

**BUDGETORY CONTROL AND PERFORMANCE OF  
LACAL GOVERNMENTS.  
A CASE STUDY OF  
PALLISA TOWN COUNCIL,  
PALLISA DISTRICT.**

**BY**

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## DECLARATION

I **MBOIZI DAVID** do hereby declare that this research report is my original work and has never been presented in any institution of higher learning or university for the award of a Degree or Diploma.

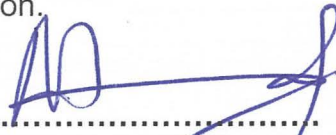
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Date: 04<sup>th</sup> MAY 2011 .....

## APPROVAL

This work has been under my close supervision and is now ready to be presented for examination.

Signed:  .....

**MR. SSENDAGI MUHAMMED**  
**SUPERVISOR**

Date: .....

### **DEDICATION**

This piece of work is dedicated to my parents Mzee. Watebe Yokolamu and Mrs. Watebe Janipher who gave me the art of life.

Also to the family of Mr. Kabosi Nappa Wilberforce, for having struggled in bringing me up in what I am today, Uncle Taahaya, L.K Mr. Y.K Opolot and family, Mr. Mutebe Tom Moses, and entire community of Buseta SS (Staff, members), colleagues in the struggle in particular Mr. Ouma O. J, Madam Fuuna K.M and Mr. Mulebera M.S.

I also extend my dedication to the family of Mr. and Mrs. Magino V Laaki Salongo and his lovely wife Nalongo Magino Harriet, who encouraged me to join Univeristy, supported me financially, materially and physically. May the Lord Bless You abundantly.

Special dedication goes to my entire family, lovely wife Mrs. Mboizi Grace Annet, children; Gift Kalungi, Jenipher, Watebe Davis Daniel and Hidembuli Emma Joseph for their sacrifices but be encouraged through God every thing is possible.

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## **ABSTRACT**

The purpose of the study was to establish the relationship between budgetary controls and performance in Pallisa Town Council. The research objectives were; to identify the effect of cash budget on the performance of Pallisa Town Council, to find out the effect of Capital Budget on performance of Pallisa Town Council; and What is the relationship between Cash budget, capital budget and expenses budget controls and its performance in Pallisa Town Council.

During the study, stratified sampling was administered to group respondents into various stratus. Simple random sampling was then used to select respondents from various stratum. Primary data was collected from the respondents using questionnaires and interview methods as the major tools, while secondary data was obtained from budget estimates and performance reports.

The research was based on cross-sectional research design and was both qualitative and quantitative in nature and this was because the study was mostly based on the views collected from respondents to draw conclusion and back up by secondary data.

Major findings revealed that budgetary controls have been relatively low as actual revenue is always less than the budgeted revenue-leading to inadequate implementation of the expected activities in Pallisa Town Council. Findings also revealed that there was a positive relationship between budgetary controls and performance.

It was recommended that Pallisa Town Council should ensure proper planning, monitoring and evaluation of the sources of revenue and there is need for more staff qualified with budgetary and performance experience to ensure proper planning of the Town Council.

## **CHAPTER ONE:**

### **1.0 Introduction:**

This chapter will look at the statement of the problem, purpose of the study, its objectives, the research Questions, scope of the study thus, Geographical and subject scope, and the significance or importance of the study.

### **1.1 Background to the study.**

According to Frank Wood and Sangster (2002); in his publication "Business Accounting", Budgeting is the process of converting plans into Budgets. He further stresses that budgeting constitutes all factors with which all finance managers exchange their views and knowledge about the budgets in their organization.

He adds that it is ideal and important to involve all departments say personnel (HRM), production, sales and marketing of the organization in the budgeting process. This will help them acquire more skills about budgeting and how to control finances.

Edumu et al (2004) , Budgeting is a comprehensive financial plan setting forth the expected route for achieving the financial and operational goals of an organization.

Poor budgeting leads to conflicts between managers and employees. When the budget is not followed (executed) accordingly, the responsible financial personnel can easily misallocate the funds or embezzle. As a result, funds say meant for salaries and incentives may not be sufficient to meet the monthly requirements of the employees. This may lead to lack of motivation and poor-performance among the employees.

The management has the responsibility to plan, control and manage cash and make wise decisions. Therefore, to carry out these tasks, management must develop plans and budgets to determine actual operating results, compare budgeted results to actual results, Evaluate differences and take

action to improve operations. The financial managers and other financial personnel too must carry out these tasks.

According to Pandey (2002), performance on the other hand, means the ability to operate efficiently and effectively. It further refers to profitability in terms of maximizing revenues of the organization as well as owners.

Budgeting is the process whereby the plans of an institution are translated into an itemized, authorized and systematic plan of operation. This is highlighted in the local government financial and accounting regulation 13(4). "That detailed estimates shall show against each item of revenue and expenditure as nearly as possible the amount expected to be collected or spent in the financial year."

And chapter two on budgeting and budgetary control page 240 of the local government financial accounting regulation gives the composition and co-ordination of the desk and guides on the books of accounts among which are; Vouchers, advances ledger books and the general ledger book used to track the performance of both revenue and expenditure.

## **1.2. Statement of the problem.**

Since the inception of local government in Uganda (1993), the system of local government had been radically reformed as major responsibilities have been delegated and substantial resources transferred to local governments.

Although, the reform process has sought to strengthen the local government budgetary control, the performance of local governments has remained poor.

## **1.3. Purpose of the Study**

The purpose of the study is to investigate Budgetary control and performance in Pallisa Town council.

The study seeks to examine the effects of budgetary control on the performance of local governments, Pallisa town council (PDLG)

#### **1.4. Objectives of the study:**

The specific objectives of the study include;

- i) To identify the effects of cash budgets on performance of Pallisa town council.
- ii) To find out the effect of capital budget on performance of Pallisa town council.
- iii) The effect of expense budget on performance of local government in Pallisa town council.

#### **1.5. Research Questions:**

- i) What is the effect of cash budget in Pallisa town council?
- ii) How is a capital budget system of governance affected by performance of local government in Pallisa town council?
- iii) What is the relationship between cash budget, capital budget and expense budget controls and performance in Pallisa town council?

#### **1.6. Scope of the study**

The study was carried out in Pallisa District Local government; Pallisa Town Council located 190kms North East of Kampala, 50kms West of Mbale Town and 12km off Tirinyi-Mbale highway in Eastern Region of Uganda. The study covered a period of two years from 2008 to 2010.

In terms of content, the study confined itself on budgetary control as the independent variable and performance of local governments as its dependent variable.

#### **1.7. Significance of the study:**

The findings of the study will facilitate ways of budgeting controls in local government and in particular Pallisa Town council. The findings also will enable the authority and financial personnel at Pallisa town council to improve on the budgetary controls. The research investigation will help to encourage if not, any team work and good methods of making budget(s) in the town council.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction:**

This chapter will give Knowledge on what budgeting, budgetary control is , it will go ahead to review issues that have been explored by different authors about budgetary control, performance and then will try to link budgetary control and performance as it has been discovered by other researchers.

Thus, the chapter will give highlight about the topic under study and views of some other authors, economists and researchers in respect to the topic.

#### **2.1 The cash budget and performance of local government**

Budgeting is the process of converting plans into budgets. It is a comprehensive financial plan setting forth- the expected route for achieving the financial and operational goals of an organization.

Frank wood (2002), observes that there is need and concern for cash budgetary control, system in an organization.

It is realized that the role of budgeting in an organization is very significant and it leads to better and efficient performance of organization activities failure to exercise budgeting creates inefficiency and ineffectiveness in performing. Any origination needs to have systems such as budgeting, managerial accounting and financial accounting systems.

According to Gibson (2000), the most important financial information in an organization is a budget(s). This is because, for an organization to manage its performance well there must be budgets laid and followed accordingly.

Gibson further adds that the financial management of an organization depends on the budget(s) prepared by budgeting committees therefore, budgetary control helps the organization to plan for its future which will lead to efficient and effective financial management in the organization.



According to kotler et-al (2002) , budgetary control is based on the initial plans and helps senior managers in establishing specific performance targets for themselves and their subordinates . Budgeting therefore, helps an organization to obtain a more precise estimate of the amount and timing of its future time periods is called budget period, which is usually 12 months. It is clearly known that for the smooth running of an organization there must be a well-prepared budget. Controlling financial affairs in an organization requires a budget. Hence preparation of a complete and accurate budget is important and the effort required in its compilation should not be under-estimated.

The types of budgets used to include expense budgets, revenue budgets ,capital budget and the cash budget . In their role of assuring financial coordination these provide a frame work for the planning process.

## **2.2 The concept of Performance:**

According to Kakuru (2004), a budgeting system aids performance evaluation. Therefore, the comparison of budgeted and actual amounts highlights areas that are performing according to plan and areas that need improvement.

Kakuru further adds that without a cash budget, management may not even know that the company is spending too much cash on inventory. Also all the roles solved by budgets and budgetary control, performance evaluation role is most important because the project promoters will be held most accountable.

Jawaharlal (2001), argues that the budgetary process provides an important part of the total control mechanism needed to monitor the progress of the organization towards achieving its objectives.The budgets act as both direct and indirect aid in the controlling of operations. He further adds that budgetary controls are activities that maintain an on going assessment of the performance of the process in terms of previously established goals and

attempt to correct the process when actual performance is different from planned performance.

### **2.3 Capital budget and performance of local government.**

It is clearly known that for the smooth running of an organization, there must be a well prepared capital budget and budgetary control. Controlling financial affairs and performance evaluation in an organization requires a budget.

Wood and Sangester (2002), argue that a well – managed organization has to develop budgets for every aspect of its operations. He further states that the budget period, the future time span , for which the budget is prepared , varies according to the nature of the specific activity involved short-term operating budgets covering a month or a quarter are useful bench marks to actual results and initiate correct action.

Lucey (2002), observes that budgeting control involves the steps taken by management to ensure that goals and objectives established during the planning stage are attained. Budget serve as guides and targets to managements for decision making, as a basis for performance evaluation.

The financial management guide for sub counties and lower councils (2000), Enumerates that budgetary control helps in motivating the employees at all levels of meeting business goals.

Their participation in preparing the budget makes it their personal target. Failure to involve workers in budgeting process may demoralize them and actually result in poor performance.

Nakajugo (2002), also concurs with Kabali .M. and Mwesigy F(2003), In that budgeting aids in organizing both resources and operations. Effective budget preparation and management control requires a clearly defined responsibility centered on organizational structure with corresponding cost centres.

This helps in increasing the performance levels of the organization, Nakagugo e'tal further adds that budgeting is concerned with the setting of objectives by the project promoter and the allocation of scarce resources by funding body. In turn, form the basis for planning; such planning budgets are important in that they provide estimates of future income/expenditure levels. Hence, enhancing performance in the organization.

### **Performance**

Kotler (2002), defined revenue performance as the analysis of financial inflows to an organization as the retain from landed property or other sources of income that comes back from an investment as in real or personal property.

