EFFECT OF ACCOUNTING PRACTICES ON FUND MANAGEMENT IN PRIVATE SECONDARY SCHOOLS IN MAIDUGURI, NIGERIA

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Abstract

The deplorable conditions of state secondary schools in terms of facilities and quality of education has resulted in an upsurge of private schools to fill the learning gap. Private education not only offers parents an alternative to quality secondary education for their children but also offers a viable source of income to the owners. In order to manage the resources generated, private schools employ accounting practices such as bookkeeping, budgeting and internal controls in order to manage funds and make more informed decisions. The study examines the effect of bookkeeping, internal controls and budgeting practices on fund management in private schools in Maiduguri Metropolis, Borno State. The study surveyed 95 private schools out of 124 registered private schools within Maiduguri that indicated interest to participate in the study. Out of 190 instruments that were administered during the field survey on principals and bursars/accountants of the selected schools, 131 instruments were filled properly and returned. Data collected were analysed using Pearson product moment correlation and multiple regression analysis with the aid of Statistical Package for Social Science (SPSS) version 21. The correlation results show a significant positive association between bookkeeping, internal controls, budgeting and fund management. The regression results show the factors bookkeeping, internal controls and budgeting practices account for 34.9% of the variation in fund management practices in private secondary schools. Further, bookkeeping has the strongest effect on fund management in private schools compared to the other factors (t=3.858.; P =.000 <0.05). The study therefore concluded that fund management in private schools is significantly influenced by their accounting practices. The study hence recommended that management of private schools should strengthen bookkeeping, internal controls and budgeting practices to ensure funds are more efficiently and effectively managed to attain the objectives for which the schools were established.

Keywords: Bookkeeping, Internal control, Budgeting, Private secondary schools, Maiduguri

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Introduction

In the last decade, private schools in developing economies have grown to assume important roles in secondary education. This is particularly apparent in Nigeria because of the citizens' growing demand for literacy as the only means to secure white-collar jobs. In Borno state, the insurgency that has plagued the state since 2009 has resulted in a massive influx of people from various local governments to the capital city Maiduguri. This has resulted in overstretching the inadequate educational facilities in public schools as more children are enrolled. As public schools struggle to provide the required knowledge, many parents have opted for private schools because of overcrowding, inadequate learning facilities and quality education. Consequently, private schools as veritable sources of income are increasingly being established to cater for the educational needs of the people. As profit making ventures, private secondary schools are regularly exploring more ways of managing their funds to ensure profitability and sustainability of quality educational services.

Fund management in private secondary schools is fundamental because it impacts directly on the services provided, equipment and facilities in place as well as the financial performance. However, many private schools fail to manage their funds efficiently and effectively. This may be in part due to separation of ownership from control as school managers sometimes misuse scarce resources. Besides, several private secondary schools maintain inadequate accounting practices because many of their staff are relatives who may not have appropriate skills. As a result, their financial records are incomplete, have errors and may not reveal the true state of the school's state of affairs. This often results in poor financial reporting practices, which may ultimately lead to frauds, mismanagement, losses and a threat to development of the schools. Recently, some private school owners are seeking to manage their funds better by employing graduates from accounting, business and finance that are equipped with the requisite skill to maintain good accounting practices**.** Studies (e.g. Ibrahim, 2016; Nzekwe, 2007) have also suggested that schools may achieve good fund management by ensuring that good accounting practices are inculcated to enhance accountability and fair reporting.

