

**AN ASSESSMENT OF EFFECTS OF FINANCIAL MANAGEMENT PRACTICES ON  
CHRISTIAN GIVING IN BINYINY ARCHDEACONRY DIOCESE OF SEBEI**

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**A RESEARCH REPORT SUBMITTED TO BISHOP TUCKER SCHOOL OF DIVINITY  
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UNIVERSITY**

**OCTOBER-2023**

**Declaration**

I, Musani C Ali Bosco declare that this Research Report is my own work and has never been submitted to any University or Institution of Higher Learning for any Award before.

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**APPROVAL**

This is to certify that this research report entitled: “Assessment effects of the financial management practices on Christian giving in Binyiny Archdeaconry Sebei Diocese.” has been submitted and recommended with my approval as the University supervisor as part of the requirement for the award degree of Master of Divinity.

**Supervisor**

**Omona Andrew David (Rev. Prof.)**

**Sign .....**

**Date.....**

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## **Dedication**

This piece of work is dedicated to my Research Supervisor Rev. Prof. Omona Adrew David and Bishop Tucker School of Divinity and theology staff, my beloved wife Justine and children Israel and Esther and the leadership of Sebei Diocese C.O.U to God be the glory.

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## **Abstract**

This study assessed the effects of financial management practices on Christian giving in Binyiny Archdeaconry Diocese of Sebei Church of Uganda. This particular study aimed at examining the financial management practices, their effects on Christian giving and what the church has done to correct the management challenges that exist. The researcher used a sampling method and self-administered questionnaires to a sample of 47(forty-seven) respondents of which only 38 (thirty-eight) responded representing 85.85% of the total population who included one archdeacon four parish priests, twelve lay readers, five treasurers, five heads of laity. Five Fathers union chairpersons, five mothers' union chairpersons and five youth chairpersons. The research also made a theological reflection on the topic financial management practices and it's finding showed poor financial practices in Binyiny Archdeaconry Diocese of Sebei COU with an average compliance to financial management was just 20.18%. This findings concluded that there are poor financial management practices and the church was responding but poorly which has could be attributed to the low levels of giving in Binyiny Archdeaconry Diocese of Sebei Church of Uganda. The research made observation and recommended that the church ensures proper financial management practices in place and also explore other causes of the low levels of giving like teachings on giving.

# CHAPTER ONE

## INTRODUCTION

### 1.0. Introduction

This chapter covers the background of study, statement of the problem, Purpose of the study, Objectives of the study, research questions, scope of the study, significance of the study and limitations to the study and conceptual frame work.

The church was identified being the largest and one of the most significant groups in the world with an estimated population of 2.3billion Christians making 33% of the overall population and expected to reach 3billion by 2050.

The study assessed the financial management practices effects on Christian giving in the church of Uganda Sebei diocese taking a case study of Binyiny Archdeaconry. The researcher was interested in investigating how the financial management practices affect Christian Giving by studying the Parishes and sub-parishes in Binyiny archdeaconry.

### 1.1. Background of the Study

#### 1.1.1. Financial management

Financial management is the process of planning and controlling your finances such that your expenditure is in line with your revenue/ income for the purpose of achieving your corporate or individual goals without incurring unnecessary debt. It involves planning your income and expenditure streams such that there is enough positive cash flow to execute your core business functions. Broadly, financial management covers the administration and maintenance of financial assets, identification and management of risks, and diversification of financial assets portfolio to ensure regular flow of financial resources in the future.<sup>1</sup>

#### 1.1.2. Financial management Practices

Financial management practice is termed as a discipline that deals with how organizations make decisions relating to financial aspects and instruments. It is a process of acquiring financial resources and measures to enhance the financial performance in firms. It is defined as all aspects dealing with money circulations and money control in all business transactions. It relates to the

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<sup>1</sup> Christian Regoboth Kofi Ahoritor (2009), *Glisten Outreach Seminar Paper*, Glisten Strategic Solutions, Accra Ghana

arrangement and optimal use of financial resources for current and future opportunities in order to improve financial operations.<sup>2</sup>The church is responsible for the financial resources which have been entrusted to it. This responsibility includes safeguarding church assets, exercising in financial matters, accountability to those who provide monetary support to the church and regulatory authorities and compliance with all civil regulations. As such the church is committed to the highest standards of fiscal integrity and accountability. Strong systems of internal controls are needed to safeguard assets by reducing the risks of fraud, mismanagement, waste or embezzlement. It is important that church officials and employees within the church be sure that best financial management practices are being followed. Best financial practices dictate the church organizations review of their policies and procedures in light of the continuing development.<sup>3</sup>

### **1.1.3. Christian Giving**

Something offered in worship or devotion as to a deity, an oblation or sacrifice, a contribution given to or through the church for a particular purpose, as a religious/ church service, anything offered as a gift and such offerings take on so many forms<sup>4</sup>. The forms of giving include tithes, offerings, first fruits and alms giving.

The main objective of the church has been the spiritual and moral development of its members. However, its focus has also been on the development of their mental, social and economic well-being, consequently a number of churches are embarking on development projects in their communities and even national scale. They invest in educational and psychological needs of their members and the society at large. It has become a development partner requiring funds to undertake its activities. The church receives its funds from the members of the congregation, donor groups and the general public and there is need for proper accountability to the funding sources<sup>5</sup>

The church of Uganda canon 1.12 on Finance states clearly that, the church raises its resources from alms giving, tithing, special contributions, investments in land, buildings, institutions and

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<sup>2</sup> Michael Mwangi Muchuchia (2018), The Effects of financial management practices on the financial performance of the companies listed at Nairobi Securities Exchange, Nairobi University, Nairobi Kenya

<sup>3</sup> Committee of Budget and finance and United states conference of catholic bishops (USCCB)(2002) , Financial management (A Guide to Best Practices),Washington D C Web

<sup>4</sup> [www.crossway.org](http://www.crossway.org)

<sup>5</sup> Akotia page 1

other property ownership, Donations from church organizations and friends both from home and abroad in partnership with her. The leadership of the church has the responsibility to ensure faithful and healthy stewardship and the equitable administration of material resources for the benefit of the church as a whole meaning that Christians are direct beneficiaries.

Financial management practice is a stewardship practice and as Paul in his first letter to the Corinthians Chapter 4:1- 2, “*so then, men ought to regard us as servants of Christ and as those entrusted with the secrete things of God. Now it is required that those who have been given a trust must prove faithful*”.<sup>6</sup>The stewardship that Paul meant, also include the stewardship of financial resources and that there must be proper management practices to be regarded as a good steward. maintenance of personal programs, but in terms of how to use the church financial resources for in the service of Gods rule.<sup>7</sup>

Rev. Canon Dr. John Senyonyi’ in his sermon on stewardship on Thursday the 16<sup>th</sup>July2019 during community hour at Nkoyoyo hall Uganda Christian university emphasized seven principles of stewardship as follows; trustworthiness, engagement to work assigned, concern with right and profitable use of resources under one’s care, doing business, working for the master not self, accountability for all resources in your custody. Knowing that the master will come back and Judge and also reward you (Luke.19:11-26, Math.25:14-30). In this context, the leaders should ensure proper financial management practices in the church so as to build confidence in order to motivate the congregation to fellowship with them and give more.

Uganda Christian University core values include stewardship. This states that stewardship is giving accurate accountability, faithful management of ourselves, our relationships and tangible resources knowing that these are given to us in trust for Gods glory.

From the above, the church should embrace the core value of stewardship and practice in financial management practice so as to encourage Christians to give for its developments and growth.

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<sup>6</sup> NIV 1985

<sup>7</sup>Bitimpa Timothy Kuryowa (2018), *Role of Financial accounting on financial management* (Research Dissertation), UCU Library

## **1.2. Problem statement**

Resource management is crucial in the world of scarcity. Individuals as well as organizations are confronted with one management challenge or another. Church organizations, though non-profit-making, mobilize financial resources from both members and non-members for their activities. For church organizations to achieve their goals of expanding the Kingdom of God and preserving God's sheep through prayer, word ministration and welfare promotion, they need not only put their financial resources to good use but also grow these resources overtime. Thus, in the presence of ever-increasing demand for resources to execute projects as churches grow into mega-churches, it becomes imperative that churches adopt sound financial management practices in order to boost their revenue generation and control their expenditures.

