



ADVANCED INTERNATIONAL JOURNAL
OF BUSINESS, ENTREPRENEURSHIP
AND SMES
(AIJBES)

www.gaexcellence.com/aijbcs



INTERNAL CONTROL PRACTICES IN MALAYSIAN MOSQUES

Muhd Ikhwan Syamil Azhar^{1*}, Muhammad Ahmar Ali², Shafawaty Mohamad Shabri³

¹Fakulti Perniagaan dan komunikasi, Universiti Malaysia Perlis, Malaysia

 ikhwansyamil@studentmail.unimap.edu.my  <https://orcid.org/0009-0001-8305-9651>

²Fakulti Perniagaan dan komunikasi, Universiti Malaysia Perlis, Malaysia

 ahmar@unimap.edu.my  <https://orcid.org/0000-0003-2553-049X>

³Fakulti Perniagaan dan komunikasi, Universiti Malaysia Perlis, Malaysia

 shafawaty@unimap.edu.my  <https://orcid.org/0009-0003-6201-9700>

*Corresponding Author

Article Info:

Article history:

Received date: 30.04.2026

Revised date: 24.05.2026

Accepted date: 18.06.2026

Published date: 28.06.2026

To cite this document:

Azhar, M. I. S., Ali, M. A., & Shabri, S. M. (2026). Internal Control Practices in Malaysian Mosques. *Advanced International Journal of Business Entrepreneurship and SMEs*, 8 (28), 662-686.

Abstract:

Internal control systems have an important role in strengthening accountability and financial governance in nonprofit religious institutions like mosques. This study aims to examine to what extent the five COSO internal control components are practised in Malaysian mosques and how these practices support accountability, transparency, compliance and responsible financial management. The study examines five internal control components which are control environment, risk assessment, control activities, information and communication, and monitoring activities. A quantitative cross-sectional survey design was used, targeting mosque administrators, treasurers and financial committee members who are directly involved in managing mosque financial resources including donations and waqf funds. A total of 300 questionnaires were distributed, 254 returned, and 206 usable responses are being used for final analysis. The data for this study were analysed using SmartPLS software through descriptive statistics, such as mean and standard deviation. The results indicate the internal control practices of Malaysian mosques are at a high level, with an overall mean of 4.15 and a standard deviation of 0.77. Of the five components, control environment recorded the highest mean score whereas risk assessment recorded the lowest mean score. The findings show that Malaysian mosques generally have strong foundations for governance, especially in ethical leadership, accountability culture, monitoring, documentation and communication. However, risk assessment practices require further attention, especially in relation to systematic risk identification and fraud-risk awareness. Overall, this study provides empirical evidence on the importance of internal control practices in Malaysian mosques

and highlights the relevance of the COSO framework in strengthening mosque governance, public trust, and financial management in faith-based nonprofit institutions.

DOI: 10.35631/AIJBES.828042 **Keyword:**

Coso Framework, Internal Control Practices, Malaysian, Mosques



© The authors (2026). This is an Open Access article distributed under the terms of the Creative Commons Attribution (CC BY NC) (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits non-commercial re-use, distribution, and reproduction in any medium, provided the original work is properly cited. For commercial re-use, please contact aijb@gaexcellence.com.

Introduction

Mosques have historically functioned as institutions extending beyond their role as places of worship. Since the early development of Islamic civilization, mosques have served as centres of religious learning, social interaction, and community administration. Historical evidence suggests that mosques played an essential role in disseminating knowledge, supporting welfare activities, and strengthening social cohesion within Muslim communities (Tamuri, 2021; Utaberta et al., 2023; Wan Zakaria & Ilias, 2023). During the early Islamic period, mosque institutions also functioned as educational centres that provided structured learning opportunities for members of society regardless of gender or social background (Utaberta et al., 2021). The historical significance of mosques demonstrates that their responsibilities have always extended beyond spiritual functions and contributed significantly to broader community development.

In contemporary society, mosques continue to keep on being as multirole on giving the best service for all society. Apart from facilitating religious activities, mosques increasingly participate in educational programmes, welfare initiatives, and community engagement activities. Religious institutions are often regarded as important social actors because they contribute to social welfare, civic engagement, and community support systems (Kamaruddin & Ramli, 2015; Mohamed et al., 2023; Said et al., 2013). In Malaysia, mosques frequently organize charitable activities, educational programmes, and assistance for disadvantaged communities while serving as centres for religious and social development (Md Zain et al., 2020; Wan Zakaria & Ilias, 2023). As a result, mosques have become institutions entrusted with substantial spiritual and social responsibilities.

Sustainability of activities of mosque involves effective financial management. The sources of financial of mosque include donation, contribution from public, zakat and waqf. These resources are used for a number of activities, such as programs of educational programs,

maintenance of mosque, development of infrastructure and for other welfare activities to help the human around (Mohamed Adil et al., 2013). Management of financial resources of mosque is to be channeled to achieve the objectives of the institution in the most effective manner in line with the needs of the human around. Financial management of nonprofit organization such as above requires a sound financial practice in order to overcome the risk and to sustain the organization (Nazila & Fahlevi, 2019; Setiawan, 2024; Suarni et al., 2023).

In Malaysia, non-profit institutions are expected to practice accountability and transparency as a result of society's increasing expectations of these institutions. Due to the operation of mosque based on public trust and voluntary contributions, the financial accountability of mosque becomes more significant in order to safeguard stakeholders trust and institutional credibility (Istan, 2022; Kamaruddin & Ramli, 2015; Mohamed et al., 2019). The financial management and usage can be understood by congregants and donors via financial reporting practice (Kamaruddin & Auzair, 2023). In addition, stakeholders who benefit from non-profit organisations must be involved to enhance the accountability process. As a result, governance practices strengthen so that public trust on mosque institutions may be retained.

Even though there is awareness about the need for accountability, the issue of financial accountability in mosques is still raised. There are several studies that found some financial procedures, accounting practices and governance mechanisms weaknesses in mosque institutions (Kamaruddin & Ramli, 2015; Md Zain et al., 2020; Mohamed Adil et al., 2013). The concerns in this regard are weak monitoring systems and inadequate financial monitoring system as mentioned in some reports (Kamaruddin & Auzair, 2023; Mohamed Adil et al., 2013; Said et al., 2013). These problems suggest that the financial risks faced by mosque institutions may stem from their weak governance practices, and that their stakeholder confidence and public trust may also be undermined.

