

**EFFECTS OF ACCOUNTABILITY AND THE GROWTH OF MICRO –
FINANCE INSTITUTIONS IN NSAMBYA PARISH:
A CASE STUDY OF PRIDE MICRO FINANCE
LTD KABALAGALA BRANCH**

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**A RESEARCH DISSERTATION SUBMITTED TO THE COLLEGE OF
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OF THE REQUIREMENTS FOR THE AWARD OF A BACHELOR'S DEGREE IN
BUSINESS ADMINISTRATION (ACCOUNTING) OF
KAMPALA INTERNATIONAL UNIVERSITY**

MARCH, 2013.

DECLARATION

I **Atwiine Osbert**, declare that that this research report is a result of my effort and to the best of my knowledge, it has never been submitted to any University or institution for any academic award.

NAME ATWIINE OSBERT

SIGNATURE Atwiine Osbert

DATE 11th March, 2013

APPROVAL

This research dissertation carried out by **Atwiine Osbert** under the topic “effects of accountability and the growth of micro – finance institutions in Nsambya parish” has been done under my supervision and guidance and it submitted for examination with my approval.

NAME: DR.STANLEY KINYATA

SIGNATURE.....

DATE.....11/3/2013.....

DEDICATION

I dedicate this research report to my beloved parents **Mr. Milton Kasimari** and **Mrs. Milton Aida** and my brothers **Banturaki Asa, Abine Edison, Atwijukye deus**, **Nuwamanya Godwin, Mbasa Johnan, Tumwekwase Aivan** and my sisters **Twongyirwe Patricia** and **Tukamuhebwa Jenerous** with all my love for their support. I thank them for their prayers and for being the inspiration in my life.

ACKNOWLEDGEMENTS

I greatly appreciate and acknowledge a number of people who helped me in different ways. I would like to thank God for his protection, wisdom and the endurance of the Holy Spirit through out the process. I would also acknowledge my supervisor **Dr.Kinyata Stanley** for the time and effort devoted to me and appreciate the contribution he put through giving adequate instructions during the study, he also went extra mile to offer valuable suggestions, comments and criticism which helped me in the production of this work. I would like to thank my parents **Mr Milton Kasimari** and **Mrs Kasimari Aida** for their fully support both material and financially in the whole journey to persue my bachelor program at Kampala International University.Iwould also like to thank **Hon Muhanguzi Boaz** for being their for me during serious fee penalty and lastly, I would like to thank my friends **Kasawuli Tom,method Previtus,Mary** and **Joaniter** for the support and sacrifice they made with out them, it wouldn't be so easy for me.

May God bless you all abundantly.

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ABSTRACT

The purpose of this study was to establish the relation ship between the effects of accountability and the performance of Microfinance in Nsambya parish Kampala Uganda. The specific objective of the study were to determine the effectiveness of the strategies used in fighting corruption among the accounting authorities in Nsambya parish, to find out the factors responsible for the growth of microfinance institutions in Nsambya parish and suggest policy recommendation research findings.

This method used in data collection were questionnaire and interviewing. In chapter four the findings were presented and interpreted in relation to the study objectives and research questions while linking the existing literature, results included frequencies and percentages. In chapter five development of solution to the problem, summary of the findings and conclusion were attempted

CHAPTER ONE

1.0 Introduction

Globally there is already an impression for the work done by the accounting authorities especially for the rapid growth of microfinance institutions. Many policy makers are therefore working along the clock to ensure accountability in microfinance institutions and other business organizations as required by most stakeholders and donors. The overall message in this argument is that inaccurate or lack of accounting information often contribute to business failure hence these organizations or institutions may always be limited by the scarce and uncertain supply of subsidies from government and donors.

As the origins of accounting are attributed with the work of Luca Pacioli, an Italian Renaissance mathematician, he in his 1494 text "Summa de Arithmetica, Geometrica Proportion et Proportionalitas" described accounting as a system to ensure that financial information was recorded efficiently and accurately. The above description of accounting clearly explains why with the advent of the industrial age in the nineteenth century and later the emergence of large corporations, a separation of the owners from the managers of business took place; As a result the need to report the financial status of enterprises became more important to ensure that managers acted in accord with owners' wishes. Also transactions between businesses became more complex, making necessary improved approaches for reporting financial information just like micro finance institutions need it. Like many other African countries, corruption is one of the major problems faced by Uganda. It is said that Ugandan's corruption scandals in the last ten years are immune able. Also according to the World Bank report on corruption, 2010 noted that Uganda loses over Sh. 500 billion annually to corruption. Through the governments efforts to fight corruption the anti- corruption court has convicted a few individuals although most senior government officials largely remain unaccountable. The problem is however dominant in the public sector and minor corruption are reported in the private sector and microfinance institutions in particular. This is attributed to the tight supervision done by the stakeholders and donors in microfinance institutions. It should be noted that corruption is greatly responsible for poor or even to the worst lack of accountability in

microfinance institutions and other organizations which need accounting information. In the quest to promote the growth of microfinance institutions, this study will be undertaken to come up with possible solutions.

1.1 Statement of the problem

Lately, the role of accountability in financial services against corruption and growth of microfinance institutions has been given increased attention given the fact that majority of Ugandans are poor and hence corrupt. However the efficiency of how these programmes aimed at ensuring of micro finance institutions is not known. Therefore its upon this that this study will explore the import of accountability on the growth of pride micro finance Ltd Kabalagala branch. Nsambya parish.