Binyiny archdeaconry in Sebei diocese COU, for the last five years since its existence has not been performing well in terms of giving. This has affected its performance in terms of staff welfare, contribution of quota to the Diocese, running expenses and capital development projects and yet potential is there given a reasonable number of Congregants in the Churches who are well endowed with financial resources.

This research assessed the financial management practices in Binyiny Archdeaconry Diocese of Sebei to check whether these practices have any effects on Christian giving. The researcher was able to suggest some steps that the church in Binyiny archdeaconry can use to address the financial management practices effects on Christian giving.

## **1.3. Purpose of Study**

The purpose of this research study was to assess the financial management practices on Christian giving in Binyiny Archdeaconry, Sebei Diocese

## **1.4. Objectives of the Study**

- To establish the financial management practices in Binyiny Archdeaconry, Sebei Diocese
- To assess the church's response to the financial management Practices effects on Christian giving in Binyiny Archdeaconry, Sebei Diocese.
- To analyze the effects of financial management practices on Christian giving in Binyiny archdeaconry, Sebei Diocese.

## **1.5 Research Questions**

What are the financial management practices being carried out in Binyiny Archdeaconry?

How has the church in Binyiny Archdeaconry Responded to the effects of financial management practices on Christian giving?

How does the financial management Practices affect Christian giving in Binyiny Archdeaconry?

### **1.6.0. Scope of the Study**

#### **1.6.1. Geographical Scope.**

This study was conducted in five parishes of Binyiny Archdeaconry, Diocese of Sebei Church of Uganda. Binyiny Archdeaconry is located in Kween District in the central part of Sebei Sub-region where the name Kween means middle in the local language. It borders St. Peters Archdeaconry in Kapchorwa District to the west, Ngenge Archdeaconry to the north, Kaproron Archdeaconry to the East and Mt. Elgon National Park to the south.

#### **1.6.2. Content Scope**

This study focused on the Assessment of financial management practices effects on Christian giving in Binyiny Archdeaconry, Sebei Diocese COU

#### **1.6.3. Time Scope**

This research covered a period of four years that is to say from 2017 to 2021. This time frame was sufficient for the researcher to make an informed Judgment on the performance of Binyiny Archdeaconry in terms of giving.

## **1.7. Justification of the Study**

The choice of Binyiny archdeaconry being one of the most recent archdeaconries to be established in Sebei Diocese COU was that, the records could easily be drawn and the time taken since its inception was reasonable enough to make an assessment on the effects of financial management practices on Christian giving.

### **1.8. Significance of the Study**

The study generated information which shall create awareness among stakeholders which will help to build initiatives for sustainable Christian Giving in Binyiny Archdeaconry Sebei Diocese Church of Uganda.

The study will provide information that will help policy makers' especially Diocesan synod in formulating policies that enhance better financial management practices for better giving by the Christians in Binyiny archdeaconry and Sebei Diocese as a whole.

It will also help the church to know the importance of sound financial management practices to enhance Christian giving for betterment of the church.

It will also help to create better relationship between the church leadership and the Christian congregation and other funding partners in relation to management and giving.

The study will provide useful literature for future researchers in the same field.

It will help the church in monitoring financial management practices and seek advice on the church in Binyiny Archdeaconry and the diocese as a whole.

### **1.9. Limitation of the study.**

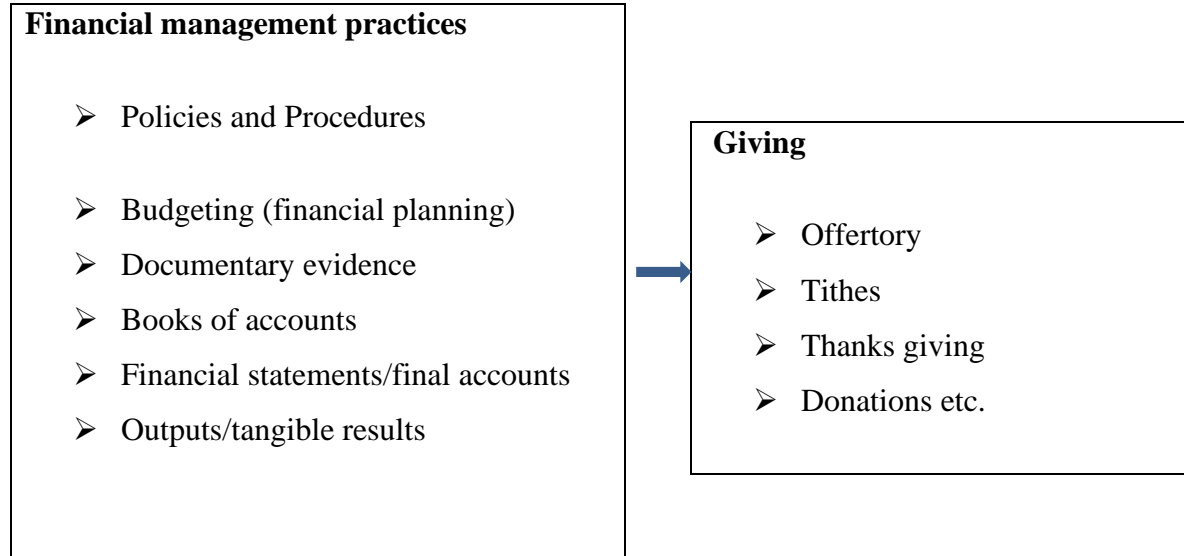
The research study had its own challenges and among them includes some of the following;

- i. The researcher experienced challenges of concealment of information by some respondents for fear that the researcher could have been an auditor.
- ii. The researcher had some Financial constrains during the research which stressed the researcher as he moved from place to place and for purchasing stationary and other requirements for the research
- iii. Most of the Parishes are located in heard to reach areas and transport more especially when it rained made it difficult for the researcher to reach most of the areas of research study in time
- iv. Since it was voluntary for the respondents, their availability in time of need became hectic to the researcher because he found some of them with busy schedules

## 1.10. Conceptual frame

### Independent variables

### Dependent variable



The conceptual frame shows the relationship between the independent variable (financial management practices) and dependent variable (Christian giving). The above figure demonstrates reliability of how each variable is significantly and positively related to the dimension on the questionnaire. All independent variables have significant impact on the dependent variable.

Financial management practices in this study are taken as the independent variable while Christian Giving is the dependent variable. Financial management Practices was measured in form of policies and procedures, Budgeting/financial planning, documentary evidence, Preparation of Books of accounts, Preparation of Financial statements/final accounts while Christian Giving as an independent variable was measured by the level of giving in terms of offertory, tithes, thanks giving, and donations.



## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

This part examined what other writers have written about financial management practices. The researcher aimed at studying other people's views in relation to the effects of financial management on Christian giving in Binyiny Archdeaconry, Sebei Diocese.

Much as the problem under study may have been totally new in regard to Binyiny Archdeaconry Sebei Diocese, some other investigations on the same problem had been carried out in other Dioceses and organizations but not in Binyiny Archdeaconry Sebei Diocese. To show how current investigations relates to the previous investigation and demonstrate how other people had discussed about the problem and how this one differs, the researcher reviewed related literature to the problem this was done based on the research objectives as follows;

- i. To assess the financial management practices in Binyiny Archdeaconry, Sebei Diocese
- ii. To analyze the effects of financial management practices on Christian giving in Binyiny Archdeaconry, Sebei Diocese.
- iii. To establish the church's response to the effects of financial management Practices on Christian giving in Binyiny Archdeaconry, Sebei Diocese.

#### 2.2. Financial management practices in the Church of Uganda.

Management is at the heart of the assignment God has given mankind through Adam to be the keeper of the Garden of Eden, and for that matter the entire earth.

