(1), 15-27

AUTHOR PROFILE



Audifas E. Said: A results-driven, self-motivated, skilful and dynamic procurement undergraduate with demonstrated capacity to provide comprehensive accounting and administrative support. Academically skilled in financial reporting and procurement, accounting and month-end reconciliations. Able to process invoices and conduct transactional functions, having undertaken thirteen years of work experience placement in accounting, procurement, and achieving financial objectives. Highly communicative with the ability to offer support with supplier inquiries, interact with auditors and communicate cross-functionality across various departments. Career Skills: Studying BA-Procurement and Supply Management

: Payroll Administration
: Invoice and Expenses
: Accounts Payables
: Month-end Procedures
: Account Package
Career Summary
2010-2023 Proco Accountant and Procurement at St. Amedeus Secondary School in Moshi



Ladis Columban Komba (PhD) is a lecturer in business management courses at Mwenge Catholic University. He has also served as a lecturer, researcher, and consultant in marketing, tourism, entrepreneurship, service management, and research courses at Kampala International University in Dar es Salaam and the University of Dar es Salaam, Tanzania. While at the university, he supervised several MBA and PhD candidates in the areas of service marketing, entrepreneurship, and sustainable tourism. From 1999 to 2012, he served in the Government of Tanzania as Permanent Secretary in several ministries, including those responsible for labour, employment, youth development, natural resources and tourism, cooperatives, and marketing, as well as in various capacities on different boards of directors. He has also served as the Tanzanian Ambassador to Uganda from 2012 to 2016. While serving in the Government and teaching at the University, he has accumulated abundant experiences in service excellence and customer care skills. He is the author of "The Impacts of National Character on Critical Factors of Customer Satisfaction on Customers Behavioral Intentions in Service Organizations: A case of Tourist Hotels in Tanzania, Wissner Verlag, Augsburg, Germany 1997, and Sustainability and Travel Motivations: An Inbound tourist to Tanzania Perspective, Co-author with Salie Kanza, Wineaster Anderson, Lena Mossberg and Tommy Anderson, *Journal of Sustainable Tourism* 2016."

Disclaimer/Publisher's Note: The statements, opinions and data contained in all publications are solely those of the individual author(s) and contributor(s) and not of the Lattice Science Publication (LSP)/ journal and/ or the editor(s). The Lattice Science Publication (LSP)/ journal and/ or the editor(s) disclaim responsibility for any injury to people or property resulting from any ideas, methods, instructions or products referred to in the content.