Edumu (2004), defined revenue performance as the actual revenue collected from the various revenue basis and sources in comparison to the pre- stated budget figures. When estimated. Revenue collection and administration are believed to have a direct relationship with revenue performance. Revenue performance is determined by comparing actual revenue collected with the anticipated revenue for that period of time. The difference between the budgeted revenue figures and the actual revenue figures reflects revenue performances of an organization and as a response to revenue management.

**Budgeted revenue,**

A budget is a quantitative expression of a plan action prepared in advance of the period to which relates. Lucey(2002), Budgeted revenue includes all these anticipated cash inflows to an organization as a whole, prepared in advance of the period to which it relates.

According to Frank woods and songster (2002), when a plan of sources of revenue is expressed quantitatively, its known as budgeted revenue.

**Actual Revenue:**

Is the totality all revenue from all sources of an organization in terms of funds received for a given period of time. Thus gives the total revenue collected by an organization for that particular period of time. For example in local governments , actual revenue is the total of all conditional grants , equalization grants , unconditional grants , donations and local revenue received by that particular local government in a given period of time. Final accounts always give the actual revenue received by an organization, in comparison with the estimated revenue for that particular period.

**Absolute Revenue:**

According to pallisa town council final accounts, absolute revenue figures or estimated with the actual revenue collected. This gives the difference between the anticipated revenue and what has actually been achieved. When the budgeted revenue is greater than the actual collected revenue, revenue performance is regarded as poor and when the actual collected revenue is to equal or more than the estimated revenue , then that is good revenue performance.

**Sources of Revenue:**

The 1995, Uganda constitution mandates the central government to remit/give local governments (District & sub-counties) funds in form of grants and development funds. The local government act section 84

stipulates the grants from central government to local governments as unconditional grants, Equalization grants and conditional grants.

**Unconditional grants:** These are funds remitted to local governments (districts and sub-counties), for a decentralized nature of expenditures and services.

**Equalization grants:** These are the funds given to districts and sub-counties, most especially the least-developed as subsidies or special provisions to enable the local government catch up with the development levels required.

**Conditional grants:** Consists of funds given to sub-counties or districts to finance programs as in the memorandum of understanding between central and local governments.

**Local Revenue:** Section 81 of the local government act empowers local government to levy/charge taxes and collect fees, rates, Rents, stamp duties, personal-graduated taxes-now substituted by graduated tax compensation and licenses. Currently, a conditional grant is allocated to individual local governments basing on the following factors; Population (85 %) , Area ( 15 % ) .

A constant amount per district as a budget support to finance basic administrative expenses. The analysis by government finance commission report (2004), To parliament indicates that these three factors do not fairly distribute the available unconditional grants to local governments.

According to the ministry of finance annual report (2004) to parliament, unconditional grant has not been given priority in the transfers to local governments. The report further indicates that the unconditional grant share in total transfers to local governments has fallen from 24% in 2003/04. The absolute amount has experienced very limited growth overtime in particular the non-wage component has not grown in the last three consecutive years. This implies that the constitutional formula is not being applied.

According to local government finance commission (224), unconditional grant was intended to supplement locally raised revenues and donor support in financing of the decentralized services. However, at the time of decentralizing the services delivery was not accurately qualified to provide a basis for the allocation of matching resources. Further more, the capacity of local governments to identify, assess and collect local revenues was also not empirically tested before hand. As a result, it has been identified that a huge gap exists between the resources being allocated to the decentralized services and the actual resources required.

The (2008) investment-planning guide for sub-counties and lower councils mandates sub-counties to remit 35% of the local revenue to the district and 65% retained at the sub-county for its routine operations and development issues.

## **2.4 Quality of services delivery;**

According to Kolter (2002), Quality service-delivery is defined as the nature of a product or service as perceived by the consumer or public.

Edemu (2004) , defined quality service delivery as availing service conveniently to be users after identifying the gap between consumer expectations and management perception of the product or service offered . Quality therefore, involves the degree to which attributes of services or products desired by the consumers are identified and incorporated in the service or product.

### **2.4.1 Determinants of quality service delivery:**

Quality service delivery according to Kolter (2002), is indicated in terms of accessibility to or products , communication to consumers for example use

of printed materials, courtesy, personnel should be accessible and approachable, credibility, reliable, equipments should be efficient.

Hostage et' al (2002) also explains that service should have the following characteristics, Timeless (should be offered when demanded), perishable, services can not be stored if not consumed and unused service is expired service, variability; that service offered depends on the persons who has offered it and varies from one person to another.

Kakuru (2004), observed that most businesses and organizations staff should offer a conducive, friendly environment with all those people they offer their products or services. Courtesy is attributed to appearance, respect, approachability and friendly signs, towards consumers by service providers towards customers by service providers.

**Reliability;** According to, **Lucy (2002)** for a service to be of quality must be consistently supplied for some reasonable period without interruption.

**Credibility;** Quality services/products should not carry with it doubts to the users or consumers. A product or service provider must portray assign of competence in the service provided.

**Security;** Services provided should not be hazardous or harmful to life or the environment should not be containment or destroyed as a result of service provision. Service consumers should property conceives the services as free from danger to their lives (Kakuru, 2004).

**Competences;** Service providers should have the necessary knowledge or skill to effectively offer the required services as expected by the consumers.

Kotler (2002) suggested that service providers ought to have the required skills to meet the expectations of consumers.

**Intangibility;** Unlike physical products, services can be seen, tested, felt, heard, or smelt before they are bought or consumed. The person

getting or a patient in the psychiatrist's office can not know the exact outcome.

To reduce uncertainty, consumers will look for evidence of the services quality. Consumers will draw inferences about quality from the place, people, equipment, communication materials, symbols, and costs that they see. Therefore, the services providers' task is to manage the evidence.

**Inseparability:** Services are typically produced and consumed simultaneously. This is not true of physical goods which are manufactured, put into inventory, distributed through multiple resellers, and consumed later. If a person renders the services then the provider is part of the service. Because the client is also present as the service is produced, provider client interaction is a special feature of services kolter(2002).

**Variability:** Because services depend on who provides them and where they are provided, service are highly variable, some doctors have excellent bedside manner, others are less patient with their patients some surgeons are very successful in performing a certain operation, others are less successful, service consumer are aware of this variability and often talk of others before selecting a service provider (Kakuru 2004).

**Services can not be stored.** The perish ability of services is not a problem when demand is steady. When demand fluctuates service firms have problems for example, public transportation companies have to own much more equipment because of rush hour demand than if demand were even throughout the day. Some doctors charge patients for missed appointments because the service value existed only at the point.

## **2.5 Gaps that cause unsuccessful services delivery:**

The identified five gaps that cause unsuccessful services delivery, and they formulated a service quality model that highlights the main requirements for delivering high quality.



**Gap between consumer expectants and management perception:**

Management does not always correctly perceive what customers want. Hospital administrators may think that patients want better food, but patients may be more concerned with nurse responsiveness.

**Gap between management perception and service equality specifications:**

Management might correctly perceive customers wants but not set a performance standard.

**Gap between service quality specifications and service delivery:**

Personnel might be poorly trained, or incapable or unwilling to meet the standard.

**Gap between service delivery and external communications:**

Consumer expectations are affected by statements made by service providers.

**Gap between perceived service and expected service:**

This gap occurs when the consumer misperceives the service quality, for example the physicians may keep visiting the patient to show care, but the patient may interpret this as an indication that something really is wrong.

**2.6. The relationship between budget performance and service delivery.****Budget revenue and service delivery:**

According to the local government finance commission, report to June (2002), the capacity of local government to asses, identify, budget and collect local revenue was also not empirically tested before hand as a result. It has been identified that huge gaps exists between the budget revenue; the actual resources required to implement local government activities to achieve the stated objectives. Due to this quality service delivery in local governments has remained behind.

The commission report also sates that the local governments have increasingly found themselves faced with funding gaps, arising out of inadequate transfer from central government in total and meager local

revenue to the extent that the entire unconditional grants is spent on wages and stationary obligations.

This leaves no room for the local government's leadership to participate in the allocation of the funds to fund their areas of priority. This situation clearly has the effect of negating the very Noble objectives and principle of the decentralization policy as a form of government.

And as evidenced from the commission report and the town council find accounts the objectives of local government, hardly can be met leading to inadequate service delivery in the local government.

However, in Pallisa town council or in most local governments the trend of invests is that budgeted revenue is always more than the actual revenue collected , which makes it difficult for the organization to implement its activities leading to poor quality services deliver.

#### **Actual revenue and quality service delivery.**

Edumu (2004) stated that there is close link between controlling and quality service delivery. Thus, quality service delivery and control are often referred to as twins of management kotler (2002) .Emphasized that there is a direct relationship between controlling and quality service delivery will increase as well as consumer satisfaction.

In Uganda, local governments have increasingly found themselves faced with huge funding gaps arising out of inadequate controls from central governments. This leaves no room for the local government's leadership to participate in the allocation and control of the funds to their areas of priority.

However, actual revenue is always less than the budgeted revenue leading to poor implementation of activities, hence, poor quality of services delivery.

**Absolute revenue and quality of service delivery:**

According to pallisa town council final accounts, the difference between the budgeted revenue and what has actually collected or achieved is absolute revenue.

However, in most local governments absolute revenue is always less than the budgeted revenue leading to declining quality of service delivery hence, poor performance of local governments.

## CHAPTER THREE

### METHODOLOGY

#### 3.0. Introduction:

The chapter covered the methods that the researcher employed during the process of data collection. It looked at research design, sampling design, sampling techniques and procedure for data collection tools/instructions, data processing and analysis and limitation of the study.

#### 3.1. The Research Design:

The research employed a cross-sectional survey and both qualitative and quantitative methods were used.

#### 3.2. Sampling Design:

##### 3.2.1. Study Population;

The population included employees and staff of Pallisa Town Council and will comprise of 50 employees.

**Population Table:**

category	Population
Account finance	16
Audit department	14
Human resource	8
Procurement	3
Support staff department	9
<b>Total</b>	<b>50</b>

**Source: Primary data.**

### 3.3 Sample Size:

A sample size of 44 will be considered.

**Table showing population and sample size.**

Category	Population	Sample size	Percentage %
Accounts/finance	16	14	31.8
Audit department	14	12	27.2
Human resource	8	7	15.9
Procurement	3	3	6.8
Supportstaff department	9	8	18.8
	50	44	100

**Source: Primary data.**

### 3.4 Sampling technique and procedures.

Stratified sampling was used where by respondents was put into various strata. Simple random sampling was then used to select respondents from each stratum.

### 3.5 Data collection instruments.

The interview schedule, observations and questionnaires methods were used to collect data from target staff. The questionnaire to be administered will be close ended.

### 3.6 Source of data

The data to be use for this study will be collected from both the primary and secondary data. Primary data was collected by the use of the questionnaire that was administered by the researcher during the field study also interview guide was used. Secondary data was collected from the town council records. (Palisa Town Council).

### **3.6.1 Primary data:**

The data was obtained through interviews with respondents, observations and by self administered questionnaires.

### **3.6.2 Secondary data:**

This was got from the council (Palisa). By reviewing the past performances, financial reports, Text books, Manuals, Journals, Newspapers and the internet.