*"The LORD God took the man and put him in the Garden of Eden to till it and keep it." Genesis 2: 15 (RSV)*

The earth and all resources therein have been given to mankind to work on and keep. Keeping, taking care of, preserving, protecting and maintaining something are synonymous actions that

requires management of some kind. The concept of management presupposes that the item to manage can deteriorate, lose value, become useless, or depreciate. Management also entails the use of an object to achieve some objective. In this vein, the word ‘management’ connotes insufficiency of that object in relation to its ends. Thus, insufficiency (scarcity) of resources at any point in time requires people everywhere to be managers of some sort: at a particular place - home managers, farm managers, group/ organization managers, state/ society managers, environmental managers, etc. – and with regard to a particular item - time managers, finance managers, money managers, food managers, resource managers, etc.<sup>8</sup>

The church is an institution which is a vine yard of God and is given the responsibility to manage all resources at its disposal finances being part of the resources. They should be able to have good financial management practices so as to please God who gave her this responsibility and these finances come out from the Christians in form of alms giving, tithes, Donations for the growth of the work of God.

In Binyiny Archdeaconry the researcher having carried out the research found out that the church did not have proper financial management practices in place in most of the churches and the low levels of giving could be attributed to the improper financial management practices in place though some few churches have started to act by putting in place some financial management practices in place for example opening bank accounts, having some receipt books in place but a lot needs to be done.

### **2.2.1 Policies and Procedures**

Financial management activities are supported by policies and procedures that when carried out properly and in a timely manner manage or reduce risks. Financial management is that function in an organization that is concerned with the raising and allocation of resources in order to attain its goals. The public finance and accountability act (2003) section 8 (3) of Uganda affirms the statement above<sup>9</sup>. There is need for a framework that clearly specifies how funds should be managed. The framework may include policies, strategies, and procedures and processes

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<sup>8</sup> Christian Regobeth Kofi (2009), *Financial Management Issues in Church Organizations*, Glisten Strategic Solutions, Accra, Ghana

<sup>9</sup> Kiviiri Herbert (2015), Research Desertation on Financial Management and church investments in Masindi Kitara, Uganda Management Institute, Kampala pg 23

guiding mobilization, banking and cash management, investment, disbursement, auditing, records and information management activities referred to us the financial management system<sup>10</sup>.

The research findings showed that out of the 38(thirty-eight respondents) only 11n (eleven) representing 28.95% said that they had some policies in place but 27 (twenty-seven) respondents representing 71.05% did not have any policies in place. It can therefore be understood that the church in Binyiny Archdeaconry to a greater extend does not use a particular system on mobilizing and using its resources. This can easily be attributed to the low levels of giving in the archdeaconry.

### **2.2.2 Documentary Evidence**

In an organization it is important to know how much cash is flowing through the enterprise as it is to check the profit. Sales may be booming and cash flow apparently healthy, but in reality, the company is making losses, conversely profits may look fine but people are so slow paying thus the company cannot pay debts or even wages<sup>11</sup>

The researcher used the information above to ascertain whether the church in Binyiny Archdeaconry, Sebei Diocese is practicing good financial management practices so as to properly manage resources under there care given by their congregation and other funders. The findings as per table 5.7 showed that out of the out of the 45 respondents, 15 respondents representing 39.47% against 22 representing 60.53% who expressed ignorance of any documentary evidence of financial transactions which casts doubt on whether the resources are being managed well which in turn may be an effect on giving in the church.

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<sup>10</sup>AkotiaYaaakotia(2019), Research Decertation on Financial management of Churches in Ghana, University of Ghana Business School, Ghana Page 3

<sup>11</sup> Ibid page 24

### **2.2.3 Budgeting/Financial planning**

**Matthew.14:28-29** *“suppose one of you wants to build a tower. Will he not first sit down and estimate the cost to see if he has enough money to complete it? For if he lays the foundation and is not able to finish it, everyone who sees it will ridicule him “saying this fellow began to build and was not able to finish “this means that budgeting and planning is theological because these being the words of our Lord Jesus Christ himself and so the church in Binyiny archdeaconry cannot do much in improving Christian giving unless it plans it activities to help improve Christian giving.*

According to Edward J McMillan in his book titled Not-for-Profit Budgeting and Financial management pages 1-2, in preparation of budgets, there is need for accurate and understandable, a working knowledge of terminology and accounting standards. Which Include: accounting periods, accounts receivable (funds expected), accounts payable (funds owed to others), accumulated depreciation (asset lose overtime), Board Designated funds, Building and land, Canalization and others. This information was helpful to the research in checking whether the church in Binyiny Archdeaconry had a financial year and also able to categorize its income and expenditure using the understandable and a working knowledge of terminology and accounting standards.

In page 45 of the same book of Edward J Macmillan, emphasize is that a well-run organization must have an efficient financial operation in place to implement an effective budgeting program. An effective financial operation should integrate the following; accurate financial data, understandable financial statements that meet the organization’s needs, timely financial statements, actual versus budget figures for the period presented and annual audit by an independent certified public accountant (CPA) firm.

Every leader has the responsibility to account for every day transaction and most people are more interested on financial accountability and managers and accountants are expected to show good evidence of financial management by submitting accountability of money received and spent through documentary evidence which include; Budgets, receipts, Vouchers, invoices, bank statements. Books of accounts are kept for easy monitoring of financial transactions by the

owners of wealth, examination of books of accounts are done and financial statements/reports called final accounts are prepared to show results of operations<sup>12</sup>.

Managers and accountants are supposed to show evidence of good financial management by submitting accountability of money received and spent and the methods of accountability include; Production of documentary evidence which involves documents as evidence of money received and well spent which are receipts prepared for money received, vouchers prepared for money spent and invoice as evidence of demand as a result of supply demanding for payment for goods and services provided on credit. Books of accounts where transactions are recorded after documentation such that in case any query or normal monitoring of wealth, examination of books of accounts is normally carried out in order to account properly, transactions must be accurately recorded into books of accounts like the ledgers, cash books journals etc. Financial statements/reports also called final accounts are prepared to show results of the operations for the year ended. The major statements of accounts are; income statement, the balance sheet and the cash flow statement and sometimes monthly trial balance are required for accountability purposes in many organizations. Output/results also provides evidence of proper financial management apart from paper accountability as tangible evidence of money well utilized for example when someone is given shillings fifty million for building classroom blocks, the first accountability to be looked into are the classrooms themselves<sup>13</sup>.

The independent reviewing and issuing of an opinion on the reliability of accounting records usually done by an auditor who is supposed to check whether the books of accounts are prepared and presented according to the generally accepted accounting principles and whether policies and procedures prescribed by management are being followed. The auditor's opinion enables external users to be able to be confident of the information reported in the financial reports<sup>14</sup>.

The information provided above was useful for the researcher in that as he carried out his research, he was able to analyze the financial management practice in place whether budgets are prepared and taking care of the mentioned terms or not, also be able to know whether financial statements are accurately prepared, and in time. The Researcher was also able ascertain whether,

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<sup>12</sup>Omunuku Ben (1999) Page2-3)

<sup>13</sup>Sserwanga Arthur (2005), Introduction to Financial Accounting, Makerere university, Kampala Uganda Pages 5-6

<sup>14</sup> Ibid page 19

comparisons between budget and actual financial figures was done and whether audit is done in Binyiny Archdeaconry or not before the statements are presented. This was important to the researcher be able to confirm whether financial management practices have any effects on Christian giving and suggest what should be done. As per the findings in table 5.7 it was observed that there were no audits done, limited documentary evidence and also limited financial statement presentation.

The researcher used this information to assess whether the church in Binyiny Archdeaconry is accountable to the Christians and evidence by observing whether any financial statements with documentary evidence are prepared by the church in Binyiny archdeaconry so as to be able to make recommendation based on his findings on the subject under study. This helped the researcher assess how the church leadership in Binyiny Archdeaconry relates with its congregation on financial matters.

According to A century of Christianity in Uganda 1877-1977 on independence and the Church part (b) Church Finance said that the finances of the Church of Uganda, formerly native Anglican Church, have always been considered to be precarious condition owing the flimsy foundation upon which the super structure of the church was built. The church, unable to build up any reserves, has lived on a hand to mouth basis with a continual struggle to make ends meet. Attempts have been made to improve the situation, but church finances still lack a sound footing.

