Financial Management Practices and Financial Sustainability: A Study of Donor-Funded Projects by Windle International Kenya

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***Abstract*: The purpose of this study was to investigate the effect of financial management practices on financial sustainability of the donor funded projects in the case of Windle International Kenya. This study used both descriptive survey design and explanatory approach. The target population was sixty eight senior management programme supervisors, field officers and finance officers who were also the respondents for this study. The study relied on primary data which was collected by use of questionnaire as the main research instrument and later analyzed by use of descriptive statistics inform of frequencies, means and standard deviations and inferential analysis such as Pearson correlations and regression analysis. The study key findings were that budgeting control, financial reporting, internal control and financial control were both used as financial management practices in the organization and they positively influenced the financial sustainability of projects in the organization. The regression analysis also indicated that budgeting control, financial reporting, internal control and financial control both have positive effect on the financial sustainability of projects in the organization. The study recommends among others that organization should consider putting various financial management practices such as budgeting control, financial reporting and internal control due to their huge significant effect on the financial sustainability of donor funded projects. Organizations have to also constantly ensure that budget timetables are developed in time and allocate budget preparation responsibilities to relevant organs, ensure the bids are evaluated and aligned with the priorities of the organization.**

***Key Words*: Financial management practices, Financial sustainability, Non-Governmental Organizations**

I. INTRODUCTION

Financial sustainability has for long time been a major constraint in running various donor funded projects by civil society organizations around the world (USAID, 2018). Despite there being a variety of different toolkits and research papers done on examining different financial sustainability approaches and strategies, many civil society organizations (CSOs) continue to struggle in developing and maintaining various resources needed to run their projects and also carry out their respective missions. This critical challenge continues to limit the autonomy of organizations across the globe by inhibiting their long term planning and being flexible in designing and running various organizational activities (USAID, 2017). Financial sustainability plays a very important role in ensuring that local organizations are empowered so that they are capable of taking greater development ownership process, since this robust resource base ensures there is resilience required for CSOs to examine with new models that reduce long-term donor dependence.

The organizations capability of attaining internal financial sustainability can significantly be improved through maintaining sound internal controls in the organization. Negative impacts on financial sustainability (which may result from poor organization's financial management practices), are mainly caused by failure to observe the appropriate internal control procedures. Financial management is therefore a very important aspect organizations need to be skilled in. due to ever increasing challenges in financial sustainability in organizations being experienced today, being able to understand best financial management practices can play a very crucial role in ensuring that NGOs are financially stable when carrying out their various projects as explained in the theory of budgeting (Dorothy, 2009).

1.1.0 Problem Statement and Study Objectives

Financial sustainability is a very key aspect to NGOs in order to run their projects for a very long period of time and achieve stability in the ever competitive environment. It may require the organization to come up with proper financial management practices and also diversify their funding bases so that its normal operations are not brought to a halt in case the donor pulls out (Browman, 2011).Nevertheless, it is a very common practice to see NGOs ending their operations when the donor funding stops (Kerine, 2015).According to UN (2019), most NGOs in the developing countries rely on donor funding in order to sustain their projects and programs. This might be the reason their financial resources at times follow a boom and burst trend leading to the closure of many of these NGOs before or without accomplishing their missions or achieving their visions that may as well be undefined.

According to Kangiri (2015), NGOs have been undertaking numerous developmental projects which demand the continuous availability of funds in the organization. This also calls for need to have effective and efficient mobilization and management of the financial resources that may be available. Since the NGOs provide very essential and fundamental basic services such as education, health, development proposals and building organizational structures at the grass root levels, there is an urgent need to ensure that they secure more stable and reliable funding. Despite this, most NGOs continue to lack stable financial base with only about 10% of the NGOs in Kenya having secured financial sustainability. This in the long run may result to these NGOs running out of funds which may lead to draconian implications for those who are closely involved with or employed by such NGOs (NGO Coordination Board, 2018).