### **3.7 Data analysis and interpretation:**

The data was analyzed using Statistical Package for Social Scientists (SPSS). The analyzed data will then be interpreted in the form of tables and charts.

## CHAPTER FOUR

### PRESENTATION, INTERPRETATION AND ANALYSIS OF FINDINGS

#### 4.0. Introduction

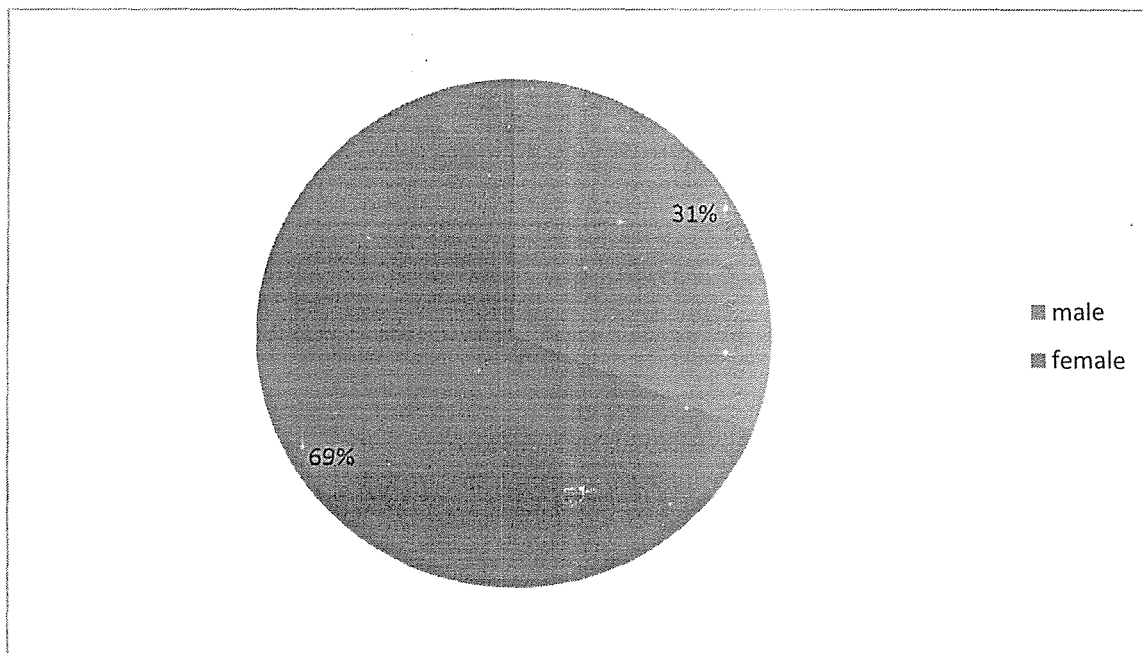
This chapter involves presentation, interpretation and analysis of the research findings.

#### 4.1. Background information

The data was collected from the field using the methodology described in chapter three. During the data collection, questionnaires and interviews were used basing on the objectives and research questions and statistical package for social scientists was used to analyze the data and then presented in form of tables, percentages, bar charts and pie charts.

In the analysis of data, three objectives were tested to determine the effectiveness of budgetary control on the performance of the Town Council. This part presents personal attributes of the respondents that were actively involved in the study. It therefore, shows the sex, age, education level and the experience of the respondents in the Town Council.

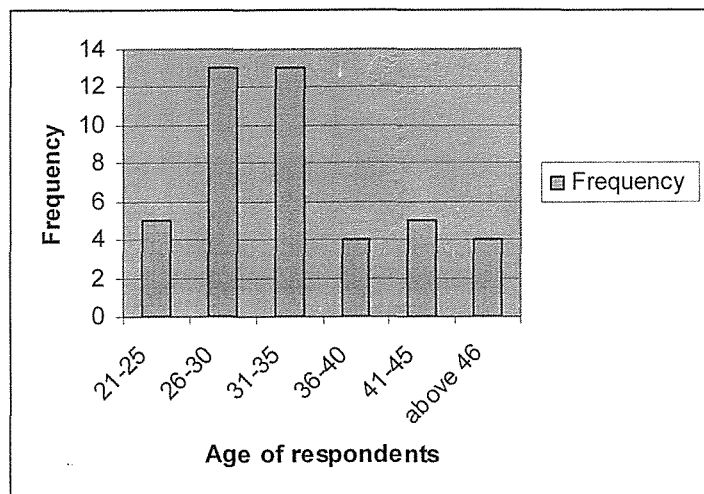
**Figure 1: Gender of the respondents**



**Source: Primary data**

In the figure above, findings show that the highest number of the respondents (69%) was males while the least number (31%) represented the females. This therefore, implies that the Town Council employs more males than females. It can therefore, be concluded that the Town Council employs more males than females.

**Figure 2: Age of the respondents**



**Source: Primary data**

From the above figure, findings revealed that the highest numbers of the respondents (26) were between the ages of 26 to 35 years. 5 were between 41 to 45 years; 4 were above 46 years and 4 were 36-40 while 4 were between 36-40.

**Table 1: Responses showing the experience of the respondents**

Response	Frequency	Percentage
less than 1 year	3	6.8
2 years	29	43.2
3-4 years	8	18.2
more than 5 years	14	31.8
<b>Total</b>	<b>44</b>	<b>100.0</b>

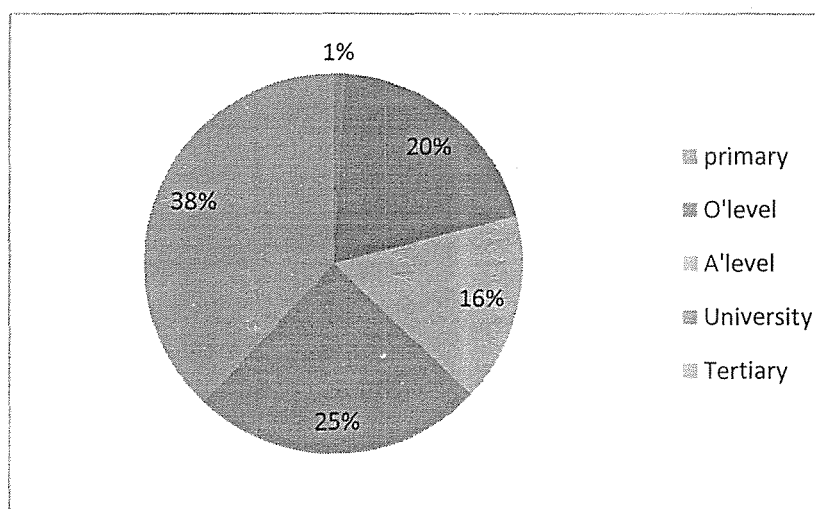
**Source: Primary data**



In the above table, findings revealed that the highest numbers of respondents (43.2%) have served the organization for a period of 2 years, 31.8% have served for a period of more than 5 years and 18.2% have served for a period between 3-4 years while the least number of respondents have served for a period less than one year. This implies that the majority has served the Town Council for the period of two years and this could be a reason for poor budgeting because of the little experience.

The researcher therefore, concludes that majority of the employees have worked in the Town Council for more than 2 years.

**Figure 3: Education level of respondents**



**Source: Primary data**

38% of respondents went through tertiary institution, 25% were University graduates, 16% passed through Advanced level and 20% attained 'O'Level while the smallest number of 1% finished primary education.

This implies that the highest number of respondents had 'A' level and Diplomas. Despite this, they lacked budgeting control knowledge and skills.

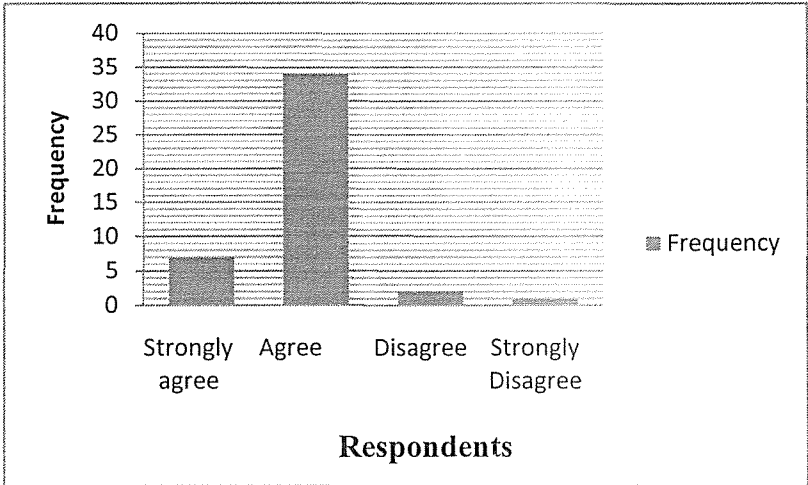
Basing on the findings above in figure 3, the researcher concludes that the Town Council employees attained higher education.

4.2. Findings on the study variables

Findings of study variables were analyzed on specific objectives. The findings were therefore presented in tables as below;

In analyzing whether the budget was read to all members of staff, the responses were as below;

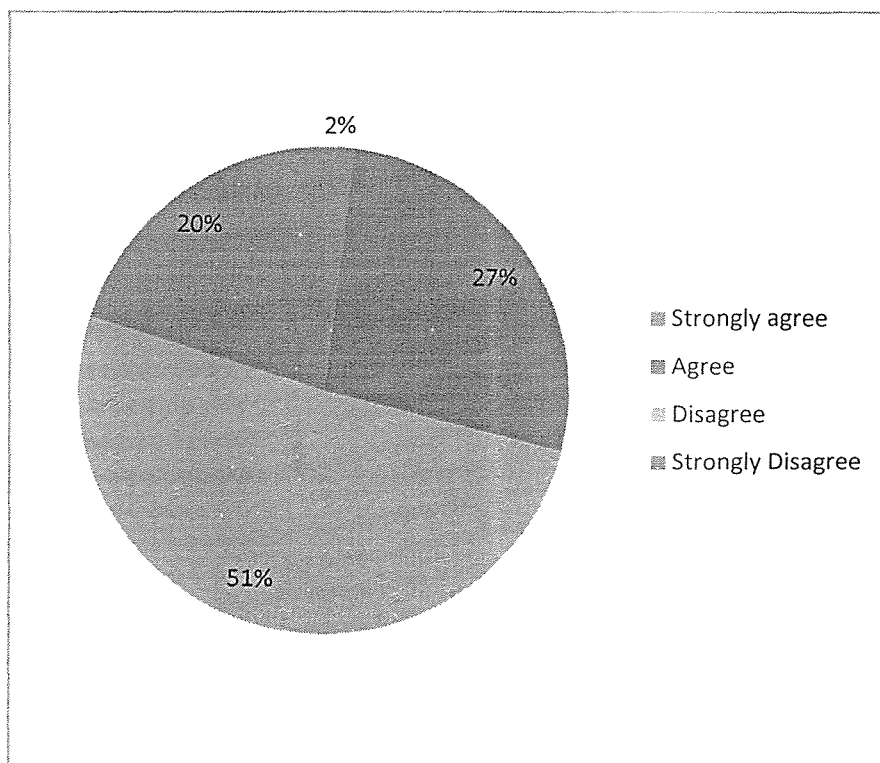
Figure 4: Responses on whether the Budget was read to all members of staff



Source: Primary data

From the above, findings reveal that the highest number of respondents 34 affirmed that the budget was read to all staff members, 7 strongly agreed, 2 did not affirm while the smallest number strongly disagreed and thought it was read many activities budgeted for were not worked on hence leading to poor performance of the Town Council; hence, the 34 respondents make the researcher to conclude the budget was read to all staff members though some activities in the budget were not worked on. However, according to Lucy (2002), if some budgeted activities are not worked on, the performance of sector would be affected hence, making it lag behind.