The above helped the researcher establish whether the church in Binyiny archdeaconry Sebei diocese has sound financial management practices in place and be able to assess the effects of management systems on Christian giving in Binyiny archdeaconry Sebei Diocese. On budgeting in Binyiny Archdeaconry, the researcher found out that it was less practiced as evidenced by the responses in which out of 45 only 12 representing 31.58% said had budgets and the other 26 representing 68.42% did not and aware that budgets are planning tools on how resources are raised and spent means that most Christians may not be understanding what their contributions are used for and giving is affected negatively.

### **2.3. The effects of financial management practices on Christian giving in the Church of Uganda**

Mathew.25:14-30. Our Lord Jesus Christ spoke about a parable of the ten talents which a master gave to his servants when he was going on a journey. In verse 14 he said that it will be like a man going on a journey, who called his servants and entrusted with his property and 15 the master gave each of them the talents according to their ability; to one he gave five talents, to another two talents and to another one talent. In verse 16 to verse 18 he each of the servants start managing the property where the first and the second traded with the money and each got twice the original while the last on went and dug a hole and kept it just the way the master had given him. And in verse 19 to verses 27 the master comes back to settle accounts with them and each of them gave results of their performance just as they had used them and the first one was quick to say that he had made more five talents on top of the five given. The second two more on top of the two given to him and to the third confidently came forward saying he had kept because of the fear for his both and the master on getting the reports appreciated the first two but for the third one was very disappointed with him for what he had done. In verse 28 to 30 he rewarded the best performer and taking away from the one who had only and even chased him out. From this portion of scripture, we can realize two things that is to say what matters most is how we use the resources which we are entrusted with not how we keep them.

The researcher therefore based on this scripture to find out whether the church in Binyiny Archdeaconry is exercising good financial management practices with the finances that the Christians have given and can testify about the good things that they have used the little money in order to encourage them give more or not so as confirm the effect of financial management practices on Christian giving.

The parties interested in financial information are as follows; internal parties such as management of the organization and employees, External users like; shareholders and stakeholders of the organization, donors, investors, creditors, general public, government, competitors and other financiers<sup>15</sup>. The church has financiers like any other businesses and the

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<sup>15</sup>Ommunuk Ben (1999) page 5-6

primary donor is the Christians who should be motivated to give based what he/she is taking place in his church regarding financial management

The research referred to this information from Ben Omunuk in order analyze how the Christians see their financial management practices and be able to know whether it has had any effect on their giving in the church in Binyiny Archdeaconry, Sebei Diocese. This then helped the researcher draw conclusions on the subject under study.

Under canon 12.1 on finance of the province of the church of Uganda, stipulates that there shall be policies to govern financial management in the entire Church of Uganda and so the researcher was able to establish whether there are any procedures that govern the use of financial resources in Binyiny archdeaconry.

Aware that there are many stakeholders who are interested in the financial management practices in place and among others are the congregation who attend service every Sunday and make contributions in terms offerings, tithes, thanks giving, appeals for donations and others. The researcher on making analysis as per table 5.7 showed that financial management practices are tool low ranging from 0 to 15 out of 38 respondents showing some practices in place and the balance of between 30 to 23 respondents all out 38 showed that there were no proper financial management practices in place hence can automatically be attributed to the low level of giving in Binyiny Archdeaconry.

#### **2.4. The response of the church to the effects of financial management practices on Christian giving**

The response of the church towards the effects of financial management practices on Christian giving, the researcher sought some documentary evidence regarding the financial management practices on Christian giving in Binyiny Archdeaconry, Sebei Diocese.

A church may be likened to any business despite its non-profit nature. Its governance structure and operations must be managed based on good business management methods for it to survive. It may be dubbed as the lord's business; therefore, all things must be done decently and in order. Most churches around the world have their own prescribed constitutions, set of rules Procedures among others that they have custom made to suit their operations. The entire management



structure of the church must be well organized so as to attain a good financial management posture.<sup>16</sup>

On accountability in the local church; how the Meserete Kristos Church in Ethiopia does it is by each local church having a committee of elders selected according to the criteria in the Bible (1<sup>st</sup>Tim.3:1-7, Titus.1:6-7,). These elders design an annual budget. The church members are receipted when they make donations. Where there is a local bank, the funds are deposited and all accounts have three signatories. Each year, the elders give a full accounting of income and expenditure to the congregation. This has built a great deal of trust between the elders and members and that auditing was being introduced into churches led by the head office, which proved a model and example.<sup>17</sup>

This becomes a clear prove that proper financial management builds trust enhancing people's desire to support their church a point that the church in Binyiny Archdeaconry Sebei Diocese COU should embrace.

On communication to stakeholders, the internal affairs of the Penta-costal charismatic church, are made available to members as the executive committee deems fit throughout the year. However, annual church gatherings and reporting on financial matters to the entire congregation are compulsory as per the instructions of church's head office. The church members are regarded as the most important members of the church and therefore all members are informed of financial status quo at least once a year during annual general meeting of the church.<sup>18</sup>

The church of Uganda canon1.12 on Finance states clearly that, the church raises its resources from alms giving, tithing, special contributions, investments in land, buildings, institutions and other property ownership, Donations from church organizations and friends both from home and abroad in partnership with her. The leadership of the church shall have the responsibility to ensure faithful and healthy stewardship and the equitable administration of material resources for the benefit of the church as a whole which means that Christians who form the Church are direct beneficiaries.

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<sup>16</sup>Akotia page 20

<sup>17</sup>Badru Hussein (1998s), *Stewardship for a self-Supporting church*, Inland publishers, Mwanza Tanzania pg21

<sup>18</sup> ET. Appiadu (2019), A mini Desertation on evaluating the financial management Practices in the sustainability of Penta-costal charismatic Churches, North west University page 58

Production of documentary evidence of the money received and spent is one popular methods of accountability. Such documents include Receipts which are prepared when money is received, vouchers are prepared when payment is made duly signed by the authority and the payee, invoices are prepared to show creditors to the institution, Bank slip as prove of money banked<sup>19</sup>.The presence of books of accounts, budgets and preparation of monthly statements such as bank reconciliation statements, budget performance reports and monthly trial balance are a requirement for accountability and final accounts such as income statement, Balance sheet, and cash flow statements are prepared to show performance in the institution<sup>20</sup>.

Managers and accountants are expected to submit accountability of money received and spent and such are on documentary evidence, preparation of books of accounts, financial statements and output/results i.e., tangible outputs as evidence of money well utilized for example if a building was planned for then looking at the building acts as a evidence of proper financial management<sup>21</sup>.

The researcher used this information on documentation and the availability of physical evidence to ascertain whether the church is doing anything to build confidence on the side of its donors both local and external.

This becomes a clear prove that proper financial management builds trust enhancing people's desire to support their church a point that the church in Binyiny Archdeaconry Sebei Diocese COU should embrace and the researcher used this information to ascertain whether the leadership in Binyiny archdeaconry has taken any step to address financial management issues in relation to Christian giving. As per the findings very little has been done as per table 5.7 to administer proper financial management practices because such avenues as involvement of the congregation in planning for resources were only 11 respondents out of 38 said were involved while the remaining 23 said that they were not involved, presentation of financial statements only recorded 4 respondents saying yes while 34 said no which means most church congregation were ignorant on how the resources are being used. One can easily conclude that low giving in

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<sup>19</sup>Omunuk Ben (1999), Fundamentals of Accounting, Uganda Printing and Publishing company corporation, Entebbe page2

<sup>20</sup> Ibid page 3

<sup>21</sup>Sserwanga Arthur. Page 5-6

Binyiny Archdeaconry is largely attributed to the improper financial management practices. The church should therefore make serious interventions to that effect if it is to see results in giving.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1. Introduction**

This part discusses the methodology that was used in the study. It presents an overview of the Research Design, Population Sampling, Sampling Methods or Techniques, Sample Size, Sources of Data, Data Collection Procedure, Data Processing and Analysis.

#### **3.2 Research Design**

In this study the researcher used a case study design to generate in-depth understanding of the factors under study. The researcher also used qualitative approach to explore the attitudes, beliefs, motives and behaviour of respondents hence providing in depth study on the subject matter while quantitative technique was used to provide an understanding of case- effect relationship.