Accounting practices are those procedures established by organisations to enable them record their financial activities, manage their resources and ensure they meet their objectives. Macharia (2015) and Langat (2008) indicate that accounting practices can affect effective fund management in private schools. These practices include maintaining proper bookkeeping practices, establishing strong internal controls and inculcating effective budgetary practices among others. Bookkeeping entails proper recording of financial transactions in their appropriate books of accounts. Proper bookkeeping is important to private schools for documenting daily transactions, incomes attained and expenditures incurred in determining profits or losses realised. Bookkeeping practices can enable management of schools ascertain their yearly performance from the financial records maintained. These will form the basis for the preparation of budgets, ledgers and financial statements. In addition, data from bookkeeping can be processed as information, which can be used for budgets formulation and forecasts. Budgeting is the procedure of making deliberate and measured plans in respect of incomes and expenditures by established authority of organisations in order to achieve a particular goal (Usman, Yusufari, Hamza & Abdullahi, 2016). Budgeting is an indispensable practice for private schools because it aids planning and coordination of annual activities, apportionment of funds, direction and authorisation of plans, serve as a basis for evaluating performance and inspire management to achieve set goals. For budgets to be realisable, strong internal controls need to be instituted. Internal controls are mechanisms put in place by the management to make sure resources are secured, properly managed, monitored and objectives are accomplished. As poor accounting, practices are associated with errors, irregularities, careless disbursements, misuse of funds and failure to achieve set objectives (Olurankinse, 2013). Thus, there is a crucial need for all interested parties in private education to consider employing effective accounting practices so that resources are effectively utilised and objectives are achieved.

Management of organisational funds in relation to various financial management practices in public schools has received much scholarly attention. Major areas examined include financial management practices in secondary schools (Bua & Adzongo, 2014; Macharia, 2015), accounting systems in higher institutions (Ibrahim, 2016), budgetary practices of secondary school principals and bursars (Nzekwe, 2007; Koross, Ngwara & Sang, 2008), government regulations and financial management in public secondary schools (Langat, 2008). There are very few studies on accounting practices and fund management in private secondary schools in Nigeria, and Borno state in particular. It is in the light of this, that the study seeks to examine the effect of accounting practices on fund management in private secondary schools in Maiduguri, Borno State. Specifically, the effects of bookkeeping, internal control and budgeting on fund management are examined.

This study will be of immense benefit to various stakeholders such as private school owners and managers, educational authorities and regulators, public, students and other researchers. School proprietors will find this study very useful, as it will provide greater insights on how accounting practices influence fund management in private schools. This will help them in planning and restructuring current accounting practices in order to enhance fund management and achieve their set objectives. Managers of schools will also find this study useful as it will help them improve their accounting, fund management practices, and achieve better stewardship and accountability, which may attract compensations from school owners. Educational authorities and regulators could use empirical results from this study to restructure policies on accounting practices and fund management, which can enhance financial reporting practices of schools and generate more income for regulatory bodies. The public will gain more insights about how accounting practices can affect fund management in schools. Students and other researchers can use this study as a reference material for further research. The rest of the paper is organised into five sections; literature review and hypothesis development, theoretical framework, research methods, data analysis and results and discussions, conclusions and recommendations.

Literature Review

Fund Management

Pressures from increased demand and globalisation is constantly making schools pursue more effective means of managing funds through prudent approaches and accounting systems (Mathew, 2013). Ololube (2016) affirms that fund management involves planning, organising, controlling and monitoring of funds placed under a person's authority and responsibility for the effective management of the organisation. Fund management entails how organisational finances are managed (sourced and used) in the most efficient and effective manner to achieve organisational objectives. It is also the process of planning, organising, coordinating, directing and collecting of funds disbursements to achieve set goals (Kwaghbo, 2008). According to Mestry and Bisschoff (2009), the main purpose of fund management is to ensure that acquisition, allocation and expenditure of funds is targeted towards a given purpose so that value for money is attained. Fund management is a fundamental part of financial management that affects firm's liquidity, expenditure, profit, growth and economic development (Nyanyuki, Okioga, Ojera, Nyabwanga & Nyamwamu, 2013). Studies on fund management in the educational sector have identified its relevance to sustainability and education quality. For example, Acho and Abuh (2016) noted that proper fund management aids accountability and proper administration of organisations. Mobegi (2015) found that countries with high incidence of funds mismanagement were associated with low quality in education. Additionally, efficient management of fund enabled appropriate planning and administration, which guide vital educational policies. Mobegi, Ondigi and Simatwa (2012) also assert that inadequate funding and misapplication of finances in the educational system has led to high incidence of immoral practices that continue to erode the quality education.