**Figure 5: Responses on whether Budgetary controls are effective**



**Source: Primary data**

The figure 5 above, shows that 51% of the respondents did not affirm that budgetary controls were effective and efficient, 27% agreed, 20% strongly disagreed, while the least number 2% strongly affirmed. The implication here was that budgetary controls were not well planned.

An analysis of the above figures makes the researcher to conclude that budgetary controls were not effective and efficient in enabling good performance of the Town Council. This is in line with Frank Wood (2002), who stresses that effective budget helps in increasing the performance levels of the organization and failure to have it in place performance would be affected.

In analyzing whether the way budgetary control is done favours the activities of the Town Council. The responses can be indicated as below;

**Table 2: The way budgetary control is done favors the activities of the Town Council**

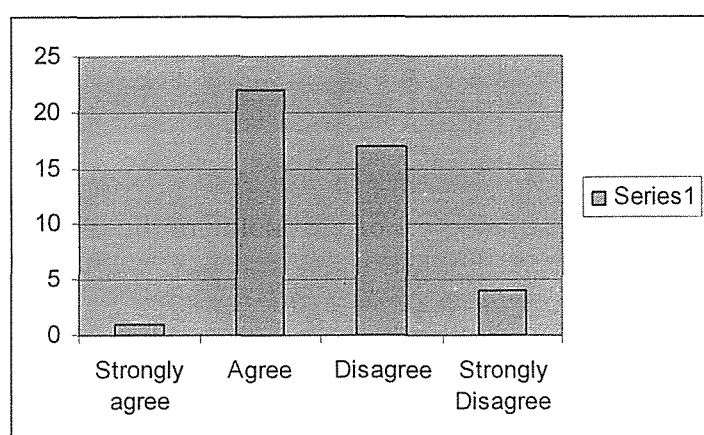
Response	Frequency	Percentage
agree	20	45.5
disagree	16	36.4
strongly disagree	8	18.2
<b>Total</b>	<b>44</b>	<b>100.0</b>

**Source: Primary data**

45.5% of the respondents agreed that the way budgetary controls is done favour Town Council activities, 36.4% did not affirm while 18.2% also strongly agreed. These therefore, imply that highest number of respondents 54.6% did not agree that budgetary control favours the Town Council activities hence leading to its poor performance.

In this regard Wood and Sangster (2002), advance that well organized organization has to be develop budgets for every aspect of its operations. Therefore, the researcher concludes that the budgetary controls do not favour the activities of the Town Council.

**Figure 5: Instances of consultation of budgetary control formulation**



**Source: Primary data**

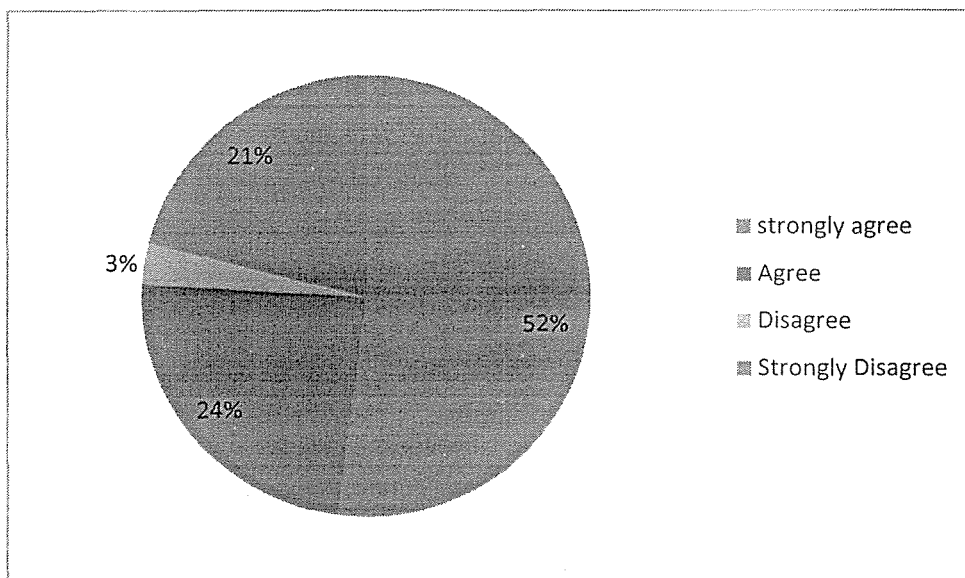
from the figure above, 22 of the respondents agreed that members were consulted, 17 did not affirm, 4 strongly disagreed the least number of respondent (1) strongly affirmed.

The responses therefore, imply that consultations are carried out. Despite the consultations, formulation of the budget was not well done hence, leading to poor performance of the town council. However, Kotler (2002) stresses that a well prepared budget leads to a better cash management, hence boosting performance and success in the organization therefore, through consultation has to be carried out.

From the above findings, the researcher concludes that consultations were carried out. However, the formulation of the budget is still poor. In one of the questions posed to the respondents during the survey, the researcher asked for their opinion as to whether budget controls should be changed.

The responses were presented in the figure below;

**Figure 6: Budgetary controls are recommended for change if the Town council is to manage its cash efficiently**



Source: Primary data

The highest number of the respondents 52% affirmed that change has to be done. 23% strongly affirmed, 2.5% did not agree while the rest strongly disagreed. This implies that majority of respondents feel budgetary procedures be changed if the cash is to be managed effectively. This is in line with Gibson (2000), in that the financial management of an organization depends on a budget (s) prepared and for the organization to manage its performance well, there must be a budget laid down and followed accordingly. This therefore, made the researcher to conclude that budgetary controls changed basing on the findings in the above table.

On finding out whether the budget committee coordinates the budgeting process. The responses in this regard were as shown below:

**Table 3: The budget committee coordinates the budgeting process**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
Strongly Agree	3	6.8
Agree	33	75.0
Disagree	8	18.2
<b>Total</b>	<b>44</b>	<b>100.0</b>

**Source: Primary data**

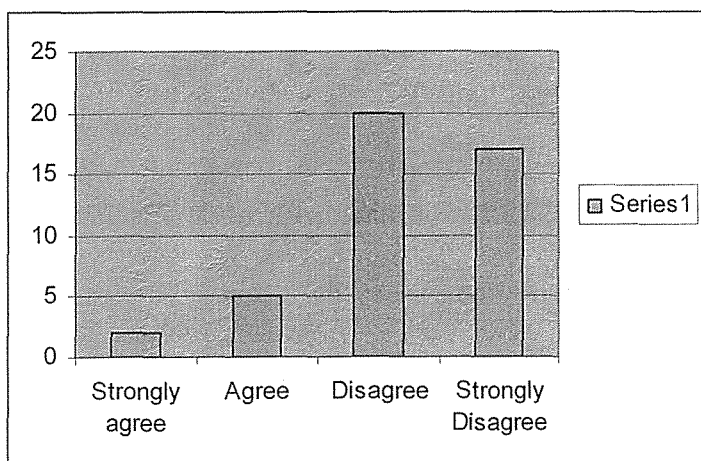
From the above table, the highest number of the respondents 75% affirmed that the budget committee coordinates the budgeting process 20.5% disagreed while 6.8% of the respondent strongly affirmed.

This therefore, implies that budgeting committee coordinates the budgeting process. Despite the coordination, the formulation could be poor hence

contributing to poor performance of the Town Council. In this regard Gibson (2000), argues that budget committee should coordinate the budget process well if the organization's performance is to improve. Analysis of the above results concludes that budget committee coordinates the budgeting process however the formulation is poor hence affecting the performance.

In the similar regard, findings on whether the budget is submitted to the concerned ministry before release of funds, the responses were as below;

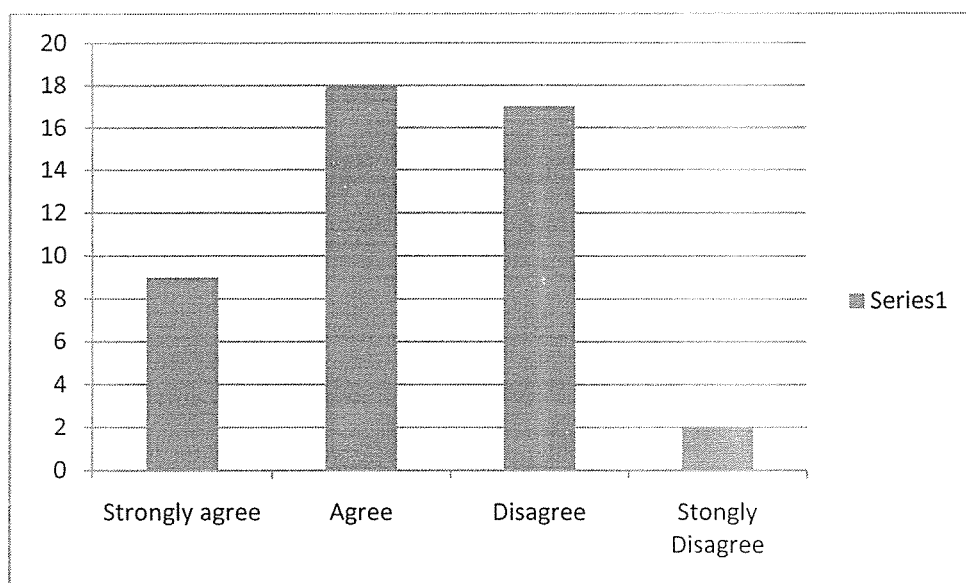
**Figure 7: The budget is submitted to the concerned ministry for release of funds**



**Source: Primary data**

Finding revealed that 20 of the respondents disagreed, 17 strongly disagreed that the budget is submitted before release of funds while 5 affirmed. This therefore, implies that the budget is not submitted to the concerned ministry before release of funds. This therefore, could be why inadequate funds is given to the Town Council making some of the activities untouched hence, leading to poor performance. Analysis from the above results concludes that the budget was not submitted to the concerned authorities before the released funds.