The previous research studies that were conducted by Wandera and Sang (2017), Chelangat *et al.* (2018), Mbuya and Owino (2018) and Miriti (2016) on NGOs have mainly focused on the financial stability of the organization basing on the outcomes and results of the programs/projects, relationships between donors and organizations and also the donor practices, which are mainly the external factors that affect the financial stability of donor funded projects. The internal factors that deal with financial management practices and their effect on financial sustainability have therefore not been put into proper consideration. In order to close this gap, this research study was therefore geared towards establishing the effect of financial management practices on financial sustainability of donor funded projects by Windle International Kenya.

The following were the study's specific objectives:

i. To establish the effect of budgeting control on financial sustainability of donor funded projects by Windle International Kenya
ii. To determine the effect of financial reporting on financial sustainability of donor funded projects by Windle International Kenya
iii. To find out the extent to which internal control affects financial sustainability of donor funded projects by Windle International Kenya
iv. To determine the effect of financial control on financial sustainability of donor funded projects by Windle International Kenya.

1.1.1 Financial Management Practices

Financial management practices involve budgeting control, planning, financial reporting, organizing, internal control, and financial reporting (Golda, 2013; Mengesha *et al.,* (2014); Lightbody,2017). Financial management involves ensuring that there is positive cash flow in the organization which can be achieved by planning future of an organizations enterprise.This process of financial management involves organizing, planning, directing and controlling the financial processes that may involve procurement and funds utilizations. From the organizational perspective, the process of financial management puts together financial planning which involves budgeting, financial reporting and financial control. Through financial planning, an organization is able to quantify different forms of the available financial resources and come up with the appropriate planning of the size and timing of the expenditures (Golda, 2013).

Mengesha, Kumar and Asefa (2014) agree that financial management does not only involve keeping accounting records that are accurate. It has a very wide perspective and involves planning, controlling and also monitoring the financial resources in the organization in order to enable the organization achieve its objectives. Proper financial management systems enable easier accountability to the donors and also the beneficiaries of the whole project hence enhancing respect and confidence in the organization. In the long run, it helps the NGOs to be more competitive and can thereby end up increasing their probability of maintaining long term financial sustainability (Mango,2003)

Budgeting control and internal control are very key financial management practices that organizations need to adopt in order to increase their chances of increasing their longevity in operations (Wandera & Sang, 2017). Budgeting control is further regarded as a very critical activity to any organization seeking to attain financial sustainability. These financial management practices are very important for any NGOs to operate smoothly for very long period of time without facing challenges in the carrying out normal operations and satisfying the stakeholders needs and requirements. Wandera and Sang(2017) further argue that budget control, proper planning, monitoring and evaluation, diversified sources of finances are some examples of financial management practices that may have an influence on the financial sustainability of projects initiated by CSOs.

Financial reporting in donor funded organizations plays a very important role in maintaining the relationship between the organization and the donors (Sara, Rick & Jennifer,2017). Financial reporting is thus considered to be a primary aspect of donor stewardship. By reporting, programs are communicated and the donors impact on the organization and determine whether they can increase their investment. Reporting should be very consistent so that the donors are educated on the impact of their donations or grants and also as a donor recognition and cultivation tool. Financial reporting further closes way for corruption and embezzlement of funds since the information required by stakeholders is accessible and also scrutinized by relevant stakeholders (Chepkemoi & Njeru, 2017).

Financial Controls such as external and internal monitoring and evaluation, information communication and risk assessment can also contribute greatly towards realizing the financial sustainability in an organization. Proper and effective financial control and financial planning measures can ensure the organizations gain credibility from financers and sponsorship from well-established organizations (Chelengat*et al*., 2018). This study will particularly focus on budgeting control, financial reporting, internal control and financial control and how they influence the financial sustainability of donor funded projects. These aspects of financial management practices will play a crucial role in examining how local NGOs can practice within the organizations so as to increase their financial sustainability.

1.1.2 Financial Sustainability

Financial sustainability can be viewed as the measure of the ability of the project being able to meet all its resource and financial obligations whether the funds from donors continue or not. The project is therefore considered to have met the ability to keep on operating and giving benefits to its intended communities in its lifespan (Miriti, 2016). Financial sustainability issues however need to be placed into consideration under the ever changing economic, social, time, and political contexts. Johnson and Scholes (2017) argue that organizations that are able to attain financial sustainability are able to grow effectively, function and develop effectively for a very long period of time.