1.2 Purpose of the study.

The overall objective of this study is to investigate the impact of accountability on the growth of microfinance institutions in Nsambya parish.

1.3 Objectives of the study.

- i). To find out factors responsible for Growth of microfinance institutions in Nsambya parish.
- ii). To determine the effectiveness of the strategies used in fighting corruption among the accounting authorities in Nsambya parish.
- iii) To suggest policy recommendation research findings.

1.4 Research questions.

- i). What are the factors responsible for the growth of micro finance institutions in Nsambya parish?
- ii). How efficient are the strategies used in fighting corruption among accounting authorities in Nsambya parish?
- iii). What are the policy recommendations based on the research findings?

1.5 Scope of the study.

The study will investigate the impact of accountability on the growth of pride microfinance Kabalagala branch. Nsambya parish. Pride micro finance Ltd Kabalagala branch is located Nsambya parish; Makindye East Division, Kampala District in Uganda. The study will be carried for a period of three weeks from 29th jan .20 13 to 25th .Feb .2013.

1.6 Significance of the study.

This study will be of great importance both at macro and micro levels.

At the macro level, informed decisions in policy formulations and in building of the institutions and the Nation as a whole aimed at participatory planning as a management tool for the growth of micro finance institutions.

At the micro level, the local accountants, managers, stakeholders and NGOs responsible for the growth of micro finance institutions may adapt the findings to address issues in the report.

The research will assist other researchers and academicians to increase on the available literature for further studies.

1.7 Conceptual frame work

In the study, accountability is the independent variable while Microfinance is the dependant variable

DEPENDENT VARIABLE

ACCOUNTABILITY

Public accountability
-Legal accountability
-Collective accountability
-Individual accountability
-Mapping accountability

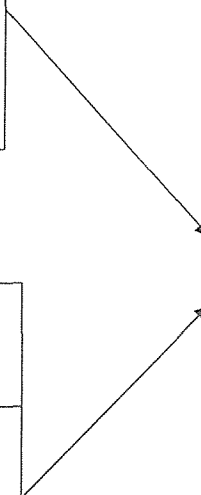


Accountability based on the nature of obligation
-Vertical accountability
-Horizontal accountability
-Diagonal accountability

INDEPENDENT VARIABLE

MICROFINANCE GROWTH

Effects of microfinance
-Encourage savings
- Encourage investment
-Strengthen economic activities
- Provides credit access with in undeveloped economy
-Provides financial services needed to develop income
-Checks and balances



CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.0 Introduction

In this chapter an attempt is made to review precious studies which have been contributed by accredited scholars and experts which impinge on the implication of accountability and the equivalent growth of microfinance institutions. The study therefore reveals that, failure to account for funds in any organization and microfinance institutions in particular may lead to their poor performance or even their collapse, to the worst. It is guided by the objectives of the study outlined in chapter one.

2.1 Lack of accountability and fraud

A big number of Ugandans especially those that operate under small scale business ventures usually neglect accounting information and this leads to fraud. An accountability note therefore is a vital tool to reduce fraud in microfinance Finance Institutions Fraud is characterized by presenting wrong figures, corruption and embezzlement among others. This practice is however being fought or eliminated globally. In Uganda's 1995 constitution under Act twenty six (26), section two (2) states that all persons placed in positions of leadership and responsibilities shall in their work, be answerable to the people. Furthermore under the same act, section three (3) also states that all lawful measures shall be taken to expose, combat and eradicate corruption and abuse or misuse of office. In an international insight, it is said that accountant's predecessors were the scribes of ancient Egypt who kept the pharaohs books. They inventory grains, gold and other assets. Unfortunately, some fell victims to temptation and stole from their leader as did other employees of the king. The solution was to have to scribes independently record each transaction (the first internal control). As long as the scribes totals were agreed exactly there w& no problem but if the totals were materially different, both scribes would be put. One way therefore through which diversity has been reduced is setting and enforcing common standards for all the concerned countries. Limits on streets and high ways, appropriate labeling of consumer products and grades a warding of grades to

cottage college and university students among others are some of the common standards we know about. According to Mueller et al (1994).

2.3 Accounting Scope.

Warren (1996) carried out a study that many factors affecting the activities and the future prospects of a business cannot be expressed in monetary terms. In general, account does not attempt to report such factors and this greatly affected the accounting efficiency for example information regarding the abilities of management the fairness of an employee health program, and the strengths and weakness of competitors can not be expressed in monetary term. Although such matters may be important to investors or other interested parties, account does not report such data in the financial statements.

2.4 Accounting and Auditing Standards

Accounting standards are the rules for preparing financial statements in the “generally accepted account principles” (GAAP) that specify the type of information that financial statements ought to contain and how that information ought to be prepared account standards define what are acceptable and un acceptable financial account practices.