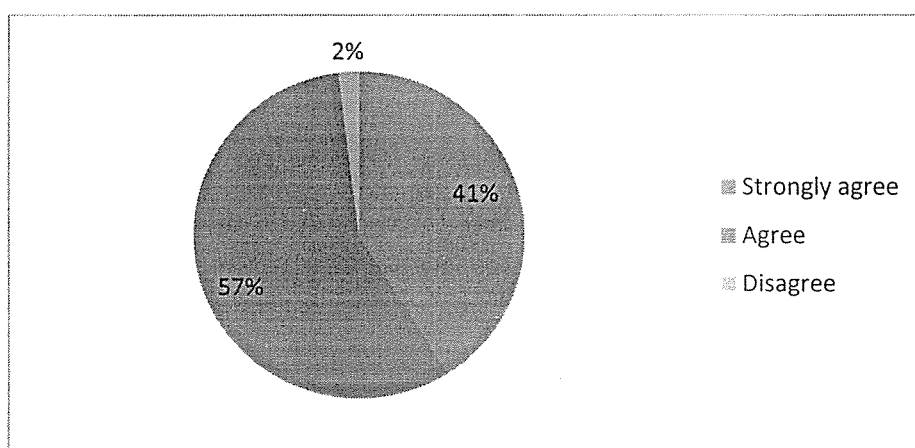
**Figure 8: Figures are inflated in the budgets**



**Source: Primary data**

From the above bar graph, findings show that the highest number of respondents, 18 agreed and affirmed that figures were inflated, 17 did not affirm, 9 strongly affirmed and 2 strongly agreed. This implies that figures were inflated in the budget showed by the highest number of respondents. This could also be the reason for inadequate finding of the Town Council thus contributing to its poor performance. The result from the above concludes that figures were inflated in the budget showed by the 18 of the respondents. Also in the similar regard, the findings on whether the council approves the budget before submission. The responses were as seen below;

**Figure 9: The council approves the budget before submission**



**Source: Primary data**

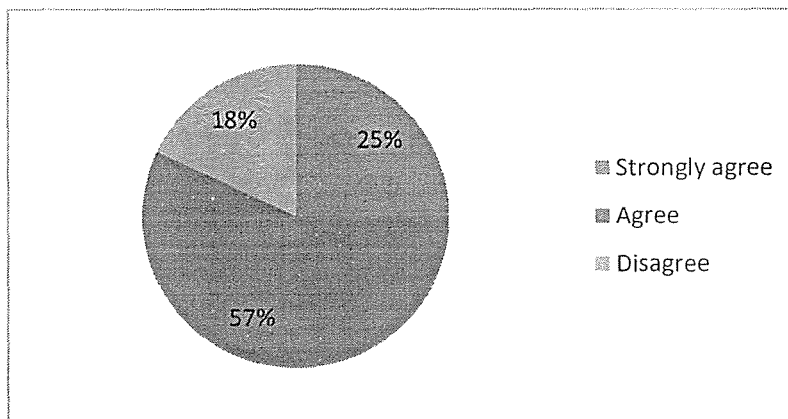


Findings from the above chart reveal that 56.8%, which is the highest number of respondents affirmed or agreed that the council approves the budget before submission, 40.9% disagreed. This therefore, implies that council approves the budget before submission. Despite the approval of the budget by the council, there could have been some weaknesses in the formulation thus contributing to poor performance of the Town Council

Kotler (2002) also adds that the budget has to be approved by the council before submission in order for the authority to plan for the funds to be released.

Analysis from the above results therefore, concludes that the budget is first approved by the council before submission.

**Figure 10: Performance of activities is efficient**



**Source: Primary data**

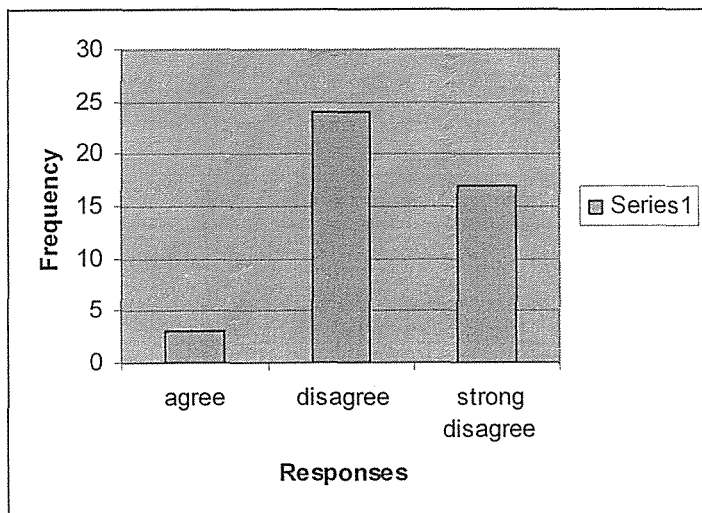
57% of the respondents did not affirm or disagreed that the Town Council's performance of activities was not efficient, 25% agreed while 18% strongly disagreed. This implies that the activiotes performance of the Town Council was not efficient and this is attributed to poor budgetary controls.

This is in line with Jawaharlal (2001) where upon he states that efficient performance depends on the budget and therefore if the budget and

budgetary controls are poor, efficient performance of activities was not efficient basing on the analysis from the results in the table above.

Also in finding out whether cash got from the government is enough to boost the Town Council performance. The responses were as below;

**Figure 11: Cash got from the government is enough to boost the Town Council performance**



**Source: Primary data**

From the figure above, findings show that the highest number of respondents, 24 disagreed, 3 agree and 17 strongly disagreed.

This implies that the cash got from the government is inadequate. This could be attributed to poor budgetary controls hence contributing to the poor performance of the town council. Wood and Saugaster in this regard advance that enough funding aids good performance therefore, enough funds be released to boost the performance of the town council. Hence, concluding that there is inadequate funding of the Town Council which has resulted into poor performance of Pallisa Town Council.

**Table 4: The Town Council performance is not satisfactory**

Responses	Frequency	Percentage
Strong agree	14	31.8
Agree	29	65.9
Disagree	1	2.3
<b>Total</b>	<b>44</b>	<b>100.0</b>

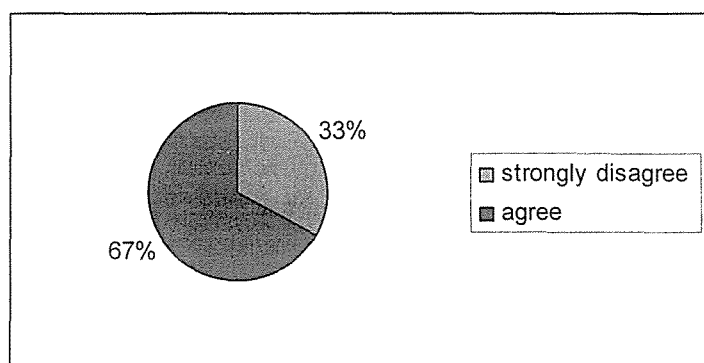
**Source: Primary data**

Findings revealed that 65.9% of the respondents disagreed or did not affirm, 31.8% strongly affirmed, while 2.3% disagreed.

This implies that the Town Council performance was not satisfactory and this is attributed to poor budgetary control and as a result it has contributed to poor performance of Pallisa Town Council since the budgeted activities are not funded. It can be concluded that the performance of the town council was not satisfactory.

In analyzing the awareness of government on inadequate funding to the Town Council, the Responses were as seen below;

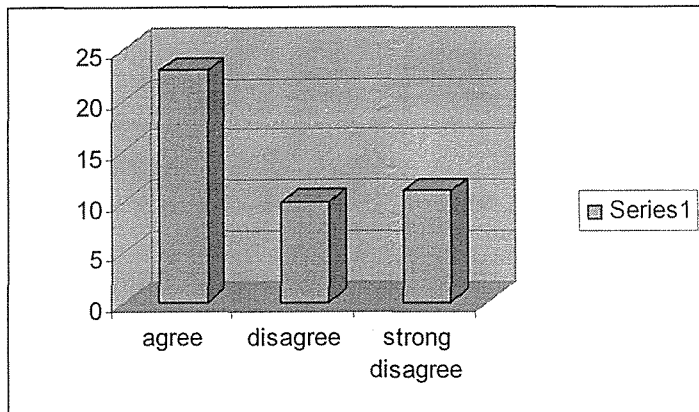
**Figure 12: The government is aware of the inadequate funding to the Town Council**



**Source: Primary data**

In the above figure, the highest number of respondents 67% affirmed or agreed while the rest also strongly affirmed. The responses implied that the government was aware of the inadequate funding because what was budgeted for was not the amount released. This has affected the performance of the Town Council. Basing on the above analysis, there was inadequate funding to the Town Council.

**Figure 13: Poor performance is as a result of poor accountability.**



**Source: Primary data**

From the above figure, findings revealed that 23 of the respondents affirmed, while 11 strongly disagreed while the least 10 did not affirm. Wood (2002), stresses that poor accountability of the funds leads to poor performance since it is characterized with doctoring and window dressing of accounts. Hence concluding that poor accountability affects performance.

These therefore, imply that poor accountability coupled with poor budgetary controls characterized by doctoring and window dressing of the accounts have contributed to the poor performance of the Town Council.

**Table 5: Performance indicators are not good**

Respondents	Frequency	Percentage
Disagree	9	20.5
Agree	29	65.9
Strongly agree	6	13.6
<b>Total</b>	<b>44</b>	<b>100.0</b>

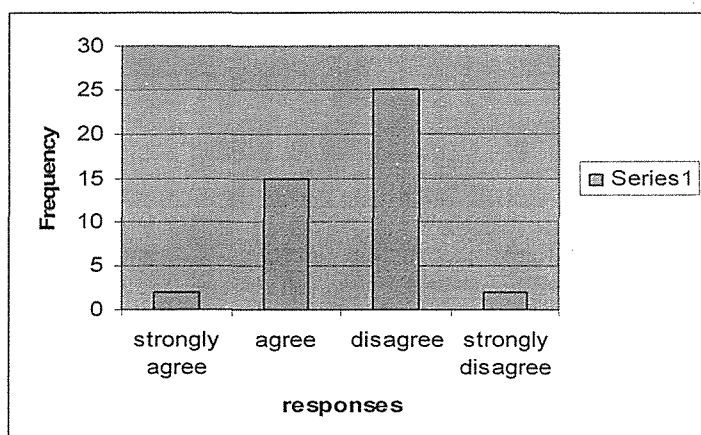
**Source: Primary data**

65.9% of respondents revealed performance indicators were not good thus they agreed, 20.5% disagreed, while 13.6 strongly agreed.

This implies that performance indicators were load since some activities go untackled and this is due to poor budgetary controls that have contributed to poor performance of the Town Council. Kakenu (2001) argues that good performance indicators are associated with growth and development of the organization.

Analysis of the above results concludes that performance indicators were bad and this was as a result of poor budgetary controls.

