ABSTRACT

This study was carried out to ascertain the internal control systems in assets management. The general objective was to analyse the relevance of internal control systems in assets management. Specifically this study aimed at achieving the following specific objectives; to investigate the causes of fraud, errors and non compliance in Heifer International Rwanda; Assess the limitations for internal control systems in Heifer International Rwanda; examine the impact of control environment towards internal control system in the organization and to suggest possible solutions for the challenges of for internal control systems. To obtain the data, documentary study was adopted, questionnaires were administered and observation method was used. Purposive sampling technique was used to select the appropriate sample from the population. The findings revealed that there were cases of fraud and errors in Heifer international Rwanda from 2008-2010. It was also discovered that there are cases of non compliance to internal control norms and submission of reports. Control environment is not at the peak since there are no trainings for staff on internal control systems organized by the management. It was further explored that there are weak internal control s in procurement and there are no ant-fraud plans underway to mitigate fraud in the organization. Conclusions and recommendations were drawn regarding the attainment of of goals through implementation of concrete internal control systems. The recommendations drawn include staff training on internal control systems, to put in place policies to mitigate fraud and any type of corruption. There should be segregation of duties as a basis of minimizing errors and errors should be corrected as soon as they are identified. There should be consistence inventories of assets and updating assets registers on quarterly basis. Every department or project should be represented in the internal tender committee so that goods and services are bought through acceptable procurement norms. Control measures should be designed purposely for management and utilization of assets and the books of accounts to record the movements of assets.