Auditing standards on the other hand refer to the rules governing how an audit is performed. An audit of financial statements is the technical process by which an independent person (the auditor) gathers evidence to form an opinion about how well a set of financial statements confirms to GAAP. In most countries, a particular group of accountants is legally sanctioned to conduct financial statement audit. In the United States for example, it is the certified public account (CPA). In the United Kingdom, it is the chartered accountant, in the motherlands, the register account and in Germany the Wirtschaftsprüger. Financial statements confirming to GAAP are said to be “reliable” and reliable information is an important ingredient in good decision making. Accounting standards and auditing standards are interrelated Accounts standards presumably define what useful financial information is Auditing standards on the other hand guide an auditor in determining it is also reliable. It is nevertheless important to note that useful and reliable financial information puts investor, creditors and others in a position to make

better decisions. Therefore the above explains why account has been called the language of business. That analogy is accurate since account is a form of communication. As with all types of communication, through misunderstandings can arise unless meanings are reasonably clear. Recently, the international accounts standard Board (IA. S B) has been formed. The board is working towards the development of a single set of high quality global accounting standards. It's purpose is to formulate international accounting standards and to promote their acceptance World Wide. At present, these standards are not universally applied. However, more international companies are now considering adopting international standards. The foundation has therefore been laid for progress towards greater uniformity in international accounting according to needless (1999).

The review of literature therefore demonstrates how microfinance institution in Uganda can apply the above standards so as to ensure efficiency in their account information's and growth at large.

2.5 Criticisms of the Accounts and Auditing Standards

Although now supported by more than 100 nations and Uganda inclusive Marshall (2000) observed that the development of uniform standards has been an almost impossible objective to achieve. One of the major challenges relates to a country's interest in protecting it's local markets where participants interest are quite different from entities involved in a global financial network countries throughout the world vary. for instance in the complexity of their capital markets, the need for disclosure of financial information and the role of government over sight in the standard setting process. Unfortunately, these nationalism issues are not the only obstacles confronting the international account standards Board (IASB). The simple truth is that because TASB is a private body, it's pronouncements can not be enforced what is hoped for instead is that each country's account is that each country's account professional body will make and keep a" best efforts" pledge to move towards the acceptable of international standards. Further still, Marshall (2004) stressed the fact that the account processes have been heavily criticized as a result of enrolls collapse and bankruptcy and the account problems of other companies that came to light in 200] and early 2002. In July 2002, president George W. Bush signed into law the most significant legislation affect the accounting profession

since 1933 the Sarbanes — Oxley Act of 2002. Essentially the act creates a five member public company accounting oversight board (PCAOB), which has the authority to set and enforce auditing attestation quality control and ethics (including independence) standards for public companies. The point which this discussion is that financial accounts and report practices are not codified in a set of rules to be interested and blindly followed. Financial accounting and reporting have evolved over time in response to the changing needs of the society and they are still evolving. The account profession itself and in particular the CPA firms that audit publicly traded corporations, has come under increased scrutiny in recent years.

2.6 Microfinance Development/Growth and Responsibility Account

Needles (1999), discusses that a responsibility account system establishes a communication network within the organization which is ideal for gathering information about operations in the planning, executing and reviewing stages of management cycle. The system is used to prepare budgets by areas of responsibility and to report the actual results of each responsibility centre. The report for a responsibility centre includes only those costs and revenue items the manager of that centre controls therefore this approach ensures that managers will not be held responsible for items they can not control.

2.7 Accountability for Assets

To provide a valid basis of accountability for assets in microfinance institutions the accountant should have neither physical custody of the asset nor access to it. Likewise the custodian of the set should not maintain or have access to the accounting records. When one employee maintains the record of the asset that should be on hand, and a different employee has physical custody of the asset the custodian of the asset is not likely to convert the asset to personal use. The separation of accounting responsibility from the custody of assets is especially important for cash and inventories because these assets are very vulnerable to unauthorized use or misappropriation.

2.8 Accounts for Partnerships

Jerold. L (2000) comments that most with the day to day account for a partnership is the same as the account for any other form of business organization the account system described in previous units may with little change be used by a partnership the chart of accounts with the expectation of drawing and capital account for each partner does not differ for the chart of accounts of a similar business conducted by a single owner. However, the formation income distribution, dissolution and liquidation of partnership give rise with unique transaction.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This study proposes the general impact of accountability to the growth of microfinance institutions in order to do this same acceptable design of the way study preceded was called for. This chapter illustrates the research methodology and how the data collected will be presented. These consist of research design, sample design, data collection procedures, and data analysis methods and data presentation

3.2 Research Design

The researcher will use a descriptive research design adopting a cross-sectional survey since the study will be largely an evaluation, one seeking opinions and attitudes. Survey attempts to picture or document current conditions or attitudes to describe what exists at the moment mouse (1989). Across sectional survey design will be particularly chosen because the study is concerned with gathering perceptions from across section of pride microfinance staff and the community members. Therefore views across the various community members and Pride Microfinance staff at large will be obtained and levels of significance of motivation computerized per section of people. The study will apply the last qualitative and quantitative methods of data analysis. However most of the findings will be analyzed qualitatively. The quantitative measures and analyses will be applied to test the hypothesis of the study.

3.3 population

The study will entirely focus on the staff of Nsambya pride micro finance in Kampala district in with the total population of 100 staff members. I will approach them at their work place. I chose Pride micro finance because of its proximity.

3.4 Sampling Design

The sampling design to be used when getting a sample of the target population is a convenience sampling technique and a total of a hundred of people in the area where the study will be carried out, will-be selected for the study. The researcher also adopts a probability sampling. This is a sampling scheme that is selected according to the mathematical guidelines where by each units chance of selection is known It also has marginal with errors to point out weak point alerting results. This method is best stated for the study because it reduces errors on the information collected. The results gotten from this sampling design are majectable to the population segments with confidence.