In order to measure the organizations financial sustainability, income after expenses and taxes is computed (the revenue surplus over the expenses) in order to determine the availability of cash to meet the expenses and comparing the organizations assets and liabilities (Miriti, 2016). It is financial sustainability that will determine whether an organization will be able to meet its duties and meet stakeholders' needs over a long period of time (USAID, 2007). Nturubi (2004) explains that in order for CSOs to achieve financial sustainability, there must be increased cash inflows, market developments and projections which have to be facilitated by sound financial management, financial accountability and reliable financial streams.

The capability of organizations in achieving internal financial sustainability can greatly be increased if organizations have the ability to maintain the internal controls and also practice the best financial management practices within the organization (Lightbody, 2017). He further suggests that financial sustainability can only be said to have been met in donor funded projects if the organizations are able to carry out their operations without compromise even if it faces external financial constraints from donors. Several researchers put into consideration several measures which can be put into consideration in order to establish whether the financial sustainability has been achieved. The indicators of financial sustainability that this study will use are; level of planning, financial resilience, organization longevity and deficit/surplus of income over spending

1.1.3 Donor Funded Projects in Kenya

NGOs run various projects in Kenya in diverse areas such as economical, educational, health, political, cultural development agriculture, among others. The NGOs are in most case central both private and public development by partnering with the respective countries. Karanja and Karuti (2014), point out that it is with this regard that the NGOs end up enjoying various privileges from the government such as tax exemptions and waivers. Chelangat, Sang and Simiyu (2018) agree that the NGOs are non-profit organizations and they play a very crucial role in delivering education, health services, agricultural and other services that are important to the welfare of the society in developing countries such as Kenya.

Both locally established and foreign NGOs operate in developing countries such as Kenya. Most of them source their funding from governments, foundations, businesses or individuals. Some NGOs are also run by volunteers only hence do not receive any form of formal funding. The community needs usually guide the kind of projects these organizations give to the society in which they operate. Churches, political parties or other groups with common interests have also been known to start NGOs, to serve the local community needs or carry out activities that may be seen to be important but not available to the communities (Miriti, 2016).

The focus of this study is Windle International Kenya. Windle International Kenya (WIK) is a non-governmental organization in Kenya that was founded in 1977 by the late Dr Hugh Austin Pilikington. WIK operates in Daadab refugee camps, Kakuma refugee camps and in Nairobi. It partners with United Nations High Commissioner for Refugees (UNHCR), World University Service of Canada (WUSC), Global Affairs Canada (GAC),Puri Foundation, Windle Trust International UK and other willing persons to run and maintain its projects. Its projects have ranged from provision of education aladvise, career counseling, girl education, supportive home and community environment, initiating peace through promoting sports among others. The organization has been able to benefit very many needy children as many have come out to be better students, workers or leaders, entrepreneurs, better neighbors and open minded individuals in the community and society at large (windle.org/programs.html)

II. EMPIRICAL LITERATURE REVIEW

This section discusses some work done by previous researchers concerning financial management practices in relation to financial sustainability so as to identify the research gaps and possible remedy measures.

Kang'aru and Tirimba (2018) in their study on effect of financial planning practices on financial performance of health organizations reveal that budgeting and financial planning may have a positive and significance relationships. They further argue that for organizations to improve on their sustainability there is need to ensure that they prepare their budgets prior to budget year. They also argue that there should be a regular follow up on budget plans by the organizations, budgeting committee so as to evaluate the budget performance regularly. However, the study failed to consider how the organizations under study can achieve financial sustainability and the relationship between financial management practices and financial sustainability, the gap the current study hopes to fill.

Chepkemoi and Njeru (2017), argue that financial reports review, having proper planning in place, continuous monitoring and control of the budgeting process may have a significant positive influence on the sustainability of NGO's, Juba, south Sudan. Demba (2018) study disclosed that financial reporting and tracking by use of record keeping, managing data, having internal accounts experts and communicating financial information had an effect on the performance of KMTC to a very high extent. By having proper financial reporting as an aspect of financial management practice, it may often be easier to extrapolate the contribution of every program on the organizations financial sustainability. This study did not put into consideration the financial control and internal controls as aspects financial management practices.

