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Internal Control For Accounting Welfare Organization

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Introduction to Research

Benevolence works in Kingdom of Saudi Arabia are extracted from the human being of this Land, from an ancient civilization. Mankind and the welcoming of guests and the assistance of those who need helps is known of the old Arabian tribes it ignorant period. In the early sense of Islam we see fine examples of Kindness and welfare such as the division of wealth between the supporters and migrants. In Saudi regime the social welfare is increased rapidly and covered a large area of the Kingdom. The Kingdom did modern systems for this work and supported it by all of its efforts and financial it through ministry of labor and Social affairs.

The number of Social organizations was increased to (159) societies. (139) for men (20) for women. For the last statistical analysrs.

The main cause that lead to an increase of these organizations is the help of god and the availability of natural resources that are found in the Kingdom of oil and mineral resources that lead to the custodian of the two holley mosques to support these activities and covered all its activities in the Kingdom and all people that need help they found it.

Welfare organizations did its activities only by the help of god and the proper rule of our perfect commanders to achieved multiple goals in the field of social activities and others.

The statistical analyses in last brief reports from the ministry of labor and social welfare the number of welfare organizations in the Kingdom raised to (159) societies from them (20) Societies for women, the number of its members raised to (26679) from them (24149) for men and (2530) women, the number of persons that were employed in these organizations were estimated as (6006) persons (4237) men and (1769) women. The revenues of these organizations were 639,065,305 Saudi Riyals and total expenses were 524,253,564 Saudi Riyals.

CONCLUSION

- 1- In all societies there were no insurance of the staff against fraud and dishonesty especially for those who receiving and using of disposed assets for fraud.
- 2- In all societies there was no insurance of the properties and assets against all risk.
- 3- Societies that used electronic computer as Wafa society no security to safeguard computer from damage lost and misuses.
- 4- Wafa society, records were not kept for the purpose of internal control. By managers and auditors.
- 5- All societies except Nahdha society, Khafji society Fatat el Ehsa, and Benevolent women society in Jubail did not give an employee her yearly vacation completely and once time.
- 6- In most societies such as women society in Jeddah, Faisalia society, Taitba and Radwa society, were not found procedures for solving any variance of control such as penalties, or salary cut.
- 7- In some societies no disclosure of transactions in terms of values and time in accordance to the desire of management.
- 8- No disclosure of receiving assets and deletion of it in accordance to the desire of the management.
- 9- In some societies there is no separation of conflicting obligations as a result of finding one accountant in Taiyba society, Khafji society and women Benevolent society in Dammam.
- 10- In some societies, the staff ignored the role of internal control as in Taiyba benevolent society in Madinah, Radwa benevolent society for women.
- 11- In some societies were not found adequate environment for managers for supervision as in Fatat el Ehsa benevolent society, and benevolent society for women in Dammam.
- 12- In one society as Fatat el Ehsa benevolent society there was no system for approvals.

13- Top management's were not responsible to fulfill adequate environment for controlling as in Radwa society.

Recommendations:

- 1- All societies should insure all their staff against fraud and dishonest specially for those who keeping the assets which may lead to safeguarding their assets, in addition to verify the historical habits and conducts of those employees by outsiders such as insurance company.
- 2- We recommend all societies to insure its assets against all risks.
- 3- Societies used electronic computer should:
 - (i) Safeguard its computers from damage, misuses, and lost.
 - (ii) Keeping records of computer activities for controlling by managers and auditors.
- 4- Employees should have their annual vacation in once time, this way may lead to decrease the possibility of fraud and dishonest of employee that he/she always did not disclose any fraud. In addition this way may lead to decrease the pending works when an employee is asked to get his/her vacation.
- 5- Rigid procedures should be apply for any variation of control such as penalties and deduction.
- 6- Disclosure of all transactions in term of its values and timing in accordance to the desire of management which may affect the property of the society and it financial position.
- 7- Segregation of conflicting obligations, so the division of work and separation of conflicting obligations may lead to decreasing the possibility of making mistakes and illegal work.
- 8- The staff should recognize the role of internal control and applying the procedures of control.
- 9- Adequate environment for control and supervision to manager should be fulfill.