Empirical findings also indicate that issues of financial management continue to be a challenge in the mosque institutions. In fact, a study conducted by Md Zain et al. (2020) revealed that there is limited accounting knowledge in some of the members of the mosque committee because they lack sufficient training in accounting and insufficient supervision. This is similar to what has been reported in other Muslim dominated countries. For instance, Suarni and Andayaningsi (2018) reported that there were no formal budgeting systems in many mosques in Indonesia, and Nazila and Fahlevi (2019) reported that accounting skills and enforcement of the accounting system were among the obstacles to financial reporting practices. Furthermore, Mohamed Adil et al., 2013 and Said et al., 2013 findings indicate that mosque institutions still faced problems in terms of accountability and financial governance procedures, thus requiring further enhancement of financial management procedures. The results in this study indicate that governance problems in the mosque institutions are not limited to one national context but extended to other national contexts. In this context, internal control practice is becoming more critical in the enhancement of financial good governance. Internal control (COSO, 2013; Chawla et al., 2023; Ndanyi, 2021) refers to the policies and procedures that are implemented to ensure operational effectiveness that can lead to dependable financial reporting, regulatory compliance, and the safeguarding of the organizational assets. Good internal control should allow the definition of responsibilities and the monitoring and reduction of opportunities for financial irregularity (Kamaruddin & Auzair, 2023; Yusuf et al., 2023). Internal controls have special importance in non-profit institutions such as a mosque because they help to increase accountability and improve resource management.

After that, agency theory and stewardship theory elucidate the role of internal control which is a governance role. Eisenhardt (1989), Fama & Jensen (1983), and Meckling & Jensen (1976) argued that conflicts may be expected because of information asymmetry between the principal and the agent when delegating authority. In mosques, the congregants and donors entrust the mosque administration with responsibility for the management of financial resources. Stewardship theory offers further insights by proposing that ethical values and collective responsibilities may create an environment that leads to behaviors consistent with organizational interests as opposed to self-interest (Davis et al., 1997; Donaldson & Davis, 1991). Values such as amanah play a crucial role in promoting ethical responsibilities and strengthening responsible governance practices in the mosque. While internal control has been extensively studied academically in corporate, public sector, and nonprofit governance, there are few empirical studies on internal control practices within mosque institutions (Ayagre et al., 2014; Ayedh et al., 2021; Kamaruddin et al., 2022; Lisdiawati et al., 2024). The literature pertaining to mosque institutions has touched upon transparency, accountability, financial reporting, and governance in general, but the integration of internal control as a multidimensional governance mechanism through the 5 elements of COSO remains less explored (Mohamed Adil et al., 2013; Said et al., 2013; Md Zain et al., 2020; Wan Zakaria & Ilias, 2023; Mohamed et al., 2023). This gives a clear research gap as the mosque institutions operate with financial resources that are sourced from public trust but there is insufficient empirical evidence on how control environment, risk assessment, control activities, information and communication, and monitoring activities are implemented in financial management in mosque.

The novelty of this study is the focus placed on the application of the COSO framework in the context of the mosque as the financial management is not only formal but also influenced by Islamic governance values, which are amanah, integrity, trust and responsibility. In mosque administration, internal control practices are important as they assist in putting these values into practice, such as proper documentation, approval, monitoring, communication, and risk awareness in the administration of the mosque. This study, therefore, will only examine the internal control practices in Malaysian mosques in relation to the five components of the COSO framework set out by the COSO namely control environment, risk assessment, control activities, information and communication and monitoring activities. This study examines the role that internal control practices play in helping to ensure the accountability, transparency, and financial management in faith based non-profit organizations with a particular emphasis on the mosque institutional context.

Literature Review

Internal control practices are considered to be well recognized tools that enhance accountability, protect institutional resources and ensure institutional effectiveness. An Internal control could be defined as a system of policies, procedures, and governance activities that are established to provide reliable reporting, efficient operations, and compliance with objectives and regulations (Arens et al., 2017; COSO, 2013; Romney et al., 2012). Organisations can mitigate the risks of fraud, safeguard its assets, enhance operational efficiency, and enable a sound approach to decision making through effective internal control systems (Mahadeen et al., 2016; Oussii & Taktak Boulila, 2018). In non-profit organizations, internal control procedure is more important due to the fact that these institutions rely on the public's confidence, donors' trust and clear governance system to run their activities (Said et al., 2013; Sanusi et al., 2015; Sulaiman et al., 2008). Good internal control systems, therefore, are not

only important to financial accountability, but they are also important in sustaining the credibility of the institution and the confidence of the stakeholder.

The use of internal control practices is more significant in mosque institutions due to the fact that mosque institutions have been receiving financial support from various sources such as donations, waqf and other public sources of support. The mosques are institutions that are expected to demonstrate accountability and transparency in managing financial resources so that the resources that have been gained are managed responsibly and according to the objectives of the institution (Lisdiawati et al., 2024; Mubtadi, 2019). While profit-driven organizations focus extensively on financial results, mosque institutions have broader religious and social roles that need to be performed wisely and well (Nazila & Fahlevi, 2019; Savitri et al., 2020; Suarni et al., 2023). After that, with poor financial procedures and weak internal controls can expose the institutions to financial irregularities and decrease the level of public trust in the management of institutions (Suarni et al., 2023). Hence, the need to enhance the internal control practices to facilitate good governance, accountability and ensure the trust of the communities in mosque institutions.

One widely adopted approach for evaluating internal controls is the approach provided by the Treadway Commission. According to Ayagre et al (2014), COSO framework has five interrelated dimensions which are: control environment, risk assessment, control activities, information and communication and monitoring activities (Oyetunji et al. 2021, COSO 2013). These dimensions form a holistic governance framework to help organisations detect risks, take accountability and enhance their operational performance. This framework has been increasingly adopted by corporate institutions, governmental bodies, and non-profit organizations, due to its ability to enhance organizational governance and financial integrity (Ayedh et al., 2021; Lisdiawati et al., 2024; Nuha et al., 2021).

In the context of mosque institutions, the framework developed by the Committee of Sponsoring Organizations of the Treadway Commission provides a useful basis for examining the connection between internal control, accountability, and governance (COSO, 2013). The framework emphasizes organizational values, communication systems, supervision and control systems for effective management of resources. Researchers recently found that better governance structures and internal procedures are associated with higher transparency and better management (Rae et al., 2017). After that, it has been observed that good communication, progressive assessment and well-defined control mechanisms are effective in enhancing organizational accountability and managing institutional resources (Abdulsalam et al., 2024; Bananuka et al., 2018). In the context of expanding role of mosque governance, the application of COSO framework can give a more holistic view on internal control practice and its contribution to enhance accountability in the mosque.

Control Environment

The control environment is the set of the standard of organization that affects the ethical behavior, leadership, and governance of an organization. This foundation can influence by the management philosophy, integrity, organizational values, and accountability structures that guide the actions of the employees and financial management (COSO, 2013; Ayagre et al., 2014; Olaniyi & Omubo, 2023). Control environment also has been suggested as a basis element for the internal control system as it determines the organization's expectations for ethical and financial behaviors.

Past research suggests that companies that have a high level of control environment have a better accountability and financial governance. The study that has been made by Kule et al. (2020) and Ayedh et al. (2021) and Magu and Kibati (2016) in the public institution, non-profit organization and co-operatives have shown there are significant relationship between leadership commitment to ethical values and financial discipline and transparency (Kule et al., 2020; Ayedh et al., 2021; Magu & Kibati, 2016). Good governance also can be enhanced, and governance weaknesses also can be minimised through good leadership practices.