Desta, Kenenisa and Woldemichael (2018) argue that financial reporting may have an effect on the profitability of small scale enterprises and hence affect their long- term survival. According to Wandera and Sang (2017) in their study conclude that review of financial reports, having proper plans in place with structured monitoring and evaluation may have a significant positive influence on the NGO's financial sustainability though may be limited or depend on donor relationship and income source diversification. However these studies did not consider financial sustainability, more so it was conducted on very different scope and population, a gap that this study hopes to fill by focuses on financial sustainability while targeting the donor funded projects

Demba (2018) points out that though internal control has influence on performance, its influence is very small and negligible. He further explains that it can primarily be accessed through internal control framework, reviewing of individual systems and process, providing financial controls and controlling information within the firm. In contrast, the findings from Demba (2018) contradicts with Mengesha *et al.* (2015) who argues that for successful operation and management of any organization, there must be a proper internal control system in place with required budgeting endorsements and being monitored by an effective board.

Abt (2017) argues that for organizations to conduct their business in an efficient and orderly manner, and then there must be an aspect of internal control in management. The management's ability to use the resource at their disposal to fulfill organizations goals and objectives depends on the internal control measures put in place. The study further points out that the internal control system comprises of the control environment and the control procedure that those in management have to put in place so as to ensure that the organizations assets are safeguarded, operations are controlled and ensure timely and accurate generation of information from the activities in the organization. The study however concentrated on external factors in organizations that can lead to financial sustainability a gap this study hopes to fill by considering the internal factors since they may be the determinants of the external factors that can lead to financial sustainability.

Although Chelangat *et al*.(2018) study reveals that there might be a positive relationship between financial control and financial sustainability, the financial practices adopted by the NGOs governance in Nairobi County are found to be relatively low. The study further recommended that NGOs management should adopt proper and effective financial control and financial planning measures so that they are able to gain credibility from financers and sponsorship from well-established organizations. This study however fails to put into consideration the aspects financial control and internal control in financial management practices

III. RESEARCH METHOUDOLOGY

3.1 Research Design

Descriptive design was adopted in this study since Cooper and Schindler (2003) point out that it describes or defines a subject, which is achieved by creating a profile of a group of problems, events or people by collecting data and tabulating frequencies based on research variables or their interactions. Kothari (2004) also points out that descriptive survey design draws an accurate person situations or events profile by explaining the affairs as they are currently. The study made use of both qualitative and quantitative data. Kothari (2006) points out that it is possible to gather information in a manner that minimizes on costs by combining qualitative and quantitative data.

3.2 Target Population

Windle International Kenya Dadaab office implements the following projects; Secondary Education Program, Borderless High Education for Refugees, Kenya in Equity Education Program, WUSC Student Refugee Program and English Language Program. Each of the above programs has program supervisors, field officers and finance officers who ensure that the organization meets the frames goals and objectives. The supervisors and field officers report to the overall project manager and project co-coordinator. The target population therefore totals sixty eight as shown in the Table 1.

Table 1: Target Population

Category	Population
Program Supervisors	20
Field Officers	30
Finance Officers	18
Total	68

Source: Windle International, Kenya (2020)

3.3 Sampling Design

This study adopted census design which includes all the three categories named in the target population. The study engaged the program supervisors, field officers and finance officers of various projects in clusters identified. This is because they were assumed to have more knowledge and experience on how different activities are run in the organization and were in position to understand and interpret the questionnaires well. Kothari (2004) advises that census design can be used so that all members in the target population are included in the study. Since this study comprises of a small target population, all the members in the target population in the various clusters were involved. A sample size therefore comprised of all the sixty eight personnel in the target population.

Table 2: Sample Size

Category	Target Population	Sample Size
Program Supervisors	20	20
Field Officers	30	30
Finance Officers	18	18
Total	68	68

Source: Windle International, Kenya (2020)

3.4 Data Collection Instruments

The study employed the use of questionnaires in order to collect the primary data. Kothari (2008) points out that questionnaires can be used in wide range of economic and business survey because of its ability to capture large samples and the ability of being unbiased in nature. Uses of questionnaires give huge anonymity by questionnaire coding and discrete analysis of the details of the respondent. Questionnaires were framed to contain both closed and open-ended questions as well as a 5 point ordinal scale for the purpose of data collection.