#### **3.3 Study Sample and Sampling Techniques**

The study sample comprised of different categories of respondents selected from Parishes in Binyiny Archdeaconry Sebei Diocese selected using stratified sampling technique. This method of sampling provides for selection of samples from various strata of society.

The study was carried out using 47 respondents of which; a total sample population of 47 which included church leaders and some members of the congregation who included one (1) Archdeacon five (4) parish priests and Twelve (12) lay readers, five (5) heads of laity five (5) Fathers union members, five (5) Mothers union, five (5) Youth leaders, five (5) Parish treasurers of the Archdeaconry and five (5) members of the congregation selected from the five parishes in Binyiny archdeaconry. The above categories of respondents were purposively selected since they were advantageously placed and could provide the required information for this study.

The study presented results from questionnaires according to how respondents responded. Statements of respondents as per interviews contacted per objective. The actual number of respondents who participated in the study compared to the anticipated number as per the sample size of the study. This was presented and tabulated according to the response rate and categorized by sex, age bracket, level of education and occupation as per the tables below

**Table 3.3.1. Response Rate as per target**

| Respondents         | Frequency | Percentage |
|---------------------|-----------|------------|
| Targeted population | 47        | 100%       |
| Actual respondents  | 38        | 80.85%     |
| Variance            | 9         | 19.15%     |

The study targeted 47 respondents in collecting data in relation to the assessment of financial management practices on Christian giving Binyiny Archdeaconry. However out of the 47 questionnaires distributed only 38 representing 80.85% response rate as per table 3.3.1 above showing that most the respondents were interested in the topic of study.

**Table. 3.3.2. Response per Gender**

| Respondents | Frequency | Percentage  |
|-------------|-----------|-------------|
| Male        | 24        | 63.16%      |
| Female      | 14        | 36.84%      |
|             | <b>38</b> | <b>100%</b> |

The response in terms of gender registered more males than the females with 23(twenty-three men) representing 60.5% of the total respondents and 14(fourteen) women representing 39.5% of the respondents as per table 3.3.2 above. This table showed that more men are involved in church leadership than the women.

**Table 3.3.3. Response per Age**

| Age Brackets | Frequency | Percentage |
|--------------|-----------|------------|
| 15-30        | 7         | 18.421%    |
| 31-40        | 17        | 44.737%    |
| 40-Above     | 14        | 36.842%    |

In terms of age bracket, the researcher observed that between 15-30 were 7(seven) respondents representing 18.42% of the total respondents, between 31-40 were 17(seventeen) respondents

representing 44.74% of the total respondents and between 40 and above were 14(fourteen) representing 36.4% of the total respondents as table 3.3.3 above.

The response rate indicated low participation of the young people and this could also mean their participation in church programs is low some thing that needs keen attention.

**Table 3.3.4. Response per level of education**

| <b>Level of education</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------------|------------------|-------------------|
| O'level                   | 4                | <b>10.52%</b>     |
| Certificate               | <b>13</b>        | <b>34.21%</b>     |
| A 'Level                  | <b>8</b>         | <b>21.05%</b>     |
| Bachelors                 | <b>13</b>        | <b>34.21%</b>     |
| Postgraduate              | <b>0</b>         | <b>0%</b>         |

According the levels of education, the respondents had varying levels of education as per table 3.3.4 above and of which and of which 4(four) had at least O'level representing 10.53% of the total respondents, 13(thirteen) respondents representing 34.21% had at least attained a certificate, 8(eight) of the respondents representing 21.05% had attained advance level education,13(thirteen) representing 34.21% had attained a Bachelors and none of the respondents had acquired a postgraduate qualification.

**Table 3.3.5. Response in terms of Occupation**

| <b>Occupation</b> | <b>Frequency</b> | <b>Percentage</b> |
|-------------------|------------------|-------------------|
| Civil Servant     | 21               | 55.26%            |
| Student           | 4                | 10.53%            |
| Peasant farmer    | 13               | 34.21%            |
| Business          | 0                | 0                 |
| <b>Total</b>      | <b>38</b>        | <b>100%</b>       |

The response rate in terms of occupation as per table 3.3.5 above out the 38(thirty-eight) respondents was 21(twenty-one) respondents representing 55.26% were civil servants, 4(four)

representing 10.56% were students, 13(thirteen) representing 34.21% were peasant farmers and there was no businessman.

### **3.4.0 Data collection method.**

The researcher used both Primary and Secondary sources of Data. In the primary source, data the researcher obtained information through observation, direct contact with the respondents and interview. In the Secondary source of data, the researcher used the available written sources to analyze data on the effects of financial management Practices on Christian giving in Binyiny Archdeaconry Sebei Diocese.

#### **3.4.1 Questionnaires**

Questionnaires are research instruments consisting of a series of questions and other prompts for the purpose of gathering information from respondents. These were prepared particularly to gather information to assess the effects of financial management practices on Christian giving in Binyiny Archdeaconry Sebei Diocese. The questionnaires were intended to enable the researcher to find out the rate at which financial management practices affect Christian giving in Binyiny Archdeaconry Sebei Diocese. The questionnaires were given to respondents who included the Archdeacon, parish priests, lay readers, heads of laity, Fathers union leaders, Mothers union leaders, youth leaders, Church treasurers and members of the Christian congregations. (See appendix I: questionnaire)

#### **3.4.2 Interviews**

Interviews are conversation between two or more people where questions are asked by the interviewer to establish statements from the interviewee. The researcher used both semi-structured questions and oral interviews which were conducted to acquire in-depth information from the respondents about the effects of financial management on Christian giving in Binyiny Archdeaconry Sebei Diocese. The researcher used the interview guide to maintain consistence of the answers from the respondents (see appendix II: interview guide).

### **3.5 Data collection procedures**

A letter was obtained from Bishop Tucker School of Divinity and Theology of Uganda Christian University Mukono permitting the researcher to proceed with his data collection. A copy of this letter was presented to the Archdeacon Binyiny Archdeaconry Sebei Diocese where the

researcher carried out the study. After securing permission from the relevant authorities, the researcher proceeded and visited the Parishes. The researchers started with the Office of the Archdeacon and formally introduced himself explaining the purpose of his visit and the rationale for choosing the Archdeaconry as the area of study. All the respondents were assured of confidentiality and security of their information. The researcher then used the available resources in the library and other published and non-published materials in and outside the library.

### **3.6 Data Analysis Presentation.**

The researcher used both qualitative and quantitative methods. In quantitative method, the researcher used a formal, objective and systematic process where numerical data was used to obtain information. This included the use of tables and other statistical elements. While on the other hand the qualitative method, the researcher explored and gained understanding of factors affecting Christian giving in Binyiny Archdeaconry Sebei Diocese. The collected data has been tabulated and then discussed as per the table below 3.3.6

#### **3.3.6 Response on the financial management Practices**

| <b>Management practice</b>                               | <b>Yes</b> | <b>%age</b> | <b>No</b> | <b>%age</b> | <b>%age Variance</b> |
|--|------------|-------------|-----------|-------------|----------------------|
| Availability of Policies and Procedures                  | 11         | 28.95%      | 27        | 71.05%      | (42.1%)              |
| Budgets Being Made                                       | 12         | 31.58%      | 26        | 68.42       | (36.84%)             |
| Involvement of the congregation in budgeting             | 11         | 28.95%      | 27        | 71.05%      | (42.1%)              |
| Having Books of accounts in place                        | 1          | 2.63%       | 37        | 97.37%      | (94.69%)             |
| Documentation of transactions                            | 15         | 39.47%      | 23        | 60.53%      | (21.06%)             |
| Bank accounts  | 12         | 31.58%      | 26        | 68.42%      | (36.84%)             |
| Operating petty cash system                              | 3          | 7.89%       | 35        | 92.11%      | (84.22%)             |
| Auditing Books of accounts                               | 0          | 0%          | 38        | 100%        | (100%)               |
| Presentation of financial statements to the congregation | 4          | 10.53%      | 34        | 89.47%      | (78.94%)             |

The research aimed at assessing the financial management practices as per table 3.3.6 above and the respondents based on what happens in their respective churches on adherence to the financial



management practices being below average symbolized by a yes and non-adherence to be very high as per the table symbolized by a no showing none existence which significantly shows that the church largely does not practice proper financial management practices. Most of the respondents more especially on the clergy side expressed ignorance on some of basic financial management practices recommending that it would be prudent to undergo some training on basic financial management practices. Some of the respondents interviewed said that most of the church treasurers are lay people who do not have any training on book keeping and only believe that collection of money is based on the need at a given time.