Funds management in secondary schools connotes the planning, preparation and implementation of an effective monetary plan by means of a comprehensive system of recording, measuring, analysing and reporting financial resources and assets (Kinyanzii, Ombuki & Kalii, 2019). The main essence of fund management in secondary schools is to ensure that funds required are sourced, properly expended, regularly monitored and accounted for to ensure effective utilisation. Mismanagement of funds in secondary schools opens the window for inefficiency, irregularities, manipulations and fraudulent use of financial resources (Omondi et al., 2016). It is therefore the responsibility of school administrators to ensure optimal and prudent management of funds in order to realise set goals and objectives.

Nyandoro, Mapfumo and Makoni (2013) observed that there is poor management of fund in many primary schools which affects the educational facilities and the quality of education. Sometimes, schools' funds are also mismanaged by principals and bursars/accountants through embezzlement, diversion of funds from required projects, defalcations, purchase of sub-standard learning equipment and poor service delivery (Munge, Kimani & Ngugi, 2016). Ultimately, this affects education quality, schools' performance and financial progress. Therefore, proper funds management in schools is not only essential to success of academic activities of schools but also to economic prosperity of the state (Varghese & Buchert, 2011). Proper fund management will also help schools ensure that their funds are specifically targeted and prudently utilised in the areas authorised. Moreover, good fund management enables organisations to properly raise, measure, direct, expend, control and account for organisational funds within planned limits (Coombs & Jenkins, 2002).

Accounting Practices

Accounting practices are techniques employed to collect, record, analyse, report and publish accounting information to relevant stakeholders. They are financial activities that ensure proper documentation and accountability for monetary inflows and outflows of business entities. According to Sigilai and Bett (2013) good accounting practices are particularly important to educational establishments as financial data are often condensed thereby making recording, processing and reporting complex for managers without financial literacy. Private secondary schools earn revenues basically from school fees, dues, grants or aid. In addition, they are commonly run by managers such as Principals, Vice-principals and bursars/accountants on behalf of the owners. This relationship introduces an agency relationship that can be affected by agency conflict. Agents are expected to maintain their fiduciary duty by managing school proprietors' funds fairly and be accountable to them. In general, accounting practices help managers of private secondary schools to effectively plan, record, utilise and report on the school's financial activities so that they are accountable, profitable and accomplish their goals.

Accounting practices are indispensable in determining the credibility and reliability of accounting information, financial reports and in the long run performance of all organisations (Nuparkon & Phapruke, 2010). Accounting practices provide the basis of accounting information which financial information users rely on to make more informed decisions. Good accounting practices result in reliable accounting information that accurately depicts economic realities of establishments (Spiceland, Sepe & Tomassini, 2001). According to Larson and Pyle (1988) accounting practices comprise bookkeeping, internal controls, budgeting and any other procedures employed by organisations in making financial plans, documenting financial transactions, monitoring operations and reporting their effects. Common accounting practices in secondary schools include bookkeeping practices (such maintaining daily books, journals, cashbook, bank statements) internal controls, and budgeting (Maseko & Manyani, 2011).

Meigs et al. (2001) defines accounting practices as consisting of competent personnel, procedures, devices and records that organisations deploy to acquire comprehensive and fair information for decision making. Accounting practices are significant because they lead to accumulation of substantial records that when processed, aid users to make better decisions. Thus, accounting practices are the basis upon which organisational financial reporting depends. When adequate accounting practices are maintained, internal and external users can ascertain the fairness of records and make more informed decisions.

Bookkeeping Practices and Fund Management

Bookkeeping is the process of recording financial transactions in their applicable accounts. This process consists of many stages of procedural tasks that are carried out by bookkeepers or finance officers and are checked and monitored by their supervisors for accuracy, comprehensiveness and adherence to financial regulations. According to Otieno and Nyangechi (2013) bookkeeping is carried out to ensure proper records of financial activities are kept so that funds and other financial assets are preserved. Maseko and Manyani (2011) identifies bookkeeping to involve keeping of cash receipt book, petty cash book, general ledgers, journals, payments and other nominal account in accordance with organisational policies and financial regulations. Bookkeeping practices enable timely documentation, processing and reliable reporting of schools' financial activities.