3.5 sample size

The population of the study will be comprised of 80 respondents out of 100 of the population and the sample will be conducted in Pride micro finance Nsambya in Kampala Uganda. This sample will comprise of both male and female irrespective of their religious,sex,age and tribe. I will use solven formula to arrive at sample size which states

$$n=N/1+N (0.05)^2$$

$$n=100/1+100(0.05)^2$$

$$n=100/1. 25$$

$$n=80$$

3.6 sampling technique

The researcher will use systematic random method of sampling. The researcher will select respondent at every after interval. The number of interval will be arrived at by use of interval formula which states

$$\text{Interval}=\text{population /sample size}$$

$$\text{Interval}=N/n$$

$$\text{Interval}=100/80$$

$$\text{Interval}=1.25$$

Meaning that the respondent will select one after one respondent in Pride Micro finance in Nsambya Kampala district.

3.7 Source of Data

3.7.1 Primary Data

The primary data used will be from the Pride Microfinance Staff Kabalagala and from a few community members who will participate in the study.

3.7.2 Secondary Data

The secondary data about the urban planning will comprise of information for the following: - Finance Ministry Annual Reports. Pride Microfinance Kabalagala Branch annual reports, library publications and Articles, media publications and the internet.

3.8.0 Data Collection Methods/research instrument

Two categories of data will be collected that is primary and secondary data. Qualitative methods were used in data collection. Qualitative data is -collected through personal interviews with 16 respondents in a period of three weeks, using semi structures questionnaires. Qualitative data will be collected through ith depth. Interviews with key information and focus group discussion. Two head officers, three technical officers and bank tellers are purposively selected and constituted a focus group in each village within the parish. Document analysis will be another source of data. The existing written materials both published and un published on the subject matter is consulted be-fore the field work

3.8.1 Questionnaire

Questionnaire by definition means a set of printed questions addressed by the researcher to the respondent for him or her to answer and after answering return the questionnaire to the researcher. The questionnaire will be administered personally by the researcher to the respondent and collected after a given time. The questionnaire will be comprised of closed ended question where by the respondent will be given the option to choose or tick where he or she feel that is appropriate for him or her by answering to their best of their knowledge. In the study the researcher will use questionnaire because it is cheap quick and cover many respondents. It is appropriate tool for collecting data because it gives ample time to the respondent to answer questions to their best

3.8.2 Interviewing

Interview by definition refers to face to face conversation where by the researcher ask question or interview his or her respondent. In the study the researcher will interview his or her respondent in Pride Micro finance at Nsambya in Kampala district in Uganda.

In the study the researcher will use interviewing because it enables interaction between the researcher and the respondent.

3.9.0 Validity and reliability

3.9.1 Validity of the instrument

Validity of the instrument according to Kakinda Mbaaga(2000:123) defined validity of the instrument as the degree to which an instrument measures what it is intended and does it collectly. In the study, John and Joseph will be used to check the relevancy of the questionnaire and **ACVI** will be used which states

ACVI=Number of items declared valid/Number of items in the questionnaire

3.9.2 Reliability of the instrument

Reliability of the instrument according to Kakinda Mbaaga(2000:123) defines reliability of the instrument as the degree of consistence of an instrument used. In the study, reliability of the instrument refers to the ability of an instrument to give the same result each time it is used to measure variables. In the study, the researcher will use test re-test method. The questionnaire will be used to 10 staff members in two days and then after two weeks it will be again used to the same people. The Pearson correlation coefficient (R) will be used to correlate result of two tests. A minimum R value of 0.75 will be used to declare that the instrument is reliable.

3.11 Data analysis

After data collection, only filled questionnaire will be edited and analysis will be done by use of frequency and percentage distribution to analyze data on the profit of the respondent.

Mean and standard deviation will be used to determine the level of independent and dependent valuables. Also the Pearson correlation coefficient and the chi-test will be used

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND ANALYYSIS OF DATA

4.0 Introduction

This chapter presents the findings and conclusions and effects of accountability and the growth of micro – finance institutions in Nsambya parish.

A case study Pride microfinance, Kampala Uganda. It also deals with the analysis of the data as given in the questionnaire and the interview guide. The research findings were based on sample size comprising of customer and employees of Pride Micro finance plus shareholders Kampala Uganda.

The respondents were managers and employees plus clients of Pride micro finance, Kampala Uganda. The summary for each factor is presented by the use of tables and charts to give a clear picture of the score of respondents that were gathered as shown below.

4.1 Employee/staff gender.

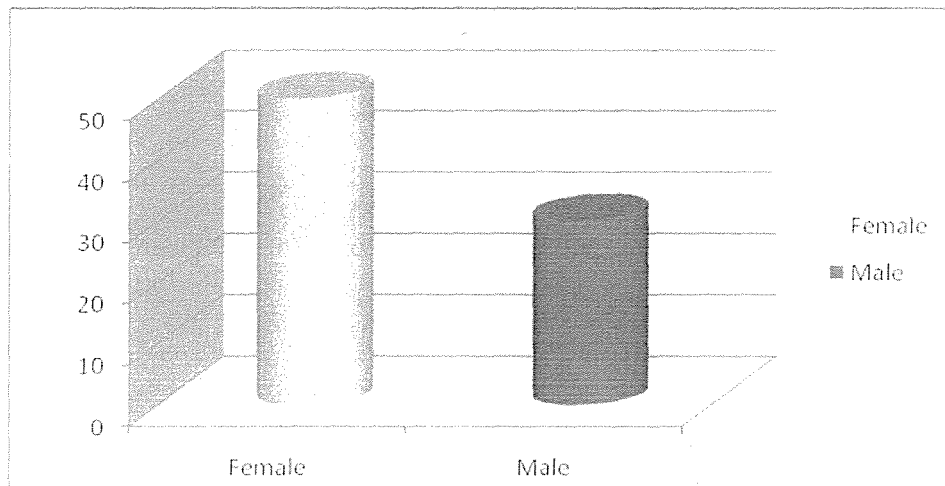
People who responded were 80. The researcher said that this helped her to get adequate and sufficient data that was used in analyzing and presenting information as shown below.