Some of the interviewees gave their opinions on what is done well in their churches and what is not done well in managing finances and among the practices done well were to those who have bank accounts said that the practice was okay for the safety of finances whereas some said that money is kept in the hands of treasurers which is a great risk. Also, the lack of budgeting in most of the churches does not motivate the Christians in giving making them reluctant in giving.

Other respondents blamed the low giving on the lack of knowledge on giving on the side of Christians. This was evidenced by records which indicated very low giving in a church with a population of 100 Christians registering the highest in a Sunday of 65,000(sixty-five thousand and as low as 23,000(twenty-three thousand shillings) on a Sunday service. It was also noted that out the 17 (seven churches) only three churches manage to finish their quota remissions to the Diocese for the year 2020

## CHAPTER FOUR

### DATA PRESENTATION AND ANALYSIS

#### 4.1 Introduction

The study assessed the financial management practices in Binyiny Archdeaconry Sebei Diocese church of Uganda (COU). This study specifically looked at the effects of financial management practices on Christian giving in the churches in Binyiny archdeaconry.

The study presented results from questionnaires according to how respondents responded. Statements of respondents as per interviews contacted per objective. The actual number of respondents who participated in the study compared to the anticipated number as per the sample size of the study.

#### 4.1. Assessment of financial management practices in Binyiny archdeaconry

##### 4.1.1 Response on the financial management Practices

| Management practice                                      | Yes | %age   | No | %age   | %age Variance |
|--|-----|--------|----|--------|---------------|
| Availability of Policies and Procedures                  | 11  | 28.95% | 27 | 71.05% | (42.1%)       |
| Budgets Being Made                                       | 12  | 31.58% | 26 | 68.42  | (36.84%)      |
| Involvement of the congregation in budgeting             | 11  | 28.95% | 27 | 71.05% | (42.1%)       |
| Having Books of accounts in place                        | 1   | 2.63%  | 37 | 97.37% | (94.69%)      |
| Documentation of transactions                            | 15  | 39.47% | 23 | 60.53% | (21.06%)      |
| Bank accounts  | 12  | 31.58% | 26 | 68.42% | (36.84%)      |
| Operating petty cash system                              | 3   | 7.89%  | 35 | 92.11% | (84.22%)      |
| Auditing Books of accounts                               | 0   | 0%     | 38 | 100%   | (100%)        |
| Presentation of financial statements to the congregation | 4   | 10.53% | 34 | 89.47% | (78.94%)      |

The research aimed at assessing the financial management practices as per table 4.4.1 above and the respondents based on what happens in their respective churches on adherence to and availability of financial management practices being below average symbolized by a yes and

non-adherence to be very high as per the table symbolized by a no showing nonexistence which significantly shows that the church largely does not practice proper financial management practices. Most of the respondents more especially on the clergy side expressed ignorance on some of basic financial management practices recommending that it would be prudent to undergo some training on basic financial management practices. Some of the respondents interviewed said that most of the church treasurers are lay people who do not have any training on book keeping and only believe that collection of money is based on the need at a given time.

In page 45 of Edward J Macmillan, emphasize is that a well-run organization must have an efficient financial operation in place to implement an effective budgeting program. An effective financial operation should integrate the following; accurate financial data, understandable financial statements that meet the organization's needs, timely financial statements, actual versus budget figures for the period presented and annual audit by an independent certified public accountant (CPA) firm.

Every leader has the responsibility to account for every day transaction and most people are more interested on financial accountability and managers and accountants are expected to show good evidence of financial management by submitting accountability of money received and spent through documentary evidence which include; Budgets, receipts, Vouchers, invoices, bank statements. Books of accounts are kept for easy monitoring of financial transactions by the owners of wealth, examination of books of accounts are done and financial statements/reports called final accounts are prepared to show results of operations<sup>22</sup>.

From the above statements availability of financial management practices is a must for every organized institution in which the church is not exceptional justifying the fact that you can separate the low level of giving to the finances are managed yet here in Binyiny we have these practices being below average.

#### **4.2 The effects of financial management Practices on Christian giving in Binyiny Archdeaconry**

Some of the interviewees gave their opinions on what is done well in their churches and what is not done well in managing finances and among the practices done well were to those who have

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<sup>22</sup>Omunuku Ben (1999) Page2-3)

bank accounts said that the practice was okay for the safety of finances whereas some said that money is kept in the hands of treasurers which is a great risk. Also, the lack of budgeting in most of the churches does not motivate the Christians in giving making them reluctant in giving.

Other respondents blamed the low giving on the lack of knowledge on giving on the side of Christians. This was evidenced by records which indicated very low giving in a church with a population of 100 Christians registering the highest in a Sunday of 65,000 = (sixty-five thousand and as low as 23,000= (twenty-three thousand shillings) on a Sunday service. It was also noted that out the 17 (seven churches) only three churches manage to finish their quota remissions to the Diocese for the year 2020.

From the findings of the study, the research showed that financial management in the of Uganda Binyiny archdeaconry in Sebei Diocese is not being done well and could be attributed to low levels of giving in the church.

The parties interested in financial information are as follows; internal parties such as management of the organization and employees, External users like; shareholders and stakeholders of the organization, donors, investors, creditors, general public, government, competitors and other financiers<sup>23</sup>. The information provided Ben omunuk clearly specifies those who are the right beneficiaries of this financial information and of which the Christians are our donors and also owners the churches but when they not satisfied then they will give with reservations.

The gospel according to St. Matthew.25.14-32 Jesus gave a parable of the talents in which servants were given each according to their ability by their master who had gone on a journey and on coming back required accountability. Each of these servants got a reward with one loosing even the little he had. On the basis of this scripture there is therefore doubt that Christians once they don't trust the system can even withdraw their giving and this should be given serios attention for the Christians to trust the church with their resources.

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<sup>23</sup>Ommunuk Ben (1999) page 5-6

### **4.3. The Church's response to the effects of financial management Practices on Christian giving.**

This research found out that there were attempts by some churches to put measures in place to address financial management challenges in Binyiny archdeaconry but the response was below average as per table 4.1.1. It was observed that on the area of policies and procedures out of the 47 respondents only 11(eleven) had put in place some procedures representing 28.95%, Planning and budgeting the findings showed that out of 47 only 12 prepared budgets representing 31.58%, on involvement of the congregation only 11(eleven) representing 28.95% of the respondents showed that their congregation is involved in the budget process. Other financial management practices like availability of the books of accounts indicated very low response with only 1(one) representing 2.63%,documentation like have receipt books and vouchers was about 15(fifteen) representing 39.47% fair, bank accounts 12(twelve) representing 31.58%, petty cash system in place only 3( three) representing 7.89% which was low auditing zero(0) and presentation of financial statements 4(four) representing 10.53%.

On average the intervention by the church in Binyiny archdeaconry on the financial management practices was still below average as per the research findings on table 4.1.1 above

A church may be likened to any business despite its non-profit nature. Its governance structure and operations must be managed based on good business management methods for it to survive. It may be dubbed as the lord's business; therefore, all things must be done decently and in order. Most churches around the world have their own prescribed constitutions, set of rules Procedures among others that they have custom made to suit their operations. The entire management structure of the church must be well organized so as to attain a good financial management posture.<sup>24</sup>

On accountability in the local church; how the Meserete Kristos Church in Ethiopia does it is by each local church having a committee of elders selected according to the criteria in the Bible (1<sup>st</sup>Tim.3:1-7, Titus.1:6-7,). These elders design an annual budget. The church members are receipted when they make donations. Where there is a local bank, the funds are deposited and all accounts have three signatories. Each year, the elders give a full accounting of income and

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<sup>24</sup>Akotia page 20

expenditure to the congregation. This has built a great deal of trust between the elders and members and that auditing was being introduced into churches led by the head office, which proved a model and example.<sup>25</sup>

From the above the church being Gods business means that God monitors its operations so we should manage according to the procedures which should be laid down and learning from the Meserete kristos church in Ethiopia the church in Binyiny Archdeaconry is missing a point by not practicing the financial management practices fully and should be able to pick a leave fom their approach so as to attract increase in Christian giving.