Literature suggests that bookkeeping practices affect fund management and organisational performance. For example, Omondi et al., (2016) and Munge, Kimani & Ngigi (2016) show that poor bookkeeping practices results in poor fund management in schools due to errors, inefficiencies, frauds and misuse of financial resources. In addition, Jefferson (2012) and Maseko & Manyani, 2010) report that lack of accounting knowledge hinders effective bookkeeping practices and performance of organisations. Njeru (2004) also found that bookkeeping practices such as cash management and budgets influenced fund management in schools. Furthermore, Muthanga and Odipo (2018) study showed that proper bookkeeping practices greatly influence fund management in public schools in Kenya. Taken together, prior studies show that bookkeeping practices are associated with fund management in various organisations. As most of these studies focused public schools and other educational institutions, it is also important to examine book keeping and fund management in private secondary schools. In line with this, the study hypothesises that:

H01: Book keeping practices have no significant effect on fund management in private secondary schools.

Internal Controls and Fund Management

Internal controls are mechanisms and measures put in place by organisations for the purpose of safeguarding organisational assets, monitoring activities and achieving objectives (Knechel, 2001). Internal controls are employed in educational institutions to ensure resources committed to organisational objectives are safeguarded (Dede, 2014). Internal controls also help organisations in fund management through effective procurement, allocation, and monitoring systems to ensure accountability, credibility and timely reporting (Francis & Imiete, 2018). Efficient fund management is achieved when control procedures are adhered to and regulations are complied with so that financial activities are appropriately documented, measured and reported timely. Private secondary school proprietors install internal controls to ascertain that managers (principals, vice principals and accountants) apply financial resources efficiently and effectively to achieve set goals. Internal controls in schools include as supervisory visitations, personnel controls, authorisation controls, administrative controls and accounting controls (Muthanga & Odipo, 2018; Francis & Imiete, 2018).

Studies have indicated that internal controls may be associated with fund management in educational institutions. For example, Otieno & Nyangechi (2013) found that school committees' regular supervision has influence on fund management practices in schools. Similarly, visitation panels are also used as control measures to ensure proper record keeping, timely reporting and accountability in line with responsibilities. Principals as chief executive officers are expected to make sure that internal controls are applied as prescribed and properly monitored so that organisational funds are managed efficiently and staff in charge are accountable. Akosile and Fasesin (2013) found that internal control systems may not guarantee good fund management in private universities as several tasks are assigned to each employee rendering controls less effective. Amudo and Inanga (2009) report that controls set by top management indicates commitment to control processes by entrenching control procedures in all activities of the organisation. Modibbo (2015) reported that the effectiveness of internal controls in fund management in Nigerian tertiary institutions is hampered by poor authorisation and approval controls, inadequate supervision and poor personnel controls.

Similarly, authorisation and administrative controls help ascertain authority, responsibility and power delegation (Cox, 2000). Other controls such as accounting and financial controls aid in maintaining compliance to management policies as well as prevention of errors and frauds (Francis & Imiete, 2018). Ejoh and Ejom (2014) also reported that internal controls need to be strengthened and upgraded while employees should be regularly trained to ensure controls are effective. Additionally, Omwono and Nduruchi (2016) finds that personnel controls help assure that only competent personnel with the right skills are employed and assigned their appropriate functions. Taken together, the literature has shown that internal controls are put in place to ensure proper records keeping, safeguarding of financial assets, efficient management of funds, timely reporting and achievement of objectives. In line with this, the study formulates the following hypothesis:

***H02**: Internal controls have no significant effect on fund management in private secondary schools.*

Budgeting and Fund Management

Budgeting is a systematic activity or process employed by organisations to plan, monitor and implement their financial activities for a particular period of time (Ostergen & Stensaker, 2011). A school's budget is a comprehensive plan that directs, coordinates and controls its incomes and expenditures for a given period in order to achieve certain objectives (Ackom-Wilson, 2015). A good budgeting system enables organisations to break down forecasts of expected incomes and proposed expenditures of a particular period into detailed work plans for projects envisaged along organisational units or departments (Ihedioha, 2003). As such, the budgeting process serves as a major link between expected plans and achievements, which aids schools to achieve their objectives (Kahavizakiriza, Walela & Kukubo, 2015).