In the Islamic institutions, the control environment is relevant since administrative duties are often carried out by volunteer committees and community-based leadership roles. Organisation culture, leadership ethics and members' engagement in the committee are key factors in determining responsible financial management and public trust in the governance of mosques in these environments. Research in nonprofit and public sector organisations has linked high ethical values and strong leadership support to better accountability, compliance with procedures and more disciplined financial management practices (Rae et al., 2017). Further, integrity, transparency, and role clarity in governance are found to diminish the weaknesses in the operations of community-based institutions and enhance the confidence of stakeholders in them (Abdulsalam et al., 2024; Bananuka et al., 2018).

Risk Assessment

The risk assessment is defined as the critical element of internal control that are involving the impact on the organization's objectives of identifying, measuring and addressing uncertainties. Moreover, based on the explanation from COSO framework where they have defined risk assessment as a that could happen and impact negatively on the performance of the organisation where a shift from a reactive approach to a proactive approach and from a control perspective to a governance perspective (Adrian-Cosmin, 2020; COSO, 2013; Wanggetete & Asri, 2023). In practice, risk assessment is not done once but it is a process that needs to be done continuously and systematically, which requires organisations to continuously assess internal and external conditions in accordance with the operational environment (Bokello et al., 2024; Sallal et al., 2023; Utama & Wulandari, 2020). Nuha et al. (2021) and Muli and Masau (2022) and Olayisade et al. (2023) have highlighted in their study which is about the emperical effect of the systematic risk assessment where they found that it can increase the accuracy of budgeting, financial planning, and reduced financial problem because of it can show the dentification of potential weaknesses in the system early before the real problem may occur. The effectiveness of risk assessment, however, hinges on the fact that it is part of the organisations processes rather than being seen as a formality and then not applied consistently (Odek & Okoth, 2019; Oyelakin & Abdullahi, 2022).

The significance of Risk assessment in Mosque institutions is especially high because they depend on donations, waqf funds and public contributions, thus, there must be high accountability and trust. Financial documentation can be weak, segregation of duties not properly implemented, mismanagement of funds, and changing expectations of the stakeholders which may impact donors' confidence and institutional legitimacy (Prakash & Gugerty, 2010; Yang et al., 2017; Hyndman & McConville, 2018). As far as the perspective of governance, Agency Theory states that risk assessment can make it easier to manage information asymmetry between the mosque committees and the stakeholders by enhancing monitoring and accountability processes (Meckling & Jensen, 1976; Olayisade et al., 2023). Meanwhile, Stewardship Theory indicates that the motives of mosque managers could be

related to the religious values and ethics, for example amanah, and yet structured risk assessment is essential for the purposes of establishing transparency and providing a consistent approach to governance throughout (Davis et al., 1997; Hyndman & McConville, 2018; Yang & Northcott, 2018). Thus, with proper application in accordance with the COSO principles, the risk assessment can be considered as a practical governance tool that fortifies financial discipline, improves transparency, and solidifies sustainable management of mosque resources (COSO, 2013; Utama & Wulandari 2020; Wanggetete & Asri 2023).

Control Activities

Control activities are the policies, procedures, and actions established by management to ensure that directives are carried out and risks are managed effectively. COSO control activities are defined as policies and procedures that help ensure that management directives are implemented and risks are properly managed (COSO, 2013; Adrian-Cosmin, 2020; Wanggetete & Asri, 2023). Furthermore, the control activities also are being implemented so that the organization can minimise errors and irregularities i financial transaction where this can achieve with involving the authorization processes, segregation of duties, documentation controls, reconciliations, and verification procedures (Adegboyegun et al., 2020; Sallal et al., 2023; Yuliyanto et al., 2023). Moreover, Nuha et al. (2021) and Odek and Okoth (2019) and Olayaside et al. (2023) have found that when the organization implemented and structured the control activities it can lead to better financial discipline and can reduce the potential of fraud especially in the event of consistent enforcement and commitment to the control activities by the organizations (Nuha et al., 2021; Odek & Okoth, 2019; Olayisade et al., 2023). But there are also research shows that control activities will more effective when it be part of the organization activities or culture of their business rather than formal process (Oyelakin & Abdullahi, 2022; Sallal et al., 2023; Bokello et al., 2024).

The control activities are important in the mosque institution because they are dependent on donations, waqf funds and community contributions and therefore, they need to be handled carefully with high level of accountability. The governance of a mosque is generally committee-led and involves volunteers, meaning that segregation of duties, expenditure approval, and documentation are especially significant to mitigate the risk of mismanagement and improve financial transparency (Abdul Rahman, 2020; Halim et al., 2020; Hyndman & McConville, 2018). Theoretically, Agency theory explains where control activities can be used to improve the level of correct information when doing the financial decision-making process through increased the monitoring and the accountability (Jensen & Meckling, 1976; Yusuf et al., 2023; Olayisade et al., 2023). Meanwhile, the stewardship theory explains that individual are being trusted on managed the resources of organization so that they can make they can gain the trust of stakeholder rather than using the resources for their personal gain (Davis et al, 1997). But in the context of mosques the mosques committee are being trusted on managed the mosques resources with the sentiment of Islamic value to be Amanah and have moral obligation to be accountability when handling the mosques resources. Therefore, the control activities can be viewed as a foundation that can fulfilling the stewardship responsibilities and demonstrating accountability toward the stakeholder (Muli & Musau, 2022 and War & Barlis, 2023). Therefore, the control activities can improve the accountability, protect resources and contribute toward sustainable financial management practices when the control activities is being using effectively in the mosque's organization.

Information and Communication

Information and communication are a key element of the internal control system by ensuring that relevant financial information is properly generated, recorded and shared within an organisation. According to the COSO framework, internal control is effective only when accurate and timely information is communicated to the right people to support decision-making and monitoring processes (COSO, 2013). Information refers to the financial and operational data used for governance purposes, while communication refers to the structured flow of this information across different levels of management and to external stakeholders. Without or weaken information and communication system it will lead to where the decision-makers are not able to gain reliable information to track the company financial transaction and learn what will be the financial risk of the company (Adrian-Cosmin, 2020; Wanggetete & Asri, 2023; Zhang, 2023).

They are several research have found where good information and communication can enable a good transparency, accountability and financial governance in any organisational contexts. After that, Muli and Masau (2022) and Olayisade et al. (2023) and Kim, (2025) where they have found that when the communication in organization is being handle perfectly it can reduce the information problem and also it can increase the effectiveness when doing financial decision making either it in non-profit organization or public sector organization. Because of that, the transparency is very crucial in mosque institutions, as mosques are reliant on various sources such as public donation, waqf, and community contributions and therefore it is essential to maintain trust and legitimacy (Hyndman & McConville, 2018; Wan Zakaria et al., 2020; Yaacob et al., 2015). Financial reporting and open communication provide added accountability and facilitate better internal control practices in the governance of mosques.