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<sup>25</sup>Badru Hussein (1998s), *Stewardship for a self-Supporting church*, Inland publishers, Mwanza Tanzania pg21

## **CHAPTER FIVE**

### **THEOLOGICAL REFLECTION OF FINANCIAL MANAGEMENT PRACTICES**

#### **5.1 Introduction**

This chapter explains how this topic of study fits in God's plan and its relevance in the Church ministry giving biblical evidence of proper financial management practices in the ministry.

The church needs money and that the primary source of that money is its owners. The church needs money to pay for all those who are in its employment, and especially those who do the work of pastoring the flock and preaching. Such individuals often need transport and accommodation, which the church has to pay for. The church also needs money in order to maintain its buildings and pay its utility bills and various other fees imposed on it by the municipalities and the state. Churches without their own buildings need to pay rent for the place where they meet and so no one can ever doubt that every church needs money and the bigger question is how the church should raise its money.

The findings show that most churches do not prepare budgets and budgets are quantitative plans which acts as a tool to for raising and using the money table 4.7 puts budgeting at 31.58% and subsequently other management practices are low and so Christian becomes since the Christian may not be aware of how much is required and how it will be used a point that the church in Binyiny Archdeaconry should note seriously.

##### **5.1.1. The financial mangement practices in Binyiny archdeaconry**

Management is at the heart of the assignment God has given mankind through Adam to be the keeper of the Garden of Eden, and for that matter the entire earth.

*“The LORD God took the man and put him in the Garden of Eden to till it and keep it.” Genesis 2: 15 (RSV).*

All of us have a theology of money whether we realize it or not. And for us Christians, the church we attend has a theology of money and like others we may have properly never realized how much our behavior is controlled by our theology or philosophy of money and below are some of the basics which are taught.

God is the provider. Genesis: 22:14, he is Jehovah Jireh-the God who will provide. We look to him to meet our needs; God is the owner of all things. Psalm 24:1 says “the earth is the Lords and everything in the world and all who live in it”. Since God is the owner of all things, we are his temporary mangers or stewards. We are entrusted with the responsibility of managing God’s resources, not building our own kingdom.

### **5.1.2. The effects of financial a management on Christian giving the church**

Luke.16:10-12 teaches that we are to be faithful to God with money. “He who is faithful in a very little thing is faithful also in much, and he who is unrighteous in a very little thing is unrighteous also in much. “Therefore, if you have not been faithful in the use of unrighteous wealth, who will entrust the true riches to you?” and if you have not been faithful in the use of that which is another’s, who will give you that which is your own? When we get our financial theology right, our actions will begin to be transformed as well. God wants us to experience the abundant life and to thrive. This begins with knowing his word and following his plans.<sup>26</sup>

Finance has a role in God’s purposes for humanity. Three primary purposes of human work revealed in the Bible are to (I) reveal God’s glory, ii) engage in stewardship, and iii) provide for justice and love. Let us note that finance—like all human endeavor—suffers from the profound, devastating effects of sin. For example, greed and dishonesty infect finance in many situations, directly undermining the service of God’s glory, and human stewardship, justice and love. Finance according to God’s original purposes for the world, giving us a glimpse of what God intends and what might be possible through Christ’s redemption Stewardship is the fulfillment of God’s mandate to fill the earth, subdue (or govern) it, work it, and care for it. Gen.1:28-30, Gen.2:15). God’s original creation is shown in Genesis as a garden filled with plants and animals and people in perfect communion with God. The garden is good, but it is not meant to stay unchanged forever. When the Bible looks ahead to the fulfillment of God’s creation it shows us a world teeming with people from every nation praising God. They are no longer in a garden, but a city with foundations, walls, gates, tree-lined. It was God’s choice to make us in a particular way that enables finance. This is not to say that God created particular institutions or systems of finance, but that people are created in ways that give finance a role in God’s purposes. This

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<sup>26</sup>Chunck Bentley 15/4/2015, STEWARDSHIP, [www.crown.org](http://www.crown.org)



concept is critical for our theology. If God did not create the foundations of finance, then finance is a purely human invention that might not have any role in God's intentions for humanity. If, however God did create the foundations of finance, then surely, he did that for a purpose, and that purpose must align with his revealed will. Development of creation from a garden to a city filled with people and their cultural elements is the conclusion of God's mandate to fill the earth, subdue it, work it and care for it. Even though God's creation at the beginning was perfect and full of resources, it was not complete as God intended it to become.<sup>27</sup>

Financial management entails how we utilize the resources under our care not necessarily how we keep them safe as we can observe in the parable of the talents in Matthew.25:14-31 in which servants were entrusted with resources by the master who was on a journey each according to his ability to manage well and so each servant had a responsibility to use the resources in a manner that the owner would be pleased hence attracting rewards accordingly and in this case the one who used the money well was able to earn and the one who did not use well instead lost even the little he had. Financial management also entails how we plan to raise our resources in order to meet our daily and development needs and as Jesus said in St. Luke.14:28-30. to avoid embracement of not achieving our desired goals, we need to sit down to cost what it will take us to accomplish our tasks to enable Christians plan their giving accordingly.

The researcher based on the above view of Gods mind about financial management practices and determined by this researcher to be wanting in Binyiny Archdeaconry more so that the findings showed that financial management practices go against the plan of God. As per table 4.1 we realize that financial management practice in the church is below average because all practices identified are below 40% as shown by the table with the lowest being audit 0%, books of accounts availability at 2.63% and presentation of financial statements at 10.53% yet these are key to the Christian congregation for them make proper decisions on how they are to give just like in the story of the three talents in Matt.25

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<sup>27</sup><https://www.theologyofwork.org>

### **5.1.3 The churches response to the effects of financial management Practices**

In the Isaiah 1:18, the lord was telling his people that even if come we reason and if your sins as red as crimson, I make you as whit as snow so much as the church's financial management practices are poor there yet Room for the church to correct and be able to build confidence in the Christian congregation to give. When we get our financial theology right, our actions will begin to be transformed as well. God wants us to experience the abundant life and to thrive. This begins with knowing his word and following his plans.<sup>28</sup>

Production of documentary evidence of the money received and spent is one popular methods of accountability. Such documents include Receipts which are prepared when money is received, vouchers are prepared when payment is made duly signed by the authority and the payee, invoices are prepared to show creditors to the institution, Bank slip as prove of money banked<sup>29</sup> The church in Binyiny would do the above information from chunk Bently on stewardship to ensure proper financial mangement practices and this would be like washing aware all the past mistakes which would attack more Christian giving the church.

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<sup>28</sup>Chunck Bentley 15/4/2015, STEWARDSHIP, [www.crown.org](http://www.crown.org)

<sup>29</sup>Omunuk Ben (1999), Fundamentals of Accounting, Uganda Printing and Publishing company corporation, Entebbe page2

## **CHAPTER SIX**

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

#### **6.1. Introduction**

The study assessed the effects of financial management practices on Christian giving in Binyiny Archdeaconry Sebei Diocese. This study assessed the financial management practices and its effects on Christian giving in Binyiny Archdeaconry Diocese of Sebei COU. This Chapter presents the summary, conclusions and recommendation of the study in chapter four above

#### **6.2. Summary of the Findings**

The study aimed assessing the effects of financial management practices on Christian giving in Binyiny Archdeaconry Diocese of Sebei COU. The study conducted a survey using both qualitative and quantitative approaches and conclusions per object of study were made as follows;

##### **6.2.1. Assessment the financial management practices in Binyiny Archdeaconry Diocese of Sebei.**

According to the results there are very poor financial management practices with just an average of 20.18% per table 4.1 as sound practice out of 100% which calls for serious action by the church management to put in place. The needs proper systems since they are not only users of information but also other users need them Ben Omunuk mentioned them in his book title fundamentals of accounting page 5-6 which include donors, beneficiaries and others.