Table 1: Clients, Gender

Gender	Frequency	percentage
Female	50	62.5%
Male	30	37.5%
Total	80	100

Source: primary source

Figure 1: Clients Gender



Source: Primary source 2013

From the graph above, the researcher realized that male respondents were 30 with 62.5% and 50 were female respondents with 37.5%. This was so because Female are more conversant in using accountability than male

4.2 Age of respondents.

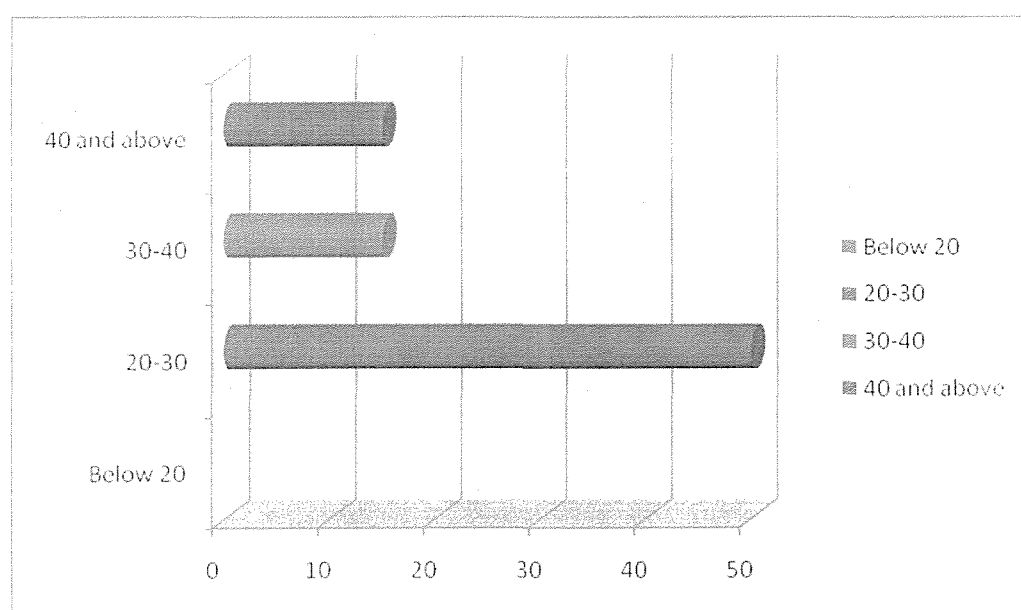
The results of the field study on age respondents from selected respondents, on 80 respondents, 62.5% were female and 37.5% were male .Male respondents were above 30 years. This is an indication that Female are more than male in issues concerning accountability. The result is illustrated in the table below.

Table 2: Age of respondents

Age	Frequency	percentage
Below 20		
20-30	50	62.5%
30-40	15	18.8%
40 and above	15	18.8%
Total	80	100

Source: Primary source 2013

Figure 2: Age of respondent



Source: Primary source 2013

The findings revealed that 62.5% of respondents were between 20-30 and 15% were between 30-40 then another 15% were above 40 year

and 10% with low level of accountability. This signifies that information was collected from employees /staff of Pride Microfinance

Table 3: Respondents level of accountability

Level of accountability	Number of respondents	Percentage of number of respondents (%)
high	50	50
Medium	40	40
low	10	10
Total	100	100

Source 3: Primary Source

4.4 Level of education

It is noted that most of respondents had diploma, followed by degree then masters, and others had certificates or high school certificate as shown below.