Monitoring Activities

The monitoring activities are the evaluative activities in the internal control system that helps to ensure that all other control activities are effective in the long run. Monitoring refers to an ongoing systematic process to measure the quality and performance of the internal control and to identify internal control deficiencies that may need to be addressed (COSO, 2013; Nguyen et al., 2023; Olaniyi & Omubo, 2023). Besides that, this will need a continuous supervision such as the evaluation of audit and regular checking the financial. Furthermore, Monitoring is not a passive verification, but a functioning and up-to-date internal control system that is able to adjust to the changes in organisational conditions (Adrian-Cosmin, 2020; Kalmetova & Zhussupova, 2018; Radojević et al., 2022).

There are several studies that have stated where monitoring activities have a strong impact of positively on the accountability and in any financial governance of various organization context. Where there are several research conducted in other industries, such as public, banking, and nonprofit sectors have shown that systems of regular monitoring help to build financial discipline, improve compliance with procedures, and detect errors or irregularities early on in the process (Olayisade et al., 2023; Sallal et al., 2023; Olaniyi & Omubo, 2023). However, to be effective the implementation on doing the monitoring must be doing follow the procedure because in organisations that are collaborative and volunteer-based making too much monitoring can make it less efficient, and this may affect staff motivation (Masanja & Masimba, 2020; Oyelakin & Abdullahi, 2022; War & Barlis, 2023). Because of that, the monitoring plays a crucial role in financial management systems of mosque institutions, as they

heavily depend on funds raised from donors and the trust of members, where audits, committee reviews and supervisory checks are vital components to guarantee transparency and maintain public trust (Abdul Rahman, 2020; Halim et al., 2020; Islamiyah et al., 2020).

Methodology

Research Design

This study using the quantitative cross-sectional survey design to examine internal control practices among mosque institutions in Malaysia. A quantitative approach was considered appropriate because the study aimed to measure respondents' perceptions using numerical data and analyse the level of internal control practices systematically (Creswell & Creswell, 2018; Sekaran & Bougie, 2016). The cross-sectional design was also suitable because the data were collected at one point in time, allowing the study to capture the current implementation of internal control practices among Malaysian mosques without requiring repeated observations over a long period (Saunders et al., 2019; Shmueli et al., 2019). This research design is very fits for the purpose of the study because this study research focuses on the five COSO internal control components, which are control environment, risk assessment, control activities, information and communication, and monitoring activities (COSO, 2013).

Population, Sample, and Data Collection

This study was based on the respondents who were the mosque administrators, treasurers, and members of financial committees who were directly involved in running mosque financial activities. These respondents were chosen because they have duties that are closely related to managing donations, preparing financial records, allocating funds, implementing internal control and adhering to financial procedures. The study targeted the mosque institutions in Malaysia to gain responses from various states and Federal Territory. Malaysia has a large number of mosque and surau institutions with about 6,784 registered mosques, more than 1,000 Friday suraus and more than 18,000 suraus in the country as at 2026 reflecting a broad and diverse environment for studying the governance and financial management practices of mosques (Malaymail, 2026).

Stratified random sampling method was used to make the sampling representative. The population was segmented by states and federal territories and subsequently respondents were taken from each group to make sure it was not limited to a specific geographical area. At a 95% confidence limit, the sample size guideline by Krejcie and Morgan (1970) suggests that a sample of $N = 254$ is adequate in a large population. 300 questionnaires were sent out via postal service, direct hand distribution and Google Forms to boost the response rate and minimise chance of not having sufficient usable responses. A total of 254 questionnaires were distributed, and 206 questionnaires were retained after screening for final analysis. This screening process was carried out to assure that data analyzed were complete, relevant and appropriate to the research task.

Research Instrument

Data for this study were gathered through a questionnaire prepared in a fixed format. This approach was appropriate because it enabled the researcher to obtain responses in a consistent manner from respondents across different mosque institutions, allowing the data to be

compared and analysed systematically (Dillman et al., 2016; Sekaran & Bougie, 2016). The questionnaire was designed based on the five internal control dimensions of the COSO framework which are control environment, risk assessment, control activities, information and communication, and monitoring activities (Ayagre et al., 2014; COSO, 2013; Oyetunji et al., 2021).

The questionnaire consisted of seven sections. Section A covered respondents' demographic information, while Section B focused on mosque profile information. Sections C to G measured internal control practices based on the five COSO components. The measurement items consisted of Control Environment with seven items, Risk Assessment with six items, Control Activities with nine items, Information and Communication with five items, and Monitoring Activities with seven items. This study item was measured use the five-point Likert scale which are range from 1 = Strongly Disagree to 5 = Strongly Agree. This scale was used to capture the level of agreement among respondents regarding the implementation of internal control practices in their mosque institutions. After that, Cronbach's Alpha analysis is conducted to determine the reliability of the items in the questionnaire instrument, as shown in Table 1 below:

Table 1 : Reliability Test

Research Variable	No. of Items	Cronbach's alpha Value
Control Environment	7	0.916
Risk Assessment	6	0.902
Control Activities	9	0.919
Information and Communication	5	0.892
Monitoring Activities	7	0.922

Based on the results presented in Table 1, all constructs demonstrate a high level of internal consistency, indicating that the measurement instrument is reliable for assessing the intended variables. The Cronbach's Alpha values for Control Environment (0.916), Risk Assessment (0.902), Control Activities (0.919), Information and Communication (0.892), and Monitoring Activities (0.922) are all above the recommended threshold of 0.70, which suggests strong reliability across all constructs. According to Hair et al. (2019), Cronbach's Alpha values above 0.80 are considered good, while values above 0.90 indicate excellent reliability, meaning that the items within each construct are highly consistent and measure the same underlying concept effectively. Therefore, the results confirm that the instrument used in this study is highly reliable for further statistical analysis.

Data Analysis

The collected data were analysed using SmartPLS. Descriptive statistics, including frequency, percentage, mean, and standard deviation, were used to describe the respondents' background and determine the level of internal control practices among Malaysian mosques. Descriptive statistics were appropriate because they helped summarise respondents' characteristics and present the general pattern of responses in a clear and organised manner (Creswell & Creswell, 2018; Saunders et al., 2019). This analytical approach was suitable for the purpose of this study because the article focuses on explaining the current level of internal control implementation based on the five COSO components, namely control environment, risk assessment, control

activities, information and communication, and monitoring activities. Since the analysis focused on descriptive findings, PLS-SEM relationship testing was not reported in this article.

Result

A descriptive analysis was conducted using SmartPLS to assess the level of internal control practices among mosque institutions in Malaysia. The analysis examined the implementation of the five components of the Internal Control Framework based on respondents' perceptions. Mean and standard deviation values were utilized to determine the level of implementation for each dimension, including Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities. The findings for each dimension are presented in the following sections.