3.5 Data Analysis and Presentation

The data collected was organized and then coded before being keyed in the computer for the purpose of analysis using the statistical package for social sciences (SPSS) and Microsoft excel. The study had to adopt both descriptive statistics and inferential analysis so as to come up with the analysis of the quantitative data. Frequency counts were then generated based on the scale of 1-5 so as to facilitate in developing frequency distributions. Means, standard deviations, variance and frequencies were then generated using SPSS version 21. Qualitative data that was observed was expressed in write-ups so that it could assist enrich the descriptive analysis in the quantitative approaches

The data collected was further analyzed using inferential analysis in form of Pearson correlation analysis. Correlation analysis was used to determine the degree of relationship between the independent variables (budgeting control, financial reporting, internal control and financial control) and dependent variable (financial sustainability). In order to determine the effect of the independent variables on the financial sustainability of donor-funded projects by Windle International Kenya, the following regression model shown below was adopted:

$$Y=\beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \alpha$$

Where Y= Financial sustainability

β_0 = Coefficient of intercept (constant)

X_1 = Budgeting control

X_2 = Financial reporting

X_3 = Internal control

X_4 = Financial control

α= Error term

β_1, β_2, β_3, β_4 = regression coefficient of the four variables

IV. DISCUSSION OF FINDINGS

4.1 Descriptive Result

The findings of this study in relation to the objectives of this study are discussed as follows. Table 3 shows average means and standard deviations for the variables under this study.

Table 3: Descriptive Results

Variable	Average Mean	Std. Deviation
Budgeting Control	4.11	.782
Financial Reporting	4.21	.701
Internal Control	3.87	.621
Financial Control	4.34	.843

Source: Research Data (February 2021)

Budgeting control had average mean and standard deviation (M=4.11; SD=0.782), an indication that Windle International Kenya widely practiced budgeting control in their financial management. This was achieved by the organizations ability to ensure that there was competency and involvement of all the concerned persons in the budgetary process, there was budgetary planning, the original budgets could be revised, senior management team was involved in budgeting process, there was crosschecking of the estimates presented by the departments to avoid anomalies. The findings are in line with Kang'aru and Tirimba (2018) who note that it is important for any organizations who dream of improving their sustainability to ensure that they prepare their budgets in time, follow up on the budget plans by the organization regularly and also evaluate budget performance regularly.

Financial reporting had average mean and standard deviation (M= 4.21; SD=0.701), an indication that financial reporting practices among them being financial disclosure, financial reviews, analyzing financial reports among others were widely and very well applied in the WIK financial management process. Demba (2018) discloses that financial reporting and tracking by use of record keeping, managing data, having internal accounts experts and communicating financial information has an effect on the performance and hence financial sustainability to a very high extent.

Internal control had average mean and standard deviation (M=3.87; SD=0.621), an indication that various internal control measures were widely applied in the running and management of various functions and departments at Windle International Kenya. Internal control has been considered as one of the key areas whenever establishing the financial sustainability in any organization. Although the impact of internal control on performance or financial sustainability has been found by Demba (2018) to be very minimal and hence negligible, Mengesha *et al.* (2015) note that it has to be attained for organizations to attain financial stability and its influence on the organization stability cannot be compromised.

Financial Control had an average mean and standard deviation (M=4.34; SD= 0.843), implying that majority of the respondents agreed that financial control measures were achieved in the organization to great extent. Based on the findings from the study conducted by Chelangat*et al.* (2018) proper financial control practices in an organization may positively influence the financial sustainability. Since several financial control practices were being well practiced in the organization, they may have a huge contribution towards the WIKs financial sustainability.

Table 4 shows the average mean and standard deviation on various aspects in regard to financial sustainability at WIK.

Table 4: Financial Sustainability

Variable	Average Mean	Std. Deviation
Financial Sustainability	3.25	0.844

Source: Research Data (February 2021)

The average mean and standard deviation was (M=3.25; SD=0.844), implying that majority of the respondents could not establish if the organization was in a good position to be declared to have achieved financial sustainability. Although it was noted that the organization had come up with proper financial management practices, the financial sustainability at WIK was still unattained making it to be at a risky position in maintaining its operation especially if the donor funding stops. According to Kerine (2015) it is a common practice to see NGOs ending their operations when the donor funding stops, due to organizations not coming up with proper strategies of increasing their financial sustainability.