4 Table: 4 Level of education

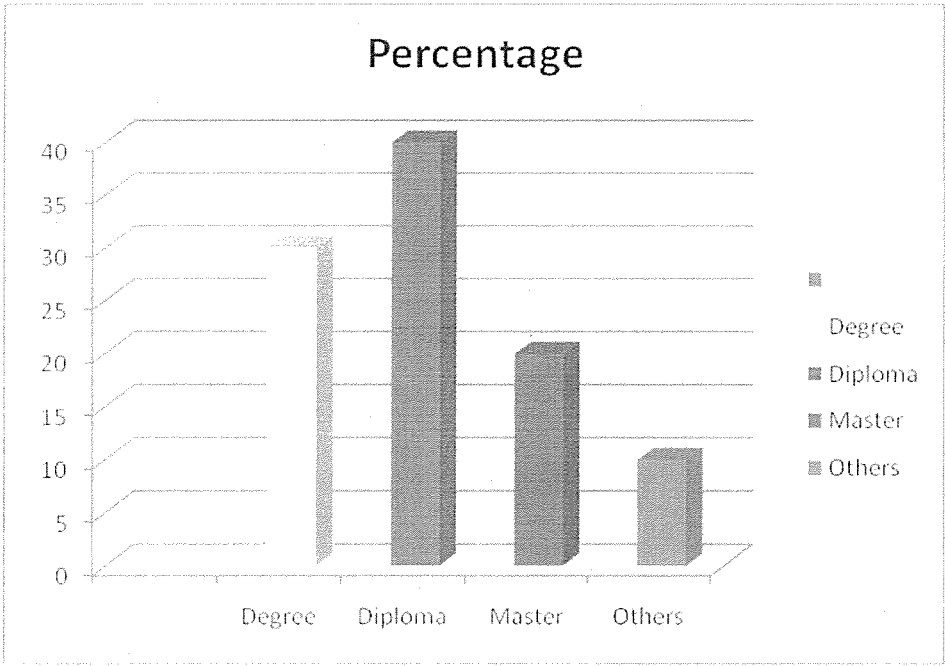
Level of education	Percentage
Degree	35
Diploma	40
Master	15
Others	10
Total	100

Sources: Primary Source 2013

The level of professionalism of respondents was as follow, degree level was 40%, masters,20% and others was 10% in Pride microfinance Kampala Uganda. This means that in Pride microfinance, majority of employees are educated.

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Figure 3: Level of education



Source: Primary source 2013

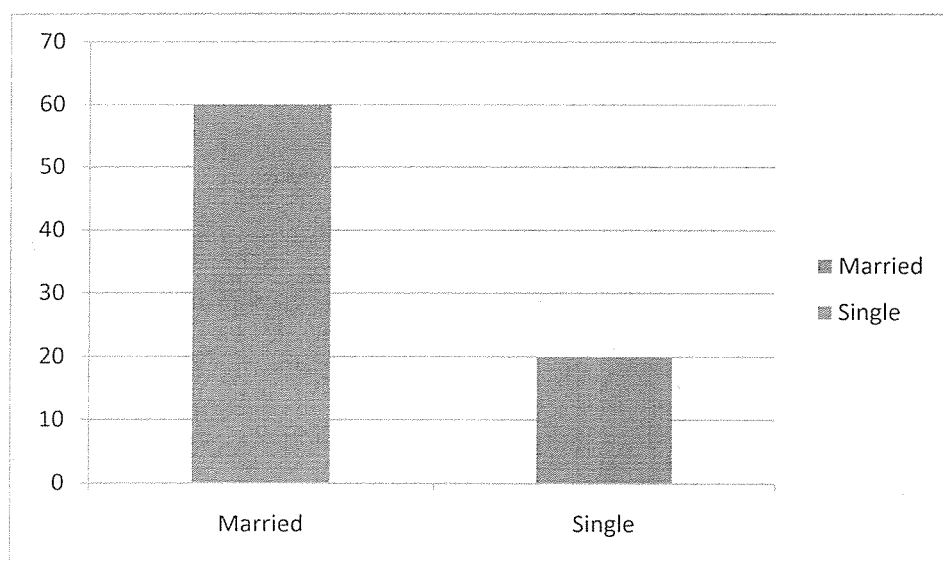
4.5 Marital status

It is noted that most of the respondent are married and out 80, 60 are married with 75% and 20 are single with 25% as shown in the table below.

Table 5: Marital status

Marital status	Frequency	Percentage
Married	60	75
Single	20	25
Total	80	100

Source: Primary source



Source: Primary source 2013

Married respondents were 75% and single respondents were 25%. This shows that married people are more conversant in accountability than single.

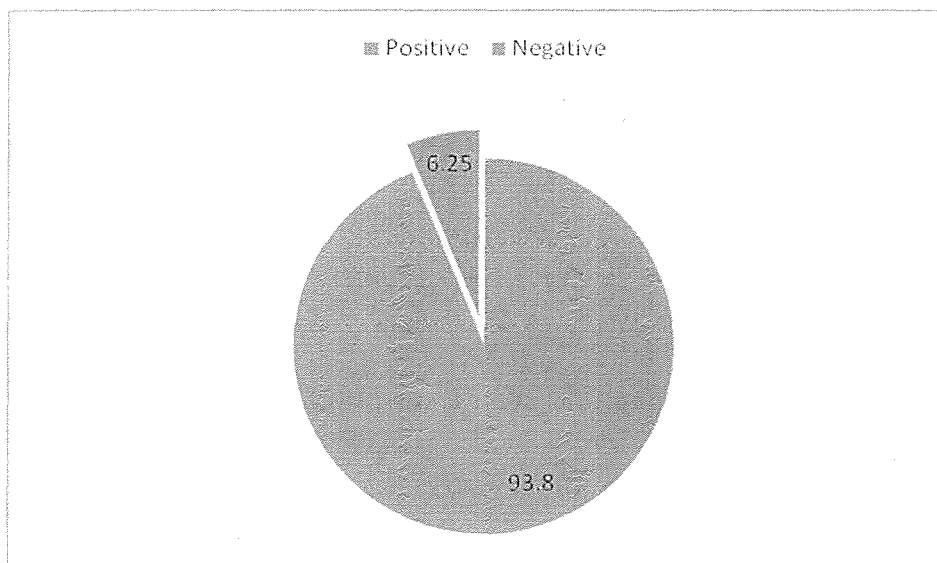
4.6 Cause of Success of Pride Microfinance

Table 6: Cause of Success of pride microfinance

Causes	Frequency	Percentages
Good customers care	10	12.5
Presence of customers	35	18.8
Good manager skills	15	43.8
Up date accounting system	15	18.8
Good personnel skills	5	6.25
Total	80	100

Source: Primary Source

Figure 5: showing the significant cause of the level of success of Pride microfinance with its frequency



Source: Primary source 2013

The above shows that most employees had appositve attitude towards the adopting to accountability .The negative altitude, respondents were few giving a reason that it can head to loss of data because they do not have skills for accountability.