Control Environment Level

The analysis conducted for control environment in Malaysia Mosque have shown a high-level result, the result is presented in Table 2 below.

Table 2 : Distribution of Respondents According to Mean, and Standard Deviation for Control Environment.

Control Environment	Mean	Standard deviation	Level
Our mosques emphasize positive environmental control, such as integrity and other ethical values?	4.376	0.733	High
Our mosque organization structured and formalized when you are doing your mosque committee member appointment process?	4.385	0.7	High
Our mosque's human resources management assess the productivity, effectiveness, and efficiency levels of your committee members?	4.234	0.84	High
Our mosque organization is committed to integrity and ethical values	4.307	0.738	High
Our mosque management committee establish structure, authority, and responsibilities	4.341	0.706	High
Our mosque organization demonstrates commitment to developing and retaining Individuals who are competent and aligned with goals	4.332	0.71	High

Table 2 Table 2 depicts the mean and SD of each of the Control Environment dimension of the respondent groups from mosque institutions in Malaysia. Overall, all the statements received a high level of agreement, suggesting a positive perception by the respondents with regard to the practices of the control environment in their respective mosques. The results indicate that these mosques have high organizational values and organizational governance in terms of ethics, accountability, and administration.

The highest mean score was for statement 'Our mosque organization is structured and formalized during the appointment of mosque committees' ($M = 4.385$, $SD = 0.700$) which means that the respondents perceive that the organization and the formal procedures are established during the appointment of mosque committees. This finding is very important showing the importance of correct governance and role assignment in the mosque institution. On the other hand, the lowest mean score ($M = 4.234$, $SD = 0.840$) was obtained with the statement "Our mosque's human resources management evaluates the productivity, effectiveness, and efficiency levels of the committee members. This item was at a high level, but the comparatively low mean value could indicate that the practice of performance assessment within the committee is not a feature of the control environment as much as other aspects.

The other statements have also shown very high mean values with a range from 4.307 to 4.376 that mean respondents are generally provided by the institutions of their own mosques to emphasize integrity, ethical values, defined responsibilities and forming competent people according to the goals of their institution. The overall finding indicates that the level of control environment practices practiced in the Malaysian mosques are above the average, which shows that there are a positive internal governance culture and a strong foundation for implementation of effective internal control in the mosques being studied.

Risk Assessment Level

Next, the analysis that have been done in the Table 3 below have shown that the result of risk assessment toward Malaysia mosques is at high level.

Table 3 : Distribution of Respondents According to Mean, and Standard Deviation for Risk Assessment.

Statement of Risk Assessment	Mean	Standard deviation	Level
Our mosque practices a risk management process	4.005	0.903	High
Our mosque develops and implemented alternatives strategies to prevent sudden organizational and technological changes that can threaten our mosque objective	3.868	0.865	High
Our mosque organizations set goals clearly to enable the identification and assessment of risks related to goals	4.049	0.795	High
Our mosque organizations study and analyse threats to the accomplishment of goals to determine how to manage risks.	4.044	0.773	High
Our mosque organizations consider the potential for fraud in assessing risks to goal achievement	3.82	1.06	High
Our mosque organization identifies and assesses changes that may significantly affect the internal control system	3.946	0.773	High

Table 3 shows the distribution of respondents by mean and standard deviation of the Risk Assessment dimension of mosque institutions in Malaysia. The findings showed that overall, all six statements had high mean scores, meaning respondents' perceptions of the level of agreement were positive regarding the practices of risk assessment in mosque institutions. The results indicated that mosque organizations have already taken measures regarding risk

identification, risk evaluation, and risk management processes in order to achieve the aims of the organization as well as to enhance their internal control system.

The item "Our mosque organizations set goals clearly to enable the identification and assessment of risks related to goals" had the highest mean score ($M = 4.049$, $SD = 0.795$) among the six items. This finding means that the respondents strongly agreed that there is a clear organizational goal and so the potential risks could be identified and assessed well. The significance of clear goal setting is that it is the basis for managing the risks, as well as supporting the process of decision making in the management of the mosque.

The lowest mean score ($M = 3.820$, $SD = 1.060$) was obtained by the statement "Our mosque organization considers the possibility of fraud when evaluating risks related to goal achievement". The mean value for this item was still high, but there was also considerable variation as indicated by its relatively high standard deviation, suggesting a greater variability in respondents' perceptions. This could suggest various levels of prioritization of fraud risk issues among the institutions of the mosque.

The other statements also showed high mean scores from 3.868 to 4.044, indicating that the respondents strongly agreed their mosque institutions actively advocate the practice of risk management process, implementation of preventive strategies, systematic identification of risks, and assessment of organizational changes that potentially impact internal control practices. In general, these results suggest that the level of risk assessment measures that are carried out at Malaysian mosques is quite high, and it is one important risk factor in enhancing the effectiveness of internal control.

Control Activities Level

The finding of the study also has indicated that the control activities among Malaysia mosques have shown that is at a high level also, the result is being presented at the Table 4 below.

Table 4 : Distribution of Respondents According to Mean, and Standard Deviation for Control Activities.

Statement of Control Activities	Mean	Standard deviation	Level
The mosque organization's financial management practices related independent check practice functioning.	4.093	0.782	High
Our mosque has a control system of stored documents and data.	4.005	0.755	High
Our mosque organizations select and develop control activities that contribute to risk-reduction efforts.	4.068	0.736	High
Our mosque organization selects and develops technological control activities to facilitate goal achievement.	4.102	0.768	High
The mosque organization financial management practices have function on practicing the segregation of duties.	4.054	0.851	High

The mosque organization financial management practices have function on the authorization of transactions and records practices.	4.302	0.682	High
Documentation and record-keeping procedures for the financial department of our mosque organization.	4.390	0.643	High
The function of the financial section of the operations of our mosque organization in the physical control of asset practices.	4.195	0.72	High

Table 4 displays the mean and standard deviation of respondents for the Control Activities dimension for the mosque institutions in Malaysia. In total, the respondents' views on the level of agreement for all eight statements were high, which means there is a positive perception from the respondents on the level of control activities practices in their respective mosque institutions. The results indicate that in order to promote accountability, limit the risk exposure and enhance the effectiveness of internal control systems, the organizations in the mosques have taken on various control procedures and operation practices.

The best mean score ($M = 4.390$, $SD = 0.643$) was observed in the item "Documentation and record-keeping procedures for the financial department of our mosque organization" among all statements. The finding suggests there is high level of consensus among respondents with regards to the good practices of documentation and record management in the mosque institutions. Documentation is important as it helps to keep things transparent, helps to monitor activities and keeps financial transactions and administrative procedures recorded systematically.

On the other hand, "Our mosque has a control system of stored documents and data" received the lowest mean score ($M = 4.005$, $SD = 0.755$). This score stayed relatively high, but the relatively low mean score would indicate that the management and protection of stored information may not be as well emphasized as other control activities. However, the respondents did generally concur that there is control over data and documents in their organizations.