4.2 Inferential Analysis

4.2.1 Correlation Analysis

Correlation analysis was done in order to determine in quantitative terms the degree to which financial management practices (budgeting control, financial reporting, internal control and financial control) relate with financial sustainability by computing the correlations between the variables. The results are shown in Table 5

Table 5: Correlation Analysis

Correlations						
		Financial Sustainability	Capital Budgeting	Financial Reporting	Internal Control	Financial Control
Financial Sustainability	Pearson Correlation	1	.723**	.820**	.693**	.692**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	53	53	53	53	53
Capital Budgeting	Pearson Correlation	.723**	1	.651**	.640**	.499**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	53	53	53	53	53
Financial Reporting	Pearson Correlation	.820**	.651**	1	.606**	.718**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	53	53	53	53	53
Internal Control	Pearson Correlation	.693**	.640**	.606**	1	.509**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	53	53	53	53	53
Financial Control	Pearson Correlation	.692**	.499**	.718**	.509**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	53	53	53	53	53
**. Correlation is significant at the 0.01 level (2-tailed).						

The study found out that budgeting control has a strong positive correlation (Pearson correlation coefficient = 0.723) effect on financial sustainability. This implies that by increasing budgeting control, the strength of the financial sustainability will also increase at WIK.

Financial reporting has a strong positive correlation (Pearson correlation coefficient= 0.820) effect on financial sustainability. The strong positive Pearson correlation implies that the strength of financial sustainability is increased by ensuring there is timely and appropriate the financial reporting at the organization.

Internal control had a strong positive correlation effect (Pearson correlation coefficient= 0.693) on financial sustainability at WIK, an indication that increasing the internal control measures at WIK will lead to increase in the strength of the financial sustainability at the organization. Financial control had a positive Pearson correlation (Pearson correlation coefficient= 0.692) effect on financial sustainability, which is an indication that increase in financial control practices at WIK will lead to increase in financial sustainability.

4.2.2 Regression Analysis

The results shown in Table 6 outlines the fitness of the regression model adopted in this study

Table 6: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.879[a]	.774	.755	.323
a. Predictors: (Constant), Financial Control, Capital Budgeting, Internal Control, Financial Reporting				

Source: Research Data (February 2021)

The results show that the coefficient of correlation R was 0.879, which is an indication of strong positive correlation between the variables. The study hence concluded that there was a significance relationship between financial management practices and financial sustainability because the P value was less than 0.05.

The adjusted R square, R^2= 0.755 indicate that 75.5% of the change in financial sustainability is explained by the variables in the model which are, budgeting control, financial reporting, internal control and financial control. The remaining 24.5% can be accredited to other practices and factors that do not form part of this study. The study findings are in line with the findings from Chelangat, Sang and Simiyu (2018) who argue that financial sustainability is a complex process and can be achieved only if organizations come up with various financial management practices since they positively influence the financial sustainability. Wandera and Sang (2017) also found a positive relationship between financial management practices (budgeting control and internal control) on financial sustainability and recommends proper adoption of financial management practices in order to increase their chances of increasing their operations.

The study further adopted the coefficient of regression in order to determine the effect of each of the financial management practices on the financial sustainability. Table 5 shows the coefficient for regression.

Table 7: Coefficients of Regression

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.164	.329		.500	.020
	Budgeting Control	.218	.092	.235	2.371	.022
	Financial Reporting	.421	.114	.427	3.705	.001
	Internal Control	.175	.083	.199	2.096	.041
	Financial Control	.165	.099	.166	1.668	.102
a. Dependent Variable: Financial Sustainability						

Source: Research Data (February 2021)

The coefficient of regression from Table 7 leads us to the equation

$$Y=0.164 +0.218X_1 +0.421X_2 +0.175X_3 +0.165X_4 +\alpha.$$

By holding all the variables constant, it was established that the financial sustainability at Windle International Kenya, would be at 0.164. This implies that the expected value of the financial sustainability will be 0.164 when all the independent variables (budgeting control, financial reporting, internal control and financial control) under this study are set to zero. Ensuring we have proper budgeting control in place, when all the other factors are held constant would strengthen the financial sustainability at WIK by 0.218. The study findings agree with Kang'aru and Tirimba (2018) findings that budgeting control has a positive effect on financial sustainability. However, the finding from this study contradicts the finding from Essra (2016), who noted that there is statistically insignificance relationship between budgeting control and financial sustainability.

