

Internal Control and Financial Accountability in Local Government: A Case of Lira City Council

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Background: The study was conducted on internal control and financial accountability in Lira City Council. Specifically, the study explored the level of internal control in Lira Municipal Council, established the level of accountability in Lira City Council, and examined whether there is a relationship between internal control and financial accountability in Lira City Council.

Methods: The study used descriptive research design in the study that was both quantitative and qualitative in nature. Simple random sampling and purposive sampling techniques were used to select 80 respondents. Questionnaires and interview methods were used to collect data while mean and standard deviation were used to measure leadership styles and job satisfaction. Correlation coefficient was used to test the relationship between internal control and financial accountability.

Findings: The findings of the study indicated that monitoring ((Mean=4.057, SD=0.748) had the highest level of performances in the provision of internal control in Lira City Council followed by control activities (Mean=3.767, SD=0.575, Then risk assessment (Mean=3.759, SD=0.781) and control environment (Mean=3.639, SD=0.636) had the least level of performances. The study further found that jointly, control environment, risk assessment, control activities and monitoring 32.0% variation in the level of financial accountability in Lira City.

Recommendations: The study therefore, recommended that management of Lira City should strengthen monitoring activities so as to enhance proper financial accountability in the City. The study also recommended that the management of Lira City strengthen control environment so as to reduce leakages which will culminate into increased financial accountability, the study recommends that risk assessment should be done to all projects and programs of the Lira City Council on a regular basis, the administration of Lira City Council should ensure that there exists effectiveness and strong internal control activities and good financial policies. Lira City Council should also establish strong and effective internal control procedures as provided for in the Accounting Regulations 2007 and Public Finances Management Act, 2015 that can help to minimize risk and finally there is also need to ensure training of employees on financial accountability principles.

Keywords: Internal Control, Financial Accountability