The remaining statements also had consistently high mean items ranging between 4.054 to 4.302 which meant that the respondents' perception of the implementation of independent checking practice, technology related control, segregation of duty, authorization procedures and physical control over assets was positive. Overall, these findings indicate that the implementation of control activities in mosques is good and can be used to increase the quality of internal control in the mosque institution in Malaysia.

Information and Communication Level

After that, the result of information and communication toward Malaysia mosques also have shown at a high-level result, the data presented at Table 5 below.

Table 5 : Distribution of Respondents According to Mean, and Standard Deviation for Information and Communication.

Information and Communication	Mean	Standard deviation	Level
Our mosque committee members should not have any difficulty in getting the data relevant to their work.	4.132	0.75	High
Our mosque departments communicate timely, complete, continuous and seamless information so that activities in the mosque are not impeded.	4.102	0.722	High
Our mosque information channels are seamlessly and comprehensively developed.	4.141	0.793	High
Our mosque organizations obtain or generate and use relevant and quality information	4.146	0.725	High
Our mosque organizations communicate information internally, including goals and responsibilities	4.107	0.654	High

Table 5 presents the mean and standard deviation of Information and Communication dimension for mosque institutions in Malaysia. Overall, all five statements showed a high level of agreement, where respondents' perceptions of information and communication practices were mainly positive in the context of their respective institutions within the mosque. The results indicate that the mosque organizations have developed communication structures and the sharing of information that helps in coordinating the activities of the organization and in implementing the internal control activities.

All the five statements received the highest mean score with the item "Our mosque organization obtains, generates, and uses relevant and quality information" having the highest mean score ($M = 4.146$, $SD = 0.725$). This shows that they strongly agreed that the institutions of the mosque give high importance to acquiring and using correct and relevant information to assist their work and decision making. Quality information is key, and it helps communicate and aids in the implementation of internal control.

The statement "Our mosque departments communicate timely, complete, continuous and seamless information so that activities in the mosque are not impeded" had the lowest mean score ($M = 4.102$, $SD = 0.722$). While still at a high level, the relatively low mean score could indicate some variation in the efficiency of communication practice within the institutions of the mosques. However, the general consensus of the respondents was that communication processes in their organizations are effective.

The other statements also showed consistently high mean scores ranging from 4.107 to 4.141, which suggests good perceptions of low cost of availability of information, communication channels, and internal dissemination of goals and responsibilities. As a whole, these results indicate that the information and communication practices of the mosques are at a high level and are useful as a basis for improving the level of control in mosque institutions.

Monitoring Activities Level

Monitoring Activities level result also have shown that this data is also at a high level toward Malaysia mosques, The data is being showed at the Table 6 below.

Table 6 : Distribution of Respondents According to Mean, and Standard Deviation for Monitoring Activities.

Monitoring Activities	Mean	Standard deviation	Level
The mosque effectively manages the complaints received.	4.254	0.658	High
The mosque ensures the personal or team that responsible for internal control are trust worthy in their evaluation.	4.161	0.711	High
The mosque organizations conduct the evaluation of internal control.	4.146	0.731	High
Our mosque organization evaluates and communicates deficiencies on time to parties responsible for making improvements	4.141	0.742	High
Thanks to our monitoring of mosques, the internal control system can be adapted when company conditions change.	4.132	0.703	High
Our mosque committee has a well-versed monitoring member.	4.254	0.735	High
We measure the quality of performance on a daily basis in our mosque.	4.093	0.730	High

Table 6 presents the distribution of respondents according to the mean and standard deviation for the Monitoring Activities dimension among mosque institutions in Malaysia. Overall, all seven statements recorded a high level of agreement, indicating that respondents generally perceived monitoring activities within their mosque institutions positively. These findings suggest that mosque organizations have implemented continuous monitoring practices and evaluation mechanisms to support the effectiveness of internal control systems and improve organizational accountability.

Among the seven statements, two items recorded the highest mean score of 4.254. The first statement, "The mosque effectively manages the complaints received" (SD = 0.658), indicates that respondents strongly agreed that complaint management practices are effectively handled within their institutions. Effective complaint management is important because it allows organizations to identify issues, address concerns, and improve operational processes. The second statement, "Our mosque committee has a well-versed monitoring member" (SD = 0.735), suggests that respondents perceived individuals assigned to monitoring responsibilities as having sufficient competencies to carry out their roles effectively. This reflects the importance of knowledgeable personnel in maintaining and strengthening internal control practices.

In contrast, the statement "We measure the quality of performance on a daily basis in our mosque" recorded the lowest mean score (M = 4.093, SD = 0.730). Although the statement remained at a high level, the comparatively lower mean score may suggest that routine

performance assessment practices are implemented with varying levels of emphasis across mosque institutions. Nevertheless, respondents generally agreed that performance evaluation activities form part of daily organizational operations.

The remaining statements also demonstrated consistently high mean values ranging from 4.132 to 4.161, indicating that respondents perceived monitoring practices, evaluation activities, communication of deficiencies, and adaptation of internal control systems positively. Overall, these findings indicate that monitoring activities among Malaysian mosques are implemented at a high level and play an important role in ensuring that internal control systems remain effective and responsive to organizational needs.

Internal Control Level

In conclusion, the internal control practices among Malaysia mosques were at a high level ($M = 4.15$, $SD = 0.77$). The data have presented at the Table 7 below.

Table 7 : The Average Mean and Standard Deviation for Internal Control Practices.

Internal Control Component	Mean	Standard Deviation	Level
Control Environment	4.33	0.73	High
Risk Assessment	3.96	0.86	High
Control Activities	4.15	0.74	High
Information & Communication	4.13	0.73	High
Monitoring Activities	4.17	0.72	High
Average	4.15	0.77	High

Table 7 present the data of average mean and standard deviation for internal control practices where the overall mean score is 4.15 with a standard deviation of 0.77 for the Malaysian mosques, which indicates that the overall level of internal control practices is done at a high level. The overall result indicates a general understanding of the development of financial accountability, transparency and responsible management of mosque resources at internal control practices in the mosques of respondents. As mosques are very dependent on donations, waqf contribution and public trust, it is important that there is a high degree of internal control in place to ensure that financial resources are properly administered and used in accordance with institutional and community needs.

The highest mean score (4.33) was for the Control Environment in the five components of COSO. This means that moral values, formal committee systems, roles and responsibilities, and leadership are all significant elements of mosque institutions. The high score is important for this component since the control environment is the foundation of the system of internal control. A clear governance structure and mosque committee members that are aware of their duties will make it easier for financial activities to be carried out in a disciplined and accountable manner.

Monitoring Activities had the 2nd highest mean score of 4.17, implying that mosques have relatively good practices related to monitoring activities, management of complaints, evaluation and taking corrective action. It is noted that many mosques have some sort of oversight system as high scores were obtained for complaint management and knowledge of

committee responsible for monitoring. This is because internal control procedures do not have to be just written procedures, they can be reviewed and strengthened if weaknesses are identified.