Amirizei and Ololube (2018) and Mirti and Moses (2014) assert that budgeting in schools is important because it helps in monitoring the financial activities of school administrators over a period. The budgeting process involves several stages such as budget preparation, presentation, approval, implementation and evaluation. At the preparation stage, educational plans or proposals on the needs assessment of the schools are submitted to schools' management boards. Subsequently, an expenditure plan on how educational activities or services (equipment, teaching and learning materials, books and other supplies) are costed. Then the financial plan, which details and estimates all sources of schools' revenues (school fees, PTAs, donations, levies, grants) for the intended activities, is drawn. In the second stage of budgeting, the proposal is presented and defended at the start of the fiscal year to the schools' management board for approval (Nnamocha, 2002). Principals as chief administrators defend their proposals for approval and adoption after which it is implemented by school administrators/ principals and staff. In the final stage, the budget performance is evaluated by assessing compliance or deviation (Njoku, 2003).

Past studies show there is a link between budgeting and fund management in organisations. For example, Macharia (2015) established that when effective budgeting systems are employed, timely procurement of approved facilities would be achievable. The results also show that poor financial management literacy of administrators also hampers effective fund management in the schools. Munge, Kimani and Ngungi (2016) reported that schools that have poor budgeting practices are more likely to suffer from misappropriation and mismanagement of school funds. In addition, managers have been found to derail from adopted budgets by spending on unapproved and trivial activities as a result of poor budget monitoring and control (Amirizei & Ololube, 2018). Ikoya and Ikoya (2005) reported that poor school facilities are also associated with inefficient fund management in secondary schools. Ngwenya, and Maushe (2017) also report that poor fund management and accountability are more likely to occur from poor accounting and budgetary practices. Besides, Nnabuo, (2001) and Edem, (2003) note that even where budgets exist, a poor budgetary process may fail to prevent diversion of funds from approved fundamental projects to wasteful expenditures, resulting in poor fund management. Taken together, the literature suggests that budgeting process can be used to tailor financial activities planned budgets in order to manage funds efficiently and achieve organisational objectives. The study therefore formulates the following hypothesis:

***H03**: Budgeting has no significant effect on fund management in private secondary schools.*

Theoretical Framework

Contingency theory is a behavioural theory built on the premise that an optimal action/decision depends on several situational factors. Indeed, there is no best way of doing things since each situation determines the contextual factors that influence it to determine success. One of the earliest aspect of the theory was leadership in organisations as propounded by Fiedler (1964). His theory stated that a leader's personality and favourableness of situation on ground affected the quality of decisions made. Fiedler (1964) explains that situational favourableness is determined by leader-member relationships, task structure and position power. Morgan (2007) concluded that the contingency theory was built upon four major assumptions. Firstly, organisations as open systems require proper management to meet internal expectations and environmental situations. Secondly, there is no one best way of organising as each situation determines what task or decisions are ideal. Thirdly, managers must align decisions with organisational interest in order to achieve a good fit. Fourthly, organisations differ with respect to need and environment. Several studies have used the contingency theory to explain organisational leadership, organisational practices and control systems. For instance, using a contingency approach, Hofstede (1967) found that several factors such as economic, technological and sociological affected management accounting practices in organisations. Otley (1980) study supported the contingency theory assumption that no single management accounting practice can be applied to all organisations. Similarly, Shank (1989) also employed the contingency theory to explain the use of managerial accounting systems to make strategic information decisions.

This study employs contingency theory to understand the basis by which school administrators/principals make decisions regarding fund management. Effective fund management is based on the environmental factors, practices or situations that can determine whether best decisions are made. In other words, when proper accounting practices are in place, then principals are more likely to manage funds effectively for the success of the school. However, the type of accounting practice may differ among organisations. The study adopts contingency theory to explain how efficient fund management as an organisational goal/decision is influenced by three main factors include: the ability of the organisation to keep proper records(bookkeeping); ability to make proper plans (budgets); and the control systems they put in place to ensure that their goals are achieved (internal control).