4.8 relationships between effects of accountability and pride microfinance.

Table 8: relationship between effects of accountability and pride microfinance.

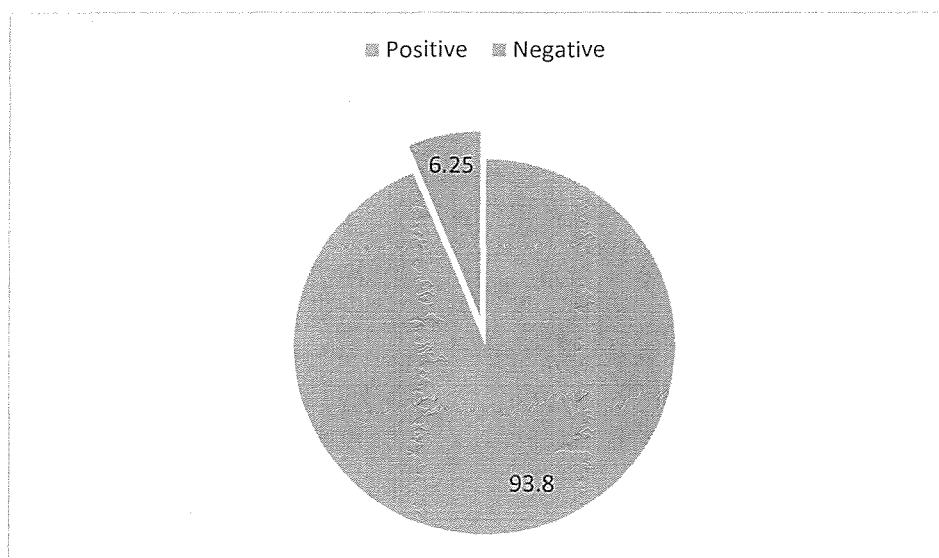
accountability	Pride microfinance
Low use of accountability	Low level of investment
High rate of accountability	High level of saving
Poor accounting system	Low efficiency in balancing books

Source primary data

4.9 The rate of using accountability in pride microfinance

Table 9: The rate of using accountability in Pride microfinance

Rates	Frequency	percentage
High	20	25
Low	9	11.25



Source: Primary source 2013

The above shows that most employees had appositve attitude towards the adopting to accountability .The negative altitude, respondents were few giving a reason that it can head to loss of data because they do not have skills for accountability.

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Table 8: relationship between effects of accountability and pride microfinance.

accountability	Pride microfinance
Low use of accountability	Low level of investment
High rate of accountability	High level of saving
Poor accounting system	Low efficiency in balancing books

Source primary data

4.9 The rate of using accountability in pride microfinance

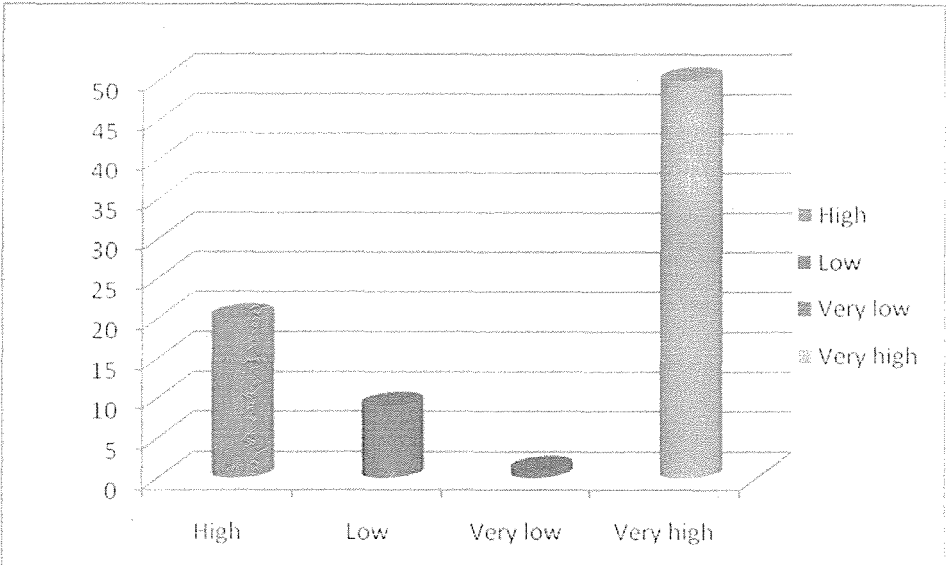
Table 9: The rate of using accountability in Pride microfinance

Rates	Frequency	percentage
High	20	25
Low	9	11.25

Very low	1	1.25
Very high	50	62.5
Total	80	100

Source: Primary source

Figure 7: The rate of using accountability in Pride microfinance



Source: Primary source 2013

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter involves the limitation of study, conclusions, recommendation and area for further research

5.1 Summary of findings

According to the results got from Pride microfinance, shown a high rate of using accountability. This shows that there is efficiency and effectiveness in of employees in Pride microfinance.