The mean scores for Control Activities and Information and Communication were also high (4.15 and 4.13 respectively). From these findings, it is evident that respondents believed that there were procedures in place for their mosques to be approved, documented, verified, and information shared, and that responsibilities were communicated in terms of procedures. These practices are significant in the financial management of mosques as it helps to minimise errors, maintain records and provide information to committee members for decision making.

The mean score for Risk Assessment was also very high at 3.96 but was the lowest of the five components. This discovery indicates that the risk-related practices within these institutions in the mosque might still need to be given more attention, particularly in the aspect of fraud risk assessment, alternative planning, and identification of changes that may impact the internal control system. The lower score does not indicate a weak performance in the field of risk assessment, but the performance of this component may not be as well performed as the other internal control components. Thus, it is important to enhance the capacity of the mosque committees and religious authority to know about the financial risk and to provide additional training and training of procedure in identifying and risk management.

In general, the results indicate that the foundation of the internal control practices of mosques in Malaysia is good in terms of ethical governance, monitoring and control procedures as well as communication. The score for Risk Assessment, however, is comparatively low and this is an area that needs to be improved. Enhancing this element would enable mosque institutions to step up from the day-to-day management of finances and take more active role in averting financial misuse, safeguarding public money and ensuring the trust of the community.

Conclusion

The purpose of this study was to investigate the level of internal control practices in the mosque institutions in Malaysia based on COSO framework which consist of five components namely control environment, risk assessment, control activities, information and communication, and monitoring activities. The results show that the level of implementation of internal control practices in mosques in Malaysia is always high with a mean score of 4.15 and a standard deviation of 0.77. This means that the general opinion of the respondents is that the governance systems in the mosque are structured, active and facilitate good financial management.

The highest mean score was achieved in the control environment for the five components. This indicates that the administration of the mosque is clearly marked by ethical values, leadership commitment, role clarity and organisational structure. The finding is significant because the control environment is a key component of an effective internal control system. The monitoring activities were also high, indicating that the existence of monitoring, supervision, review, and correction in mosque institutions. The same applies to control activities and information and communication, which both were rated high, meaning that there is generally good documentation of approved activities, documentation practices, financial records and communication flows.

All dimensions were at a high level of classification, but the lowest mean score was recorded for risk assessment as compared to the other components. It may be necessary for the mosque institutions to pay attention to systematic risk identification, awareness of fraud risks, and planning for risk response. This outcome is not a reflection of the weakness of risk assessment practices, but rather it points to an aspect that can be enhanced in order to increase overall mosques' financial resilience and effectiveness.

On a theoretical level, this study reveals that the COSO framework can be pertinent in corporate and public sector institutions, but also in faith-based nonprofit institutions like mosques. The results validate that the five COSO components can be integrated and applied as a governance system in supporting the accountability, transparency and financial discipline in the administration of the mosque. In the light of Agency Theory, the internal control practices are intended to minimize the accountability gap between committee members and the community, particularly between donors, congregants and the community in general and mosque administrators. The results also indicate that from the Stewardship Theory perspective, the practices of internal control can be used to promote values of amanah, integrity, sincerity, and responsibility by using clear financial processes and monitoring.

In practice, this research provides some implications for the mosque administrators, religious authorities and decision makers. Mosque committees should maintain good practices in leadership, control procedures, communication and monitoring. Meanwhile, there will be a need for enhanced risk assessment activities, with clear risk procedures, fraud awareness, financial training and periodic risk governance weaknesses review. It can assist the mosque institutions to handle public funds in a more responsible manner and maintain the trust of the community on the mosque institutions.

In practice, the findings could help committees and boards of mosques, state Islamic religious councils, and governmental decision makers to provide more precise guidance to mosques on the internal control of mosque finances. Special attention should be made to risk assessment as it had the lowest mean mark out of the five COSO components. Mosque institutions can improve this aspect with special awareness campaigns about the risk of fraud, risk assessment checklists, regular financial training, improved documentation procedures, and regular supervision of the responsible committee members or religious authorities.

Finally, this study confirms that there are indeed internal control practices in Malaysian mosques which are strong. The study also contributes to the application of the COSO framework within the context of governance of mosques and faith based nonprofit organisations. The results overall indicate that effective internal control in mosques is not only a technical financial transaction process, but also a governance process that contributes to accountability, public trust, ethical responsibility and long-term sustainability in the financial management of mosques.

-
- Acknowledgements:** The authors would like to express their sincere gratitude to [University Malaysia Perlis] for providing the necessary resources and support throughout the course of this research. Special appreciation is extended to colleagues and peers who contributed valuable insights and constructive feedback, which greatly enhanced the quality of this paper.
- Funding Statement:** This research received financial support from [Fundamental Research Grant Scheme by Ministry of Higher Education]. The funding body had no role in the design of the study, data collection, analysis, interpretation of results, or the decision to publish this manuscript.
- Conflict of Interest Statement:** The authors declare that there is no conflict of interest regarding the publication of this paper. All authors have contributed to this work and approved the final version of the manuscript for submission to the Advanced International Journal of Business, Entrepreneurship and SME's (AIJBES).
- Ethics Statement:** This study was conducted in accordance with ethical research standards. Ethical approval was obtained from the relevant institutional ethics committee prior to data collection. All participants were provided with an informed consent form before participating in the study. Participation was entirely voluntary, and respondents were informed of their right to withdraw at any time without penalty. Confidentiality and anonymity were strictly maintained throughout the research process. All collected data were used solely for academic purposes and reported in aggregate form to ensure that individual respondents and their institutions could not be identified.
- Author Contribution Statement:** All authors contributed significantly to the development of this manuscript. [Muhammad Ahmar Ali and Muhd Ikhwan Syamil Azhar] was responsible for the conceptualization, methodology, and overall supervision of the study. [Muhd Ikhwan Syamil Azhar] handled data collection, analysis, and interpretation of results. [Shafawaty Mohamad Shabri and Muhd Ikhwan syamil Azhar] contributed to the literature review, drafting, and critical revision of the manuscript. All authors read and approved the final version of the manuscript prior to submission.
-

