

**FACTORS AFFECTING AUDIT COMMITTEES' EFFECTIVENESS  
IN PUBLIC INSTITUTIONS WITHIN KENYA: 'A CASE OF THE  
JUDICIARY'.**

**BY**

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## ABSTRACT

The demand for accountability and efficient use of resources in the public sector continues to be a subject of discussion by scholars, donors, civil society and the public at large. Audit committees in the public sector are tailored to enhance accountability in the use of public resources and provide independent advice and assurance on the organization's strategy, performance and compliance to the different statutes.

Audit committees in Kenya were granted a lifeline with the issuance of Treasury Circular No. 16/2005. This research project undertook a study to assess the implementation of the circular and ascertained the factors affecting effectiveness of audit committees in the public institutions within Kenya: A case of the Judiciary.

The study reviewed the legal and regulatory framework in Kenya on the establishment of Audit Committees and benchmarked the same on international best practices. The study was anchored on the statutory role of an audit committee relating to accountability and transparency.

The study assessed and reviewed the factors of composition, independence, skills and competencies and appointment of members of the Judiciary's audit committee and how they affected the effectiveness of the audit committee of the Judiciary.

The study adopted a triangulate approach to research. The study applied both qualitative and quantitative methods to gather data. The main basis of data collection tool was by use of questionnaires developed on the basis of the objectives of the study.

The target population included 7 members of the audit directorate and 5 members of the Judiciary's audit committee. Also included in this study was 3 Directors from Directorates of Finance, Procurement and Accounts in the Judiciary.

The findings of the study were to establish how the composition, independence, skills and competencies, appointment and funding of the Judiciary's audit committee affected its effectiveness.

From the findings of the study the factors of composition, independence, skills and competencies, appointment and funding of the audit committee directly affected its effectiveness in terms of risk assessment, control and reliability of financial information provided.