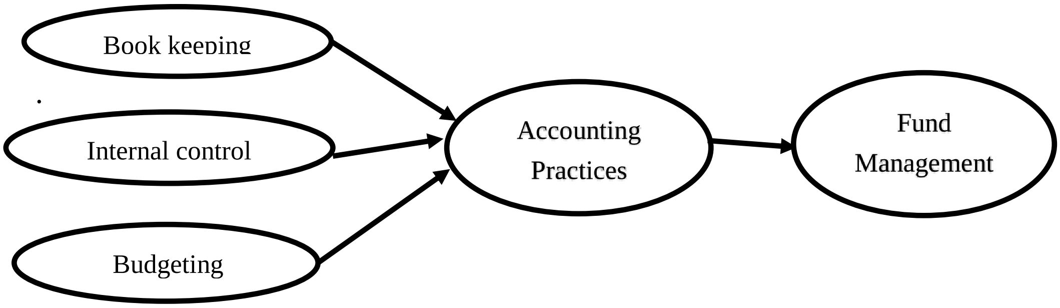

Fig.1: Research Framework

The research framework in figure 1 shows bookkeeping practices, internal controls and budgeting are the accounting practices hypothesised to affect fund management in private schools in Maiduguri, Borno State. Book keeping practices are assessed in terms of existence and adequacy of financial records in schools. Internal controls are captured in terms of segregation of duties among the staff, authorisation controls and financial controls. Budgeting is measured in terms of existence of budgetary practices and implementation. Fund management is measured in terms of the extent to which financial management and accountability were practiced. Together, these factors are posited to affect fund management in private schools in Maiduguri Metropolis, Borno State Nigeria.

Research Methods

The study adapted an instrument from Muthanga and Odipo (2018) that was employed to study fund management in public secondary schools in Kenya. However, items were amended to reflect the Nigerian scenario and private school in particular. The instrument comprised two sections; section A comprised the demographic characteristics of respondents (age, gender, educational qualification and respondent category). Section B examined respondents' perceptions about the accounting practices employed (bookkeeping, internal control and budgeting) and fund management practices in their schools. Items on bookkeeping assessed the existence of bookkeeping practices by the frequency with which books of accounts are kept measured on a five-point scale. Items on internal controls assessed respondents' satisfaction about five internal controls implemented measured on a five-point scale. Items on budgeting practices assessed existence of budgeting practices and respondents' compliance to budgets measured on a five-point scale. Items on fund management assessed the extent to which funds were properly managed by eight items measured on a five-point scale. The instrument was assessed for face validity to determine whether the items were clear and understandable. During the field survey, 190 instruments were administered to the principals and bursars/accountants of 95 selected registered private schools by the Borno state Ministry of Education. The instruments were retrieved after two weeks of administration. Out of the 190 instruments administered, 145 were retrieved from the respondents and 14 were discarded. This resulted in 131 valid instruments, which forms the basis of the analysis.

Data Analysis and Results

Data from the fieldwork was coded and SPSS version 23 software was used for the analysis. Descriptive data was analysed using simple percentages and frequencies. Table 1 shows analysis of respondents' demographic data.

Table 1: Respondents Demographic Profile

Demographic data	Frequency	Percentage (%)
Respondent Cadre:		
Principal	74	56.5
Bursar/Accountant	57	43.5
Educational Qualification:		
OND/NCE	8	6.1
First Degree/HND	46	35.1
PGD/Masters	51	38.9
Doctorate Degree(Ph.D./DBA)	11	8.4
Professional Qualification (NIM/ANAN/ICAN/CITN)	15	11.5
Respondent Age:		
18-25	9	6.9
26-35	32	24.4
36-45	50	38.2
46-55	30	22.9
56 and Above	10	7.6
Respondent Gender:		
Male	108	82.4
Female	23	17.6

Reliability Analysis and Exploratory Factor Analysis

Each construct's items were measured for internal consistency using the Cronbach alpha coefficient test. All items range between 0.878 and 0.923 (see appendix I). The reliability test shows that all item measures exceed the minimum benchmark of 0.7 establishing reliability (Sekaran & Bougie, 2010). Therefore, all item measures are reasonably reliable and internally consistent. Exploratory factor analysis (EFA) using principal component analysis was run during the exploratory study to establish preliminary relationships. The_Bartlett's test is significant (.000) and the Kaiser Myer Olkin (KMO) measure is 0.911, which is above the 0.70 minimum benchmark (Hair et al., 2010). Anti-image correlation for each item is also above the 0.50 benchmark indicating that factors are reasonably associated with each other. The shared variance from the communality values for all the item range between .480 – .869 , which is reasonable (Hair et al., 2010). Together, the variables explain 71% of the variance. In addition, the rotated factor matrix shows the factor loadings on four distinct constructs each loading is significant (>.50).