According to the results there are very poor financial management practices with just an average of 20.18% sound practice. This in turn has affected Christian giving in Binyiny Archdeaconry Sebei Diocese COU. These poor financial management Practices implies low level of giving because most churches in Binyiny Archdeaconry Sebei Diocese COU do not have sound financial management practices in place. This fulfills the scripture in the Gospel of Matthew.25:14-32 where the use of the talents was rewarded according to how each one used his including the withdrawal from the one who had little but simply because he did not put it to proper use. Through this poor financial management practices, the church realizes low level of

giving in Binyiny Archdeaconry Sebei Diocese COU and most churches are not able to meet their obligations. Also, the poor financial management practices could create an environment that is prone to malpractices and low levels of transparency hence reducing on the level people's confidence to give in the church.

### **6.2.3. The church's response to the effects financial management effects on Christian giving in Binyiny Archdeaconry Diocese of Sebei**

Compliance to the financial management practices is at 20.18% out of 100% which still below average and a lot should be done by the management to correct this mess like as the Maseret Kristos church in the stewardship by Hussein Badru decided to put structures to manage resources were able to realize a drastic change in giving in their church so it is not too late for the church in Binyiny to do anything to that effect.

From the data analysis, the research concluded that the financial management practices such as budgeting, books of accounts auditing and financial reporting had contributed to the low levels of Christian giving in Binyiny archdeaconry Sebei Diocese COU. This was supported by the research which showed an average of 20.18% compliance to proper financial management practices.

### **6.3. Conclusion**

From the findings, financial managements practices affect Christian giving. The assessment showed poor financial management practices in Binyiny Archdeaconry Sebei Diocese with an average of 20.18% proper management with 79.82% showing poor management practices. Such poor management practice shows a negative effect on Christian giving in Binyiny archdeaconry Sebei Diocese COU.

From the findings of the study, it was confirmed that Binyiny Archdeaconry Sebei Diocese COU had poor financial management practices which has reduced on the Christian giving in the church. This was supported by the variables which confirmed that the relationship between financial management practices and Christian giving which include budgeting, books of accounts, auditing and presentation of financial statements under study

In conclusion therefore it was confirmed that financial management practices affect Christian giving in Binyiny Archdeaconry Sebei Diocese COU.

#### **6.4. Recommendations**

Financial management practices affect Christian giving. Christian motivation to give require sound financial management practices. It is therefore recommended that sound financial management practices are put in place so as to build confidence on the side of Christians as they give towards the church for it to meet all its obligations.

The study recommends that the church should prepare annual budgets, involve Christians in budgeting process, keep proper books of accounts, audit their books annually and present financial statements to the flock. This will build confidence on the side of the Christians motivating them to support their church through giving.

According to this research, it is also recommended that church should identify technical people in areas of financial management to be church treasurers to reduce on stress associated with financial management practices.

The study also recommends that capacity building workshops and seminars for church treasurers and leaders including pastors to enable them do things the right way and also reduce on the stress associated with financial management practices.

#### **6.5. Areas of Further Research.**

The study recommends that further research could be carried in other areas so as to make comparison and identify other areas which affect Christian giving in Binyiny archdeaconry Sebei Diocese COU.

According to this research, it is recommended that comprehensive research on the same topic be carried in other archdeaconries to enable comparison for proper planning in the diocese.

The study recommends that a study on Christian's attitude towards giving be carried out so that a decision as to whether its financial management practice that affects Christian giving or something else.

It is also recommended that a study be made on whether Christian understand the biblical importance of giving or not so that teachings could be organized to address the same.

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## **APPENDICES.**

### **Appendix I: Questionnaire**

**[For Archdeacon, Parish Priests, Lay readers, Heads of Laity, Fathers Union, Mothers Union, Youth leaders, Treasurers and members of the congregation.]**

I, Musani C Ali Bosco a third year Master of Divinity Student of Uganda Christian University Mukono undertaking a Study on “*Assessment of financial management practices on Christian giving in Binyiny Archdeaconry Sebei Diocese*”. This study is a requirement for the Award of the above Degree. You have been selected based on your knowledge in the area of study and the research shall only be used for academic purpose and your confidentiality shall be guaranteed. I therefore humbly request you kindly to provide me with genuine information without fear, may the good lord richly bless you.

## SECTION A

Please tick or fill in as appropriate.

### SECTION A: BACKGROUND INFORMATION

Name/title ..... Optional

#### 1. Gender

(a) Male  (b) female

#### 2. Age

(a) 15-30  (b) 31-40  (C) 41 and above

#### 3. Level of education

(a) ‘O’ level  (b) certificate  (c) ‘A’ level

(d) Bachelor  (e) Postgraduate

#### 4. Marital Status

a) Married  (b) Single

#### 5. Occupation

(a) Civil servant  (b) Student  (c) Peasant Farmer  (d) Business

## SECTION B



**The financial management practices in the church**

In Sections 7-11, Tick the number corresponding to your views where: yes to mean that it is there and No to mean do not.

|    | <b>Roles</b>  | yes | No |
|----|---|-----|----|
| 7  | Does your church have policies guiding financial management?  |     |    |
| 8  | Does the church prepare annual budgets to guide financial mobilization?   |     |    |
| 9  | Does the Church Leadership involve the congregation in the budget preparation and approval?   |     |    |
| 10 | Does the church have the relevant books of accounts?  |     |    |
| 11 | Are there any documents used to record financial transaction your church?<br><br><ul style="list-style-type: none"> <li>i. receipts,</li> <li>ii. vouchers</li> <li>iii. A bank account?</li> </ul> |     |    |
| 12 | Does your church bank the intact on account before spending?  |     |    |
| 13 | Does your church audit the books of accounts  |     |    |
| 14 | Does your present financial reports to the congregation annually  |     |    |

**15. What else do you think the church does well or does not do well in managing the finances and what should be done to manage finances well in your church?**

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**SECTION C**

**The effects financial management practices on Christian giving in Binyiny Archdeaconry Sebei Diocese.**

16. What do you think is not being done well in managing finances in your church.

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14. How is the way finances are managed in your church motivate Christians in giving?

i.....

ii.....

.....

iii.....

.....

**15. What is that discourages Christians from giving in your church?**

.....  
.....

**16. What do you advise the church leadership to do to motivate Christians to give in your church?.....**

.....

**SECTION D**

**The response of the church to the effects financial management practices on Christian giving.**

15. How has been the church leadership response to the way Christians give in your church?

i.....

.....

ii.....

.....

16. What ways has the church solved the financial management effects on Christian giving your church?

i.....

.....

ii.....

.....

iii.....

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17. In your own view, what do you think are the Strategies that you would propose to ensure proper financial management practices in your church?

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*Thank you for your participation*

**Appendix II: Interview Guide**

**[For Leadership of the church and members of the Congregation]**

I, Musani C Ali Bosco second year Master of Divinity student of Uganda Christian University is undertaking a Study on **“the effects of financial management practices on Christian giving Binyiny Archdeaconry Sebei Diocese”**.

This study is a requirement for the award of the above Degree. You have been selected based on your knowledge in the area of study. The research shall only be used for academic purpose and your confidentiality shall be guaranteed. I therefore kindly request you to give me genuine information willingly without fear, thank you, may the good lord richly bless you.

1. Gender.....
2. Age.....
3. Level of education.....
4. Marital Status.....
5. Occupation.....
6. Religious affiliation.....
7. Does your church prepare annual budgets?.....
8. Do the church members participate in the budgeting process of the church? Yes / No Please explain how they get involved.

.....  
.....

9. How often do you as a church leadership communicate to the flock about financial matters?  
.....  
.....
10. When the church leadership of the church is sharing financial information with flock, are the Christians allowed to comment and give ideas or not? If yes how.

.....  
.....

11. Why do you think giving is low in your church and what do you think the church should do to correct this problem?

.....  
.....

12. Where does your church keep its money .....

13. How has the church responded to the effects of financial management on giving in your church?

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.....  
.....

14. What other challenges do think the church is facing as it tries to resolve these effects of financial management in your church?

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.....

15. In your own opinion what do you think the church should to do encourage Christians give more than they do today in the church?

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.....

16. Are the church members 'willing to support the church on improving level of giving?

If yes, in what ways. If no, why?

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.....  
.....

---END---