When all the other factors are held constant, ensuring there is proper financial reporting will strengthen financial sustainability at WIK by0.421. The findings concur with Chepkemoi and Njeru (2017), who argue that financial reporting review, having proper planning in place, continuous monitoring and control of the budgeting process may have a significant positive effect on the sustainability of NGO's, Juba, south Sudan. The regression results showed that financial reporting had a positive effect on financial sustainability. The study by Wandera and Sang (2017) is also in line with the findings of this study as it revealed that financial reporting has a significant positive effect on financial sustainability of NGOs.

The results on internal control indicate that when proper measures are put in place to ensure internal control is achieved in the organization and holding all the other factors constant would strengthen the financial sustainability at WIK by 0.175. The finding of this study in line with Demba (2018) and Abt (2018) studies that noted a significant positive relationship between internal control and financial sustainability. However, the findings contradict that of Mengesha et al. (2015) who notes an insignificant positive effect of internal control on financial sustainability.

While holding all the other factors constant, proper financial control measures would result to strengthening financial sustainability at WIK by 0.165. Though the increase is positive, it is however not significance since the P value is more than 0.05This finding contradict with Chelangat*et al.* (2018) study, whichrevealed that there is a significant positive relationship between financial control and financial sustainabilityof Public Governance Non-Governmental Organizations in Nairobi County, Kenya.

The study found out that budgeting control had a significant positive strong effect on financial sustainability (β= 0.218;P< 0.05),financial reporting had a strong positive effect on financial sustainability (β=0.421; P< 0.05),internal control had a singificant strong positive effect on financial sustainability(β=0.175; P< 0.05). Financial control had aninsignificant positive effect on financial sustainability (β= 0.165; P> 0.05). Kang'aru and Tirimba (2018), Chepkemoi and Njeru (2017), Demba (2018) respectively, support the findings on budgeting control, financial reporting, internal control and financial control.

V. CONCLUSIONS AND RECOMMENDATIONS

Budgeting control significantly affected the financial sustainability at Windle International Kenya. Organizations that are able to develop budget timetables and allocate budget preparation responsibilities to relevant organs in time, evaluate budget bids to ensure there is alignment with the organization priorities, involve senior management team in budget planning, review original budget constantly to meet emerging issues and cross check department estimates find it easy to ensure that budgeting control is achieved in the organization. Financial reporting had a very significant impact on the financial sustainability and has to be adopted by various organizations to a very great extent. In order to achieve financial reporting, the organization has to ensure that financial reports are submitted to the stakeholders and financers/donors in time. Internal control has a significant effect on financial sustainability and can be achieved through employing competent and qualified staff, having internal monitoring and evaluation team to carry out constant monitoring of projects with respect to the finances allocated; ensuring risks were assessed prior to implementing the projects and having a good control environment in the organization. Due to the positive effect of financial control on financial sustainability, organizations have to put in place several measures such as internal monitoring and evaluation, risk assessment, review of financial statements and setting up a good control environment, to increase its impact on financial sustainability.

The study recommends that it is paramount for the management and stakeholders at non-profit organizations to ensure that budgeting control is properly put into practice by developing budget timetables and allocate budget preparation responsibilities to relevant organs, ensure the bids are evaluated so as to ensure they are aligned with the priorities of the organization, department estimates are constantly cross checked and original budgets are reviewed to meet emerging issues. Financial reporting had a positive effect on financial sustainability and organizations need to ensure that proper financial reporting is done to relevant stakeholders in time to develop trust among the stakeholders. The NGO Management need also to ensure that internal control measures are appropriately practiced in their organizations since internal control was found to have significant relationship with financial sustainability. The study further recommends the organizations management and stakeholders need to ensure that financial control is practiced so as to ensure that proper financial management is done in the organizations, projects are constantly monitored and risks are assessed prior to project implementation.

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