References

- Abdul Rahman, S. F. (2020). Financial education programmes organised by mosques as a platform to increase financial literacy in Malaysia. *TAFHIM: IKIM Journal of Islam and the Contemporary World*, 13(1), 57–83. <https://doi.org/10.56389/tafhim.vol13no1.3>
- Abdulsalam, D., Bamidele, V. O., & Fajana, K. J. (2024). Effect of internal control on the financial performance of small and medium scale enterprises in Ekiti state, Nigeria. *Journal of Accounting, Business and Social Sciences*, 8(1), 115–125.
- Adegboyegun, A. E., Ben-Caleb, E., Ademola, A. O., Oladutire, E. O., & Sodeinde, G. M. (2020). Internal control systems and operating performance: Evidence from small and medium enterprises (SMEs) in Ondo state. *Asian Economic and Financial Review*, 10(4), 469–479. <https://doi.org/10.18488/journal.aefr.2020.104.469.479>
- Adrian-Cosmin, C. (2020). COSO control framework in corporate governance. *ACADEMICA BRÂNCUȘI” PUBLISHER*.
- Anastasya, A., Putri, A., Suarni, A., Acc, M., Sahib, M. K., & Ak, S. E. M. (2024). Analisis akuntabilitas pengelolaan keuangan masjid (Studi kasus masjid muhammadiyah kabupaten bulukumba, Sulawesi Selatan Indonesia). *International Journal of Economic Research and Financial Accounting (IJERFA)*, 2(3), 329–337.
- Arens, A. A., Elder, R. J., Beasley, M. S., & Hogan, C. E. (2017). *Auditing and assurance services*.
- Ayagre, P., Appiah-Gyamerah, I., & Nartey, J. (2014). The effectiveness of internal control systems of banks. The case of Ghanaian banks. *International Journal of Accounting and Financial Reporting*, 4(2), 377. <https://doi.org/10.5296/ijaf.v4i2.6432>
- Ayedh, M. M. A., Jamil, N. N., & Zainuddin, M. T. (2021). The impact of internal control system on the accountability practices in waqf institutions: evidence from Al Rahma International waqf. *Research Journal of Finance and Accounting*, 12(16), 34–42. <https://doi.org/10.7176/rjfa/12-16-04>
- Bananuka, J., Nkundabanyanga, S. K. Nalukenge, I., & Kaawaase, T. (2018). Internal audit function, audit committee effectiveness and accountability in the Ugandan statutory corporations. *Journal of Financial Reporting and Accounting*, 16(1), 138–157. <https://doi.org/10.1108/JFRA-07-2016-0062>
- Bokello, A. C., Muhammad, K., & Enock, M. M. (2024). The effect of risk assessment on public financial management in selected local governments in Uganda. *International Journal of Academic Multidisciplinary Research (IJAMR)*, 8(7), 348–355. <https://www.researchgate.net/publication/383871576>
- Chawla, C., Shalini, R., & Singh, R. (2023). Assessing the interaction between internal control and financial management in local government. *Multidisciplinary Science Journal*, 5. <https://doi.org/10.31893/multiscience.2023ss0307>
- COSO. (2013). *Internal Control - Integrated Framework*. COSO. <https://www.coso.org/guidance-on-ic>
- Creswell, J. W., & Creswell, J. D. (2018). Writing center talk over time: A mixed-method study. In H. Salmon, C. Neve, M. O’Heffernan, D. C. Felts, & A. Marks (Eds.), *Writing Center Talk over Time: A Mixed-Method Study* (Fifth edit). SAGE Publications, Inc. <https://doi.org/10.4324/9780429469237>
- Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a stewardship theory of management. *Academy of Management Review*, 22(1), 20–47.
- Dillman, D. A., Smyth, J. D., Christian, M., & Wiley, J. (2016). *Internet, phone, mail, and mixed-mode surveys: The tailored design method*. John Wiley and Sons.

- Donaldson, L., & Davis, J. H. (1991). Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of Management*, 16(1), 49–64.
- Eisenhardt, K. M. (1989). Agency theory: An assessment and review. *Academy of Management Re-View*, 14(1), 57–74.
- Fama, E. F., & Jensen, M. C. (1983). Agency problems and residual claims. *The Journal of Law and Economics*, 26(2), 327–349.
- Halim, I. A., Ab Lateh, A. T., & Saidin, A. (2020). Penilaian awal terhadap model audit keselamatan masjid di Kulim, Kedah Malaysia: Satu Tinjauan: (Preliminary evaluation of the mosques safety audit model in Kulim, Kedah Malaysia: A Review). *Asian People Journal (APJ)*, 3(1), 162–169.
- Hyndman, N., & McConville, D. (2018). Trust and accountability in UK charities: Exploring the virtuous circle. *The British Accounting Review*, 50(2), 227–237.
- Istan, M. (2022). Analysis of Mosque Financial Management in the Development of Mosque Funds in Indonesia. *International Journal of Multicultural and Multireligious Understanding*, 9(12), 316. <https://doi.org/10.18415/ijmmu.v9i12.4246>
- Kalmetova, A., & Zhussupova, B. (2018). The internal control over financial reporting and bank performance: A pilot study of US banks. *Central Asian Economic Review*, 5(6), 96–107.
- Kamaruddin, M. I. H., & Auzair, S. M. (2023). The impact of financial management practices on accountability of Islamic social enterprise (ISE). *International Journal of Islamic and Middle Eastern Finance and Management*, 16(4), 669–686. <https://doi.org/10.1108/IMEFM-05-2021-0184>
- Kamaruddin, M. I. H., Auzair, S. M., & Zainon, S. (2022). Financial Management Practices in Malaysian Islamic Social Enterprises (ISE). *Management and Accounting Review*, 21(2), 1–25. <https://doi.org/10.24191/mar.v21i02-01>
- Kamaruddin, M. I. H., & Ramli, N. M. (2015). Enhancing Financial Accountability of Islamic Philanthropic Organizations Through Financial Disclosure. *Online Journal Research in Islamic Studies*, Volume 2(No 1), 29–42. <https://doi.org/10.15364/ris15-0201-03>
- Karimullah, S. S. (2023). The role of mosques as centers for education and social engagement in Islamic communities. *Jurnal Bina Ummat: Membina Dan Membentengi Ummat*, 6(2), 151–166. <https://doi.org/10.38214/jurnalbinaummatstdnatsir.v6i2.184>
- Kim, M. H. (2025). How Does Financial Transparency Influence Citizens' Trust in Nonprofit Organizations? The Moderating Role of Financial Information on Fiscal Stress. *International Journal of Voluntary and Nonprofit Organizations*, 36(4), 458–472.
- Lisdiawati, Muchran, M., & Said, S. (2024). Accountability and financial transparency of mosques based on sharia enterprise theory (Case study of Masjid Al-Muhajirin Desa Sidoraharjo). *International Journal of Economic Research and Financial Accounting (IJERFA)*, 2(3), 346–352.
- Mahadeen, B., Al-dmour, R. H., Obeidat, B. Y., & Tarhini, A. (2016). Examining the Effect of the Organization ' s Internal Control System on Organizational Effectiveness : A Jordanian Empirical Study. *International Journal of Business Administration*, 7(6), 22–41. <https://doi.org/10.5430/ijba.v7n6p22>
- Malaymail. (2026). Govt upgrading mosques, surau at malls and R&Rs as Friday prayer venues, says religious affairs minister. *Malaymail*. <https://www.malaymail.com/news/malaysia/2026/02/13/govt-upgrading-mosques-surau-at-malls-and-rrs-as-friday-prayer-venues-says-religious-affairs-minister/209134>
- Masanja, N. M., & Masimba, A. (2020