**Figure 14: Performance review meetings are conducted**



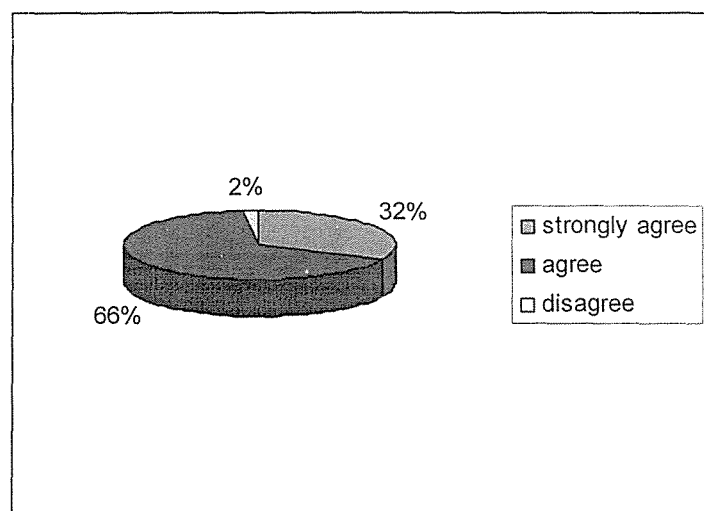
**Source: Primary data**

In the figure above, findings revealed that 25% of the respondents which was the highest number disagreed that performance review meeting were not conducted, 15 agreed, 2 strongly affirmed while 42 strongly disagreed.

This implies that meetings concerning the review of performance were not conducted. These could have partly contributed to the poor performance of the Town Council. If meeting were help perhaps members would have come up with some solutions to curb the situation. Kakuru (2001) also advances that performance review meetings have to be conducted in order to device means of improvement. Failure to have meetings in place nothing would be done to improve performance. It can therefore be concluded that performance review meetings were not conducted based on the analysis above.

Similarly, in analyzing whether good performance achievements could boost the organization, the responses were revealed as below;

**Figure 15: Good performance achievements boost the organization**



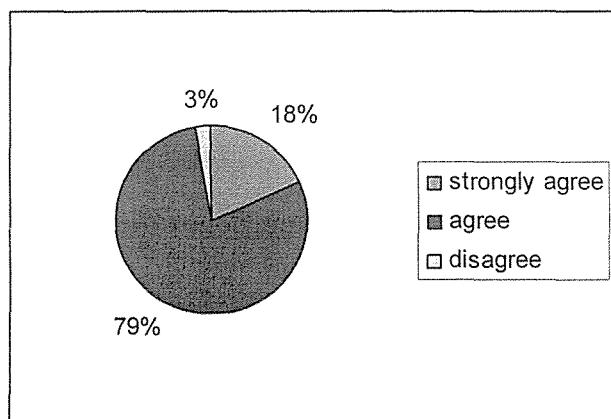
**Source: Primary data**

From the above figure, the highest number of respondents 65.9% affirmed that good performance could boost the organization, 32% strongly affirmed, while the smallest number of respondents 2% did not affirm. These imply that when there is good performance achievements the organization would be boosted hence promoting the cooperate good image. Therefore for any organization to grow and expand its activities have to be championed very well.

This is in line with Jaweharial (2001) who contends that good performance is a result of good plans inform of a budget. He adds that if properly designed budget is in place the performance will be boosted.

Hence 65.9 makes the researcher concede that good performance achievement boost the organization closely related to the above, in analyzing whether the management of Pallisa Town Council measures performance and makes decisions.

**Figure 16: Management measures performance and make decisions**

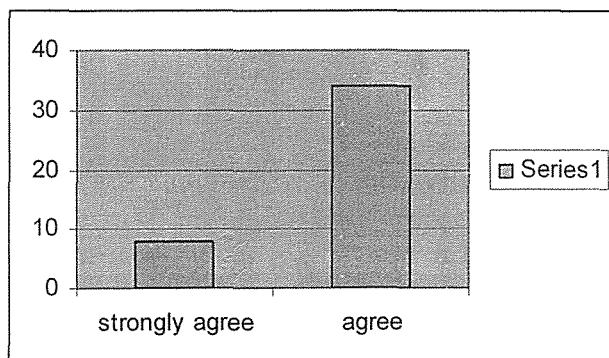


**Source: Primary data**

79% of the respondents affirmed that the Pallisa Town Council's management measures performance and makes decisions, 18% strongly agreed while the least 3% did not affirm. The responses showed that performance measures are taken and decisions are made. Despite, the making of decisions inadequate funding of the Town Council by the

government made it to lag behind. It can therefore, be concluded that decisions are made and management measures performance.

**Figure 17: Responses on whether proper budgetary controls could lead to efficient performance of the cash flow**



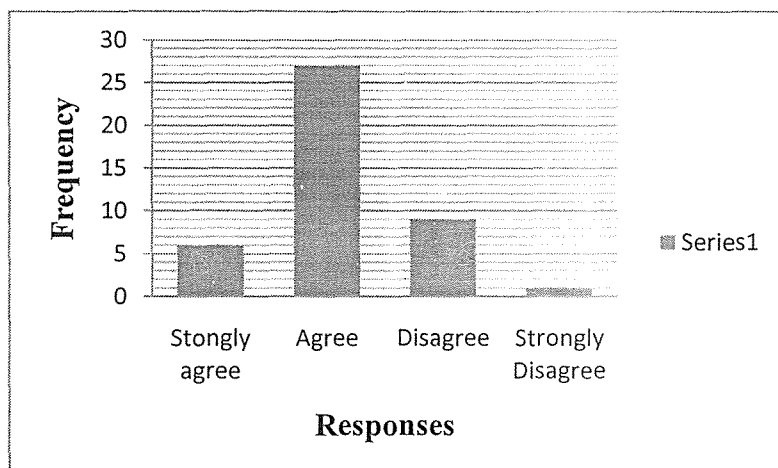
**Source: Primary data**

In the above figure, findings revealed that the highest number of respondents 34 strongly agreed that proper budgetary control could lead to efficient performance of the cash flows, and 8 strongly agreed.

This therefore, implies that for good performance be achieved efficiently there must be proper budgetary control in place. Lucy (2002) also observed that budgetary controls are activities that maintain an on going assessment of the performance of the process in terms of previously established goals and attempt to correct the process when actual performance is different from planned performance. It is concluded from the above findings that proper budgetary control could lead to efficient performance of the cash flow.



**Figure 18: Poor performance of the Town council is as a result of poor budgeting**

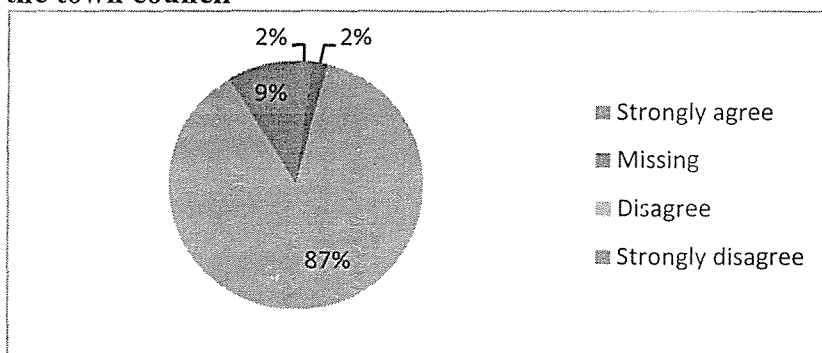


**Source: Primary data**

The responses from the figure above indicate that 27 agreed that poor performance is as a result of poor budgetary controls, 9 did not agree, 6 strongly agreed, 1 strongly disagreed. The implication here is that poor performance is as a result of poor budgetary control. According to Kakuru, poor budgeting distorts the smooth running of the activities and as a result performance would be affected.

Therefore, basing on the above results it can be concluded that poor performance is as a result of poor budgeting.

**Figure 19: Government's budgeting meets all the demands and activities of the town council**

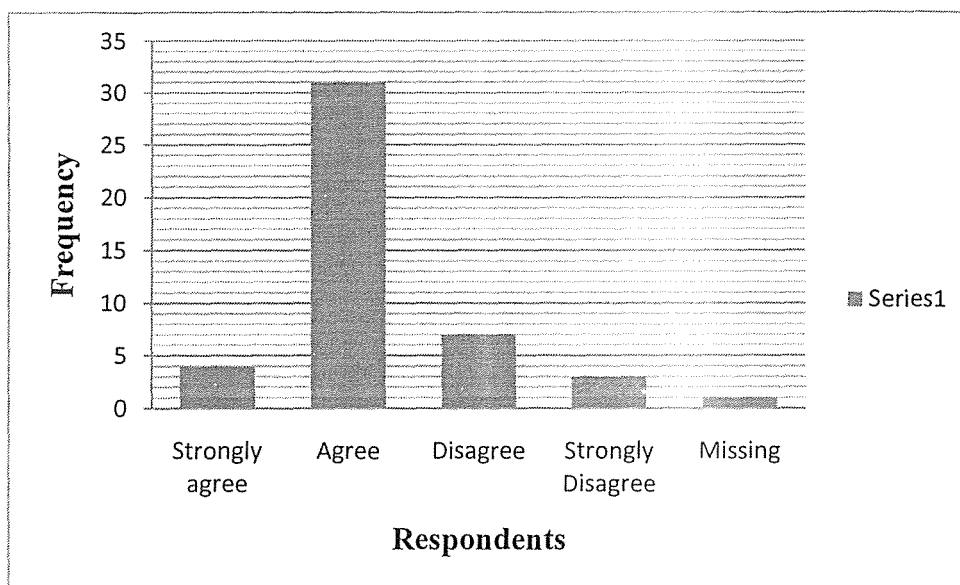


**Source: Primary data**

The responses from the above figure revealed that 87% disagreed that government budgeting does not meet all the demands and activities of Town Council, 9% strongly disagreed, 2% agreed while 2% did not respond.

This implies that there is inadequate finding of the Town Council by the government. It can be concluded that the government does not meet all the demands and activities of the Town Council.

**Figure 20: Budgetary records available for past performance reference**



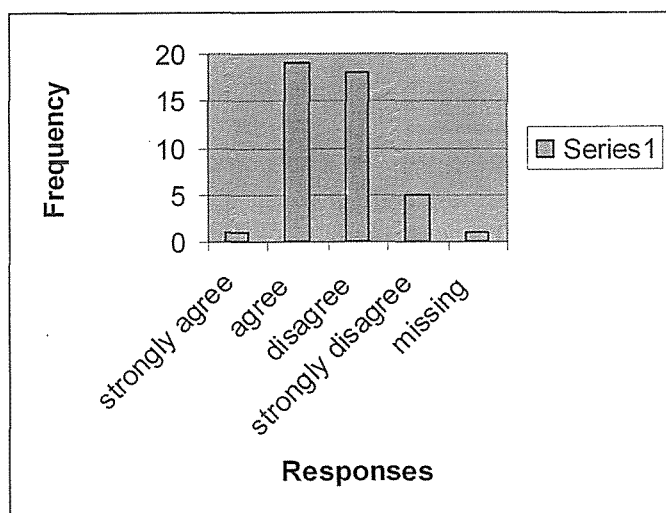
**Source: Primary data**

The findings from the figure above, reveals that 31 of the respondents agreed that records are available, 4 strongly agreed, 3 strongly disagreed, 7 disagreed while 1 showed no response.

This therefore, implies that majority affirmed that records are available. However, accessing the records by other members of the Town Council is difficult. This has intensified the budgeting problem in the organization. Kotler (2002, also affirms that if the records are well kept, performance evaluation would be based on them hence enabling good performance of activities.