Pearson Correlation Results

The mean of the four constructs was also calculated and used to run Pearson correlation to assess whether the items are significantly related or not. The mean of each construct was coded as MnBkkp (bookkeeping), MnIntCtrl (Internal Control), MnBugt (Budgeting) and MnFMGT (Fund Management). Table 2 shows the correlation results. Bookkeeping is significantly moderately correlated with internal control (.466; P=.000), Budgeting (.414; P=.000) and Fund management (.512; P=.000). Budgeting (.486; =.000) and Internal control (.429; P=.000) are also significantly and moderately correlated with fund management.

Table 2: Correlation Result

		MnBkkp	MnIntCtrl	MnBugt	MnFMGT
MnBkkp	Pearson Correlation	1			
	Sig. (2-tailed)				
MnIntCtrl	Pearson Correlation	**.466****	1		
	Sig. (2-tailed)	.000			
MnBugt	Pearson Correlation	**.414****	**.460****	1	
	Sig. (2-tailed)	.000	.000		
MnFMGT	Pearson Correlation	**.512****	**.486****	**.429****	1
	Sig. (2-tailed)	.000	.000	.000	

***. Correlation is significant at the 0.01 level (2-tailed).*

The Pearson correlation results from table 2 show all the constructs are significantly moderately correlated with each other and fund management.

Multiple Regression Results

Table 3 reports the multiple regression test run on the variables under investigation using maximum likelihood estimation method. The adjusted R square is 34.9% indicating that the constructs (bookkeeping, internal controls and budgeting) explain 34.9% of the variation in the dependent variable (fund management) while 65.1% of the variation is explained by other variables not considered in this study.

Table 3: Model Summary [b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.603[a]	0.364	0.349	0.3679	2.116

a. Predictors: (Constant), MnBugt, MnBkkp, MnIntCtrl *b. Dependent Variable: MnFMGT*

Table 4 shows the F statistic is positive (24.241) and significant at 1% (P=.000). This indicates that the regression model is fit and consistent.

Table 4: ANOVA [a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.843	3	3.281	24.241	.000[b]
	Residual	17.189	127	0.135		
	Total	27.032	130			

a. Dependent Variable: MnFMGT *b. Predictors: (Constant), MnBugt, MnBkkp, MnIntCtrl*

The regression coefficients and collinearity statistics is presented in Table 5. Bookkeeping is significant at 1% (t=3.858; P=.000). This shows that bookkeeping is a significant predictor of fund management. This finding is in line with Njeru (2004) who reported that bookkeeping practices by head teachers significantly affect fund management in schools.

Table 5: Regression Coefficients [a]

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.408	0.187		2.184	0.031		
	MnBkkp	0.371	0.096	0.319	3.858	0.000	0.732	1.365
	MnIntCtrl	0.26	0.087	0.254	3	0.003	0.697	1.435
	MnBugt	0.191	0.087	0.18	2.187	0.031	0.738	1.355