The findings also shown that the efficiency and effectiveness of employees in delt with accountability is determined by the skills, experience possessed by employees.

It was discovered that high rate of using accountability leads to accuracy in making financial statements like income statements ,balance sheet, cash flow statements and change in equity.

Accountability is also relevant as it was discovered from the field study from customers of Pride microfinance that it helps them for family financial records, keeping of expenditure taxes and house hold matters.

From the field study, it was noted that accountability assists people like shareholder to access the financial statements like income statements, balance sheet, cash flow statement and change of equity on time in that some

5.2 Conclusions

The overall purpose of the study was to find out the relationship between the effects of accountability and the growth of micro – finance institutions in Nsambya parish.

The main method of collecting data was purposive and questionnaires were structured to get the primary data. The findings got from Pride Microfinance are important to many

citizens, of Uganda plus upcoming institution or organization which needs accounting system techniques.

The study confirmed that accountability affects the performance Pride microfinance
The researcher also said that Legal accountability, Collective accountability and Individual accountability affects the the performance Pride microfinance.

5.3 Re-commendations

Pride microfinance should provide adequate training to the staff in order to be up dated on the use of accounting process .They should be educated how to use updated software in order to ensure efficiency.

Pride micro finance should also ensure that all employees under accounting department process CPA certificate and are well knowledgeable with accounting concepts.

They should also ensure that all computers have ant- virus in order to prevent the loss of data in the organization

5.4 Planning, testing and monitoring

The organization should evaluate the risk associated with the use of computerized accounting like virus.

They should implement a program to manage the loss of data in the organization.

Continuous checking of computer windows should be carried out daily and anti- virus should be monitored to ensure that the work is done in proper way

5.5 Limitation of the study

The research was affected by various problems as shown below.

Time factor was not in adequate owing to the bulky information needed

Lack of enough financial resources to carry out the research adequately.

Some of information was difficult to be accessed because of the confidentiality nature of the organization and it was only given to shareholders of the company

Failure to retrieve a minimum number of questionnaires.

Respondent biased in answering questionnaire

Data gap which may make computation difficult.

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APPENDICES

RESEARCH INSTRUMENTS

QUESTIONNAIRE

1 Introduction letter

Dear respondent, am **ATWIINE OSBERT**, a business researcher pursuing a bachelors degree in business administration at Kampala International University. The study will be conducted in Pride micro finance in Nsambya, Kampala Uganda. The finding of the research will benefit both the researcher and Pride microfinance management as well. I will be pleased my request is highly considered to enable the researcher achieve his objectives. All questionnaires will be treated with much confidentiality. Thank you accepting me

SECTION A

2 Profile of the respondent

1 Names of the respondent

Surname.....

Other names.....

2 Age of the respondent

18-25 ☐

26-35 ☐

36-45 ☐

46-above ☐

3 Religious of the respondent

Catholics ☐

Protestants ☐

Muslim Adventist ☐

Non of above ☐

4 The level of education of the respondent

Primary level ☐

- Secondary level ☐
- Diploma level ☐
- Degree level ☐
- Master level ☐
- PHD holder ☐
- 5 Gender of the respondent ☐
- Male ☐
- Female ☐
- 6 Marital status of the respondent ☐
- Married ☐
- Single ☐
- Widow ☐
- Widower ☐

SECTION B

7 What is the level of accountability at Pride micro finance in Nsambya, Kampala Uganda?

- Very high ☐
- High ☐
- Low ☐
- None ☐

8 What kind of accountability is applied at Pride Micro finance in Nsambya, Kampala Uganda?

- Public accountability ☐
- Accountabilty based on obligation ☐
- Others ☐

9 What are the working conditions of employees of Pride Micro Finance in Nsambya in Kampala district?

☐

Moderately high

Good

☐

Fair

☐

Poor

☐

To what extent is the working experience to the employees of Pride microfinance

Very high

☐

High

☐

Fair

☐

Low

☐

3. Interview guide

1. Are there are accountability in pride microfinance?
2. Do accountability offer enough incentives?
3. Do accountability of pride Microfinance have adequate information (availability of data, processing data)?
4. Do administrative body have incentive to engage in proactive and sincere account giving?
5. Does the accountability in Pride Micro finance help in proper management?
6. Are there some factors responsible for the growth and success of Pride Microfinance
7. Is there Work experience in Pride Micro finance?
8. Is there attitude of employees towards adopting of to the activities of accountability in Pride Microfinance?
8. Is there relationship between the effects of accountability and performance of Pride Microfinance?

4. Budget of the study

ITEMS	STATIONARY	AMOUNT IN UGX
1	Ream of paper	4000
2	4 ball pen	1600
3	Typing	12000
4	Printing	4000
	Other expenses	
5	Transport	8000
6	Surfing on internet	3000
7	Total	32600

5. Time frame of the study

Activity	Months
Identification of the research topic	12 th October 2012
Identification of the research problem	18 th October 2012
Writing of the proposal	20 th October 2012
Presentation for approval	7 th November 2012
Collection of data from the respondent	9 th November 2012
Data processing and analysis	12 th November 2012
Report writing and handing over	20 th February 2013