It therefore, give a conclusion that Pallisa Town Council keeps the records as shown in the results of the above figure.

**Figure 21: Budget copies are distributed to every department for review in order to evaluate performance**

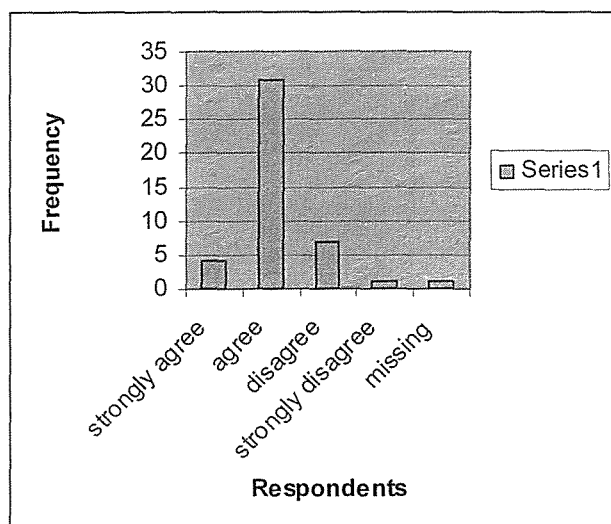


**Source: Primary data**

Findings from figure 20, 19 agreed the distribution of the budget copies to every department, 18 did not agree, 5 strongly disagreed, 1 strongly affirmed and 1 showed no response. This implies that not all members in the departments got the copies of the budget. This left out decisions of very many members on the budget formulation and improvement.

Lucy (2002), argues that enough budget copies have to be distributed to every department to know what is budgeted for or not analyzing the result in table 3. it can be concluded that budget copies were distributed to every department for review in order to evaluate performance.

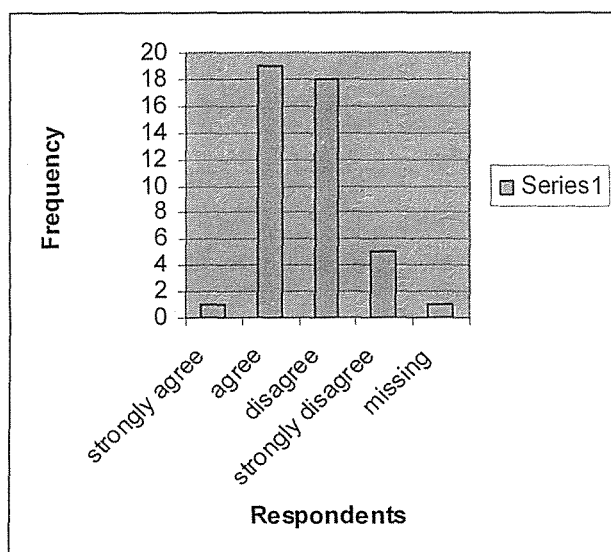
**Figure 22: The budget formulation is influenced by policies**



**Source: Primary data**

Findings from the figure above, 19 affirmed the distribution of the budget copies to every department, and 18 did not affirm.

**Figure 23: Budget copies are distributed to every department for review in order to evaluate performance**

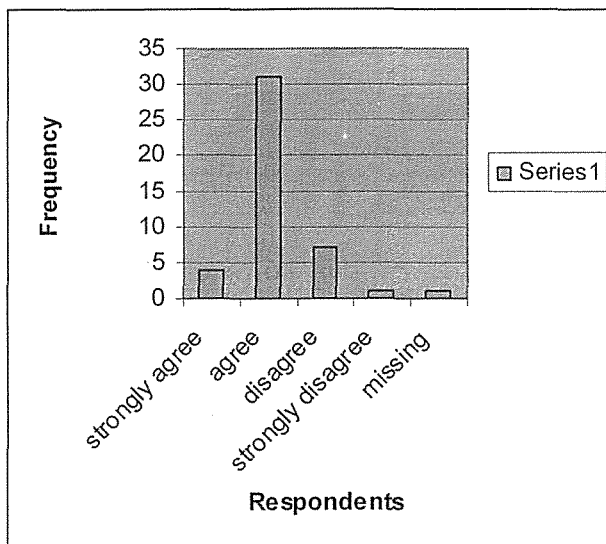


**Source: Primary data**

Findings from figure 22, 19 affirmed the distribution of the budget copies to every department, 18 did not affirm, 5 strongly disagreed, 1 strongly affirmed while 1 showed no response. This implies that not all members in

the departments got the copies of the budget. This left out decisions of very many members on the budget formulation and improvement. Jawaharial (2001) argues that enough budget copies have to be distributed to every department to know what is budgeted for. It can be concluded that budget copies were distributed to every department for review in order to evaluate performance.

**Figure 24: The budget formulation is influenced by politics**



**Source: Primary data**

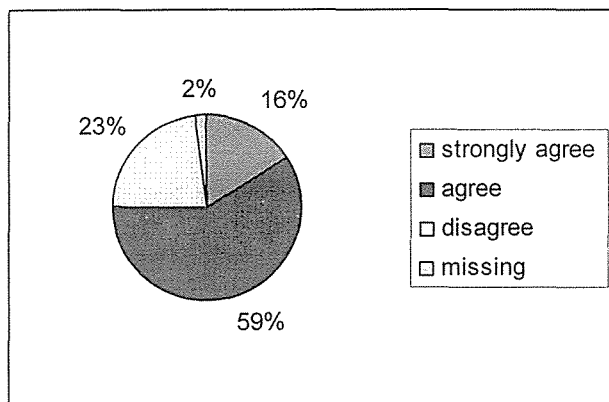
From the figure 23, findings revealed that the highest number of respondents, 4 strongly agreed that politicians influence the budget formulation, 31 also agreed, 7 did not affirm while 7 did not respond.

These responses imply that politician's influences the budget formulation and this could be the reason as to why there is poor performance of the Town Council.

Analysis from the figure, results concludes that the budget formulation is influenced by the politician thus affecting performance.

In analyzing on whether external finance personnel are invited to assist in budgeting process, the responses were given as here under.

**Figure 25: External finance personnel are invited to assist the budgeting process**



**Source: Primary data**

From the figure above, findings indicated that 59% of the respondents agreed that external finance personnel were not invited to assist in the budgeting process, 23% strongly disagreed, 16% strongly agreed while 2 did not response.

The implication here is that there is no invitation of the external finance personnel in the budgeting process. Therefore poor performance is attributed to poor budgeting which is brought about by the unqualified personnel in the budgeting formulation and process.

It can be concluded that external finance personnel were not invited to assist in the budgeting process.

**Table 6: A well prepared budget leads to the better performance and success in the organization.**

Respondents	Frequency	Percentage
Strongly agree	29	65.9
Agree	13	29.5
Disagree	1	2.3
Missing	1	2.3
<b>Total</b>	<b>44</b>	<b>100.0</b>

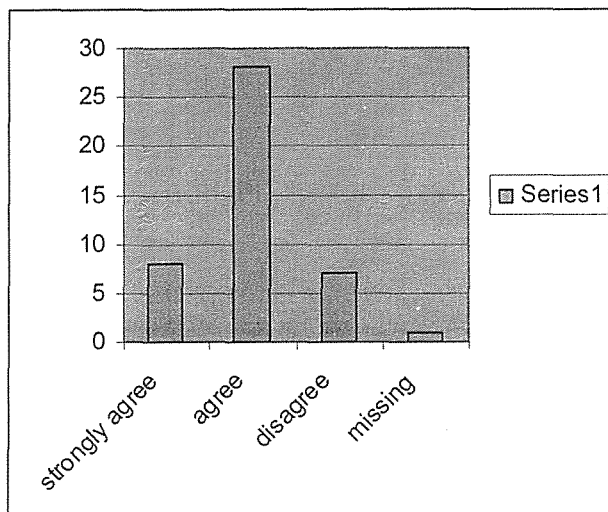
The highest number of respondents 65.9% strongly affirmed that a well prepared budget could lead to better performance and success in the organization, 29% also agreed, 2.3% did not affirm while the rest 2.3% did not respond.

This implies that if a budget is well prepared for example by experienced personnel, there could be better performance and as a result success would prevail in the organization.

This is in line with Lucy (2002) where upon he advance that a well prepared budget leads to the better performance since it services a guide and targets to managers for decision making. It can therefore be concluded that a well prepared budget leads to better performance and success in the organization.

Further, men pausing questions on whether other revenues are collected apart from the government funds, the responses were as below:

**Figure 26: Other revenues are collected**



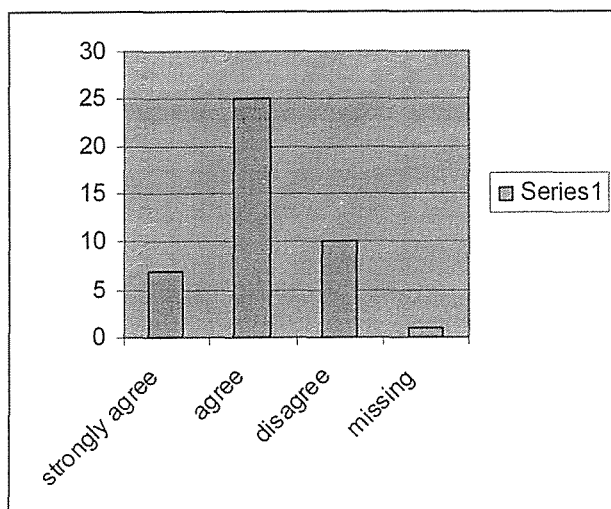
**Source: Primary data**

28 of respondents affirmed that other revenues are collected for example market dues, 8 strongly agreed, 7 did not affirm while no response from 1 of the respondents was registered.

These therefore imply that besides the government funding other revenue are collected by the Town Council. Despite this nothing to improve performance has been done instead money collected ends up in the hands of few individuals. This coupled with poor budgeting has contributed a lot to the poor performance of the Town Council. Analyzing the results in above figure, it can be concluded that other revenue are collected.

Closely related to the above, in analyzing whether other revenues collected are budgeted for, the respondents showed the responses in the figures above.

**Figure 27: Other revenues collected are budgeted for**



**Source: Primary data**



Findings from the above figure, shows that the highest number of respondents 25 agreed that the revenue are budgeted for, 10 did not affirm, 7 strongly affirmed or agreed, 10 disagreed while 1 did not respond. The implication here showed that other revenues got are not budgeted for and instead ends up in the hands of few persons and this has contributed to the performance of the Town Council.

Kotler (2002) argues that all that revenues collected have to be budgeted and accounted for and failure to do so then performance would be affected. It can be concluded that other revenues collected were not budgeted and accounted for.

**Table 7: Other comments for improvement where possible**

<b>Responses</b>	<b>Frequency</b>	<b>Percentage</b>
Automation of accounting system	38	86.4
Capacity building	3	6.8
Staff training to improve on performance	3	6.8
<b>Total</b>	<b>44</b>	<b>100.0</b>

**Source: Primary data**

Majority of the respondents 86.4% suggested the automation of the accounting system, capacity building and staff training to improve the performance of Pallisa Town Council.