a. Dependent Variable: MnFMGT

Hence, null hypothesis one (Ho1) is rejected and the alternate hypothesis which states that bookkeeping has a significant effect on fund management in private secondary schools in Maiduguri is accepted. Among the practices studied, bookkeeping has the strongest effect on fund management in schools (t=3.858; P=.000). This finding differs from Omwono and Nduruchi (2016) who found internal control has a greater influence in public schools' financial reporting but agrees with Njeru (2004) who also report bookkeeping practices by school administrators have strong influence on schools' fund management practices. Contrary to Omwono and Nduruchi (2016) finding, the significance of proper bookkeeping should not be underestimated as bookkeeping is the foundation and bedrock upon which all other accounting practices can be performed. Lack of or poor bookkeeping and financial records maintenance will not only open loopholes for frauds, irregularities and mismanagement, it will also threaten proper accountability, transparency and ultimately, the going concern status of any organisation. Hence, private secondary school owners will do well to ensure their proper books and records are maintained to ensure timely reporting and accountability (Acho & Abuh, 2016). In addition, internal control is also found to be a significant predictor of fund management (t=-3.000; P=.003). This indicates that internal controls have significant positive effect on fund management. Consequently, null hypothesis two (HO2) stands rejected and the alternate hypothesis which states that internal controls have significant effect on fund management in private secondary schools in Maiduguri is supported. This finding agrees with Widyaningsih (2015) and Omwono and Nduruchi (2016) who reported internal control have great influence on financial reporting and accountability.

Furthermore, budgeting is significantly and positively affecting fund management (t=2.187; P=.031). It also shows that budgeting is a significant predictor of fund management. This finding agrees with Amirizei and Ololube (2018) that good budgeting practices are effective strategies for efficient fund administration in schools. It also concurs with Kinyanzii, Ombuki and Kalii (2019) that budgeting significantly influence performance of secondary schools. As such, null hypothesis three (HO3) is rejected and the alternate hypothesis which states that budgeting has a significant effect on fund management in private secondary schools in Maiduguri is accepted. Taken together, the main finding of the study is that accounting practices have a significant effect on fund management in private secondary schools. This finding concurs with Nyanyuki, et.al. (2013) who reported significant positive relationship between the extent of accounting practice use and level of fund management in public secondary schools. However, this study extends Nyanyuki et al. (2013) by situating the study in private secondary schools instead on focusing on public schools like the previous studies. This is important because it widens the scope of study and assess the robustness of these factors affecting fund management. Second, the results from the correlation and regression tests reveal that all the accounting practices studied have significant positive effect on fund management. This concurs with prior studies in other places (Ololube, 2016; Nyaga, 2016; Ackom-Wilson, 2015) conducted in public schools and other tertiary institutions that accounting practices are not only relevant but necessary in efficiently managing schools' funds.

The robustness of the results was also assessed. Despite the moderate correlation between the variables, the tolerance value is < 1 and variance inflation factor (VIF) is < 10. This indicates that there are no issues of multicollinearity among the variables. In addition, the Durbin-Watson statistic of 2.116 is < 4 and shows there are no issues of auto correlation. In general, the results indicate that the results are valid and reliable.

Conclusion and Recommendations

The paper examined the effect of accounting practices (bookkeeping, internal controls and budgeting) on fund management in private secondary schools in Maiduguri, Nigeria. The combined results indicate that bookkeeping, internal controls and budgeting are important and necessary accounting practices that influence fund management in private secondary schools. Therefore, the paper concludes that stakeholders in private education such as school owners/proprietors, principals, bursars/accountants should strengthen their accounting practices in order to manage their funds efficiently. Additionally, they should keep abreast with recent developments in accounting practices and financial management in the educational sector through workshops and trainings so that they can make more informed decisions regarding management of their funds. Schools operating manual systems for example may need to strengthen the bookkeeping/recording and manual control processes whereas those using computerised accounting systems may require more general and application controls and integrity of the systems to ensure information is reliable and funds are managed effectively. Finally, stakeholders should employ proper accounting practices to enhance accountability, improve performance and achieve the objectives for which the schools were established. Regardless of the study's contributions to knowledge, it also has some limitations. The study results are derived from survey data, which suffers from some subjectivity issues. In addition, the variables studied explain only about 35% of the variation in fund management. As such, majority of the factors (65%) affecting fund management have not been considered in this study. However, these limitations provide avenues for more research on accounting practices and fund management. Despite the shortcomings, the study results have vital implications for improving private secondary education in Maiduguri, Nigeria.

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Appendix I

Reliability Test

Factor	No. of Items	Cronbach's Alpha
Bookkeeping	5	0.913
Internal Controls	5	0.914
Budgeting	5	0.878
Fund Management	8	0.923