The above comments are in line with Wood and Songster (2002) where upon they advance that automation of the accounting system reduces on the fraudulent tendencies. He further adds that capacity building and staff training are factors that can help in boosting performance in an organization.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter involves summary, conclusion and recommendations

#### **5.2 Summary of the findings**

Identifying the existence of budget in Pallisa Town Council, findings revealed that budgeting exists. However, the budgetary controls are not well followed for example consultation of other members.

Also in establishing ways of budgetary control at the Town Council, findings showed that ways of budgetary controls were not flowed for example proper guidelines, use of proper accounting records hence leading to poor performance. While examining the relationship between budgetary controls and performance and in this case budgeting affects the performance of Pallisa Town Council. In establish whether budgetary controls were effective and efficient, findings revealed that budgetary controls were not effective and effective and efficient hence contributing to poor performance.

Also, in finding out whether budgetary controls were recommended for change, the findings showed that budgetary controls be changed if cash is to be efficiently managed.

Findings also revealed that consultation of all members in every department on budgetary control formulation was not done hence denying other

members the chance to participate in the decision making of the town council.

In establishing whether the budget committee coordinates the budgeting process, findings revealed that the committee coordinates the budgeting process. However, the formulation is poor hence contributing to poor performance of Pallisa Town Council.

## **5.2 Conclusions**

During the study, the researcher realized that there were a lot of inefficiency in the performance of Pallisa Town Council and this is attributed to the Town Council's poor budgetary controls.

The researcher during the study also realized that accounting records which the budget bases on were not effectively used and managed hence causing inefficiencies in cash management and performance of the town councils.

During the study, the researcher also realized that delay implementation of revised rates is as a result of poor budgetary controls and insufficient funds from government.

According to the findings above, it was established that performance in Pallisa Town Council is low as actual revenue is always below the budgeted one.

During the study, researcher realized that budget formulation was influenced by the politicians who actually have many different motivates and expectations.

The researcher during the study realized that all members in the departments were not consulted hence denying them participation in the decision making of the Town Council. Thus making coordination very cumbersome.

### **5.3 Recommendations**

The researcher through the study brings out the following recommendations:-

The Town Council should ensure that proper budgetary controls are followed accordingly.

It is also recommended that the town council improves on accounting policies and practices to enhance accounting records by recruiting professionals with ACCA and CPA to manage the finances.

The employees should be motivated to avoid manipulation of the accounts

Pallisa Town Council should ensure that proper planning will be done to meet the budgeted revenue

Town Council should ensure proper monitoring and evaluation of sources of revenue

Town Council should ensure proper monitoring and evaluation of sources of revenue.

The employees should be motivated to avoid manipulating and doctoring of the accounts

Pallisa Town Council should ensure that proper planning is done in order to meet or achieve the budgeted revenue. And as well as the Town Council should always budget within its means.

The Town Council should ensure proper monitoring and evaluation of source of revenue.

Training and motivation of services providers should be done to attain good performance.

Automation of the accounting system, capacity building and staff training should be in place to improve the performance of Pallisa Town Council.

#### **5.4 Areas of further research**

Budgeting and the firms cash flow and out flows

Accounting records and cash management

Budgeting and quality of financial report.

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## APPENDICES

### APPENDIX I: QUESTIONNAIRE FOR THE SELECTED STAFF OF

#### PALLISA TOWN COUNCIL (P.T.C)

Dear Respondents;

I am Mboizi David a student of Kampala International University carrying out research study as partial requirement for the award of Bachelor of Commerce Degree. I request you to spare some time and fill these questionnaires. The information obtained is for academic purpose and will be handled with utmost care and confidentiality.

Thank you for your co-operation.

#### SECTION A: PERSONAL DATA

Please help us classify your responses by supplying the following facts about yourself:

1. What is your sex?

Male ☐ Female ☐

2. How old are you?

18-20 ☐ 21-25 ☐ 26-30 ☐ 31-35 ☐ 36-40 ☐ above 46 ☐

3. What position do you hold in this organization?

Manager ☐ Accountant ☐ Auditor ☐ Acc. Assistant ☐ Cleaner ☐  
Politician ☐ Administrator ☐

4. For how long have you worked in this organization?

Less than 1 year ☐ 2years ☐ 3-4years ☐ More than 5 years ☐

5. What is your highest Educational level?

University ☐ Tertiary ☐ A-Level ☐ O-Level ☐

Others specify.....

Other comments for improvement where possible.....

## SECTION B: BUDGETORY CONTROL

To what extent do you agree with the following descriptions on the budgetary control in the organization. Your respective answers will take a scale ranging from;

1. Strongly Agree
2. Disagree
3. Neutral
4. Agree
5. Strongly disagree

S/N	Statement	1	2	3	4	5
6	The budget is read to all the staff members					
7	Budgetary controls are effective and efficient					
8	The way budgetary control is done favours the activities of the town council					
9	All members are consulted in every department on budgetary controls formation					
10	Budgetary controls are recommended for change if the Town Council is to manage its cash effectively					
11	The budget committee coordinates the budgeting process					
12	The budget is submitted to the concerned ministry					



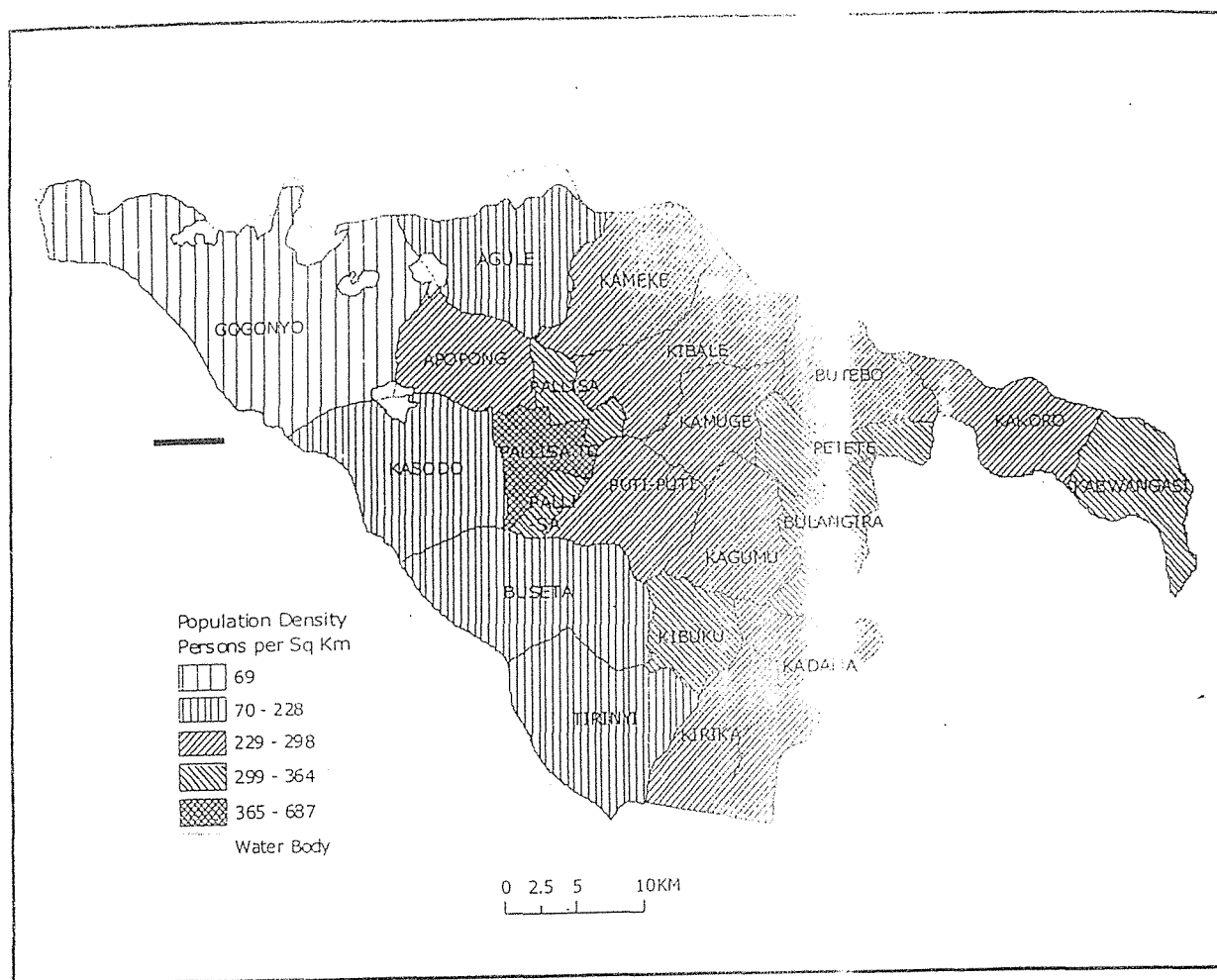
	before release of funds				
13	Figures are inflated in the budgets				
14	The council approved the budget before submission				
15	Performances of activities is efficient				
16	Cash got from the government is enough to boost the Town Council performances				

17	The town council performance is satisfactory				
18	The government is aware of the inadequate funding to the Town Council				
19	Poor performance is as result of poor accountability				
20	Performance indicators are good				
21	Performance review meeting are conducted				
22	Performance evaluation is carried out				
23	Good performance achievement boosts the organization				

24	Management measures performance and makes decisions				
	SECTION C: BUDGETARY CONTROL PERFORMANCE				
25	Poor performance of the town council is as a result of poor budgetary control				
26	Proper budgetary controls could lead to efficient performance and cash management				
27	Governments budgeting meets all the demands and activities of the town council				
28	Budgetary records are available for past performance				
29	Budget copies are distributed to every department for review in order to Evaluate performance				
30	The budget formation is influenced by politician thus, affecting performance				
31	External finance personnel are invited to				

	assist in budgeting procedures				
32	A well prepared budget leads to a better performance and success in the organization				
33	Quarterly reports and review meetings are done				
34	Other revenues are collected				
35	Budgeting system aids performance evaluation				
36	Other revenues collected are not budgeted for.				

# APPENDIX III: MAP OF PALLISA SHOWING THE SUBCOUNTY



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**College of Open Education and Distance Learning**

***Office of the HOD – Business and Management Science***

1<sup>st</sup> May, 2011

**To Whom It May Concern:**

Dear Sir/Madam,

**Introduction Letter for Research**

I have the pleasure to introduce **Mboizi David – BCOM/11389/61/DU** to you. He is a student of **Bachelors Degree in Commerce - Accounting option** at Kampala International University. He is carrying out his research on **“Budgetary Control and Performance of Local Governments”. A Case Study of Pallisa Town Council, Pallisa District**. He is at the data collection stage and your Institution / Organization has been identified as his area of study. It will therefore be appreciated if you can give the best assistance to him for a dependable research work.

The university will be counting on your kind cooperation.

Thank you



Mr. Geoffrey Kasozi  
**HOD – Business and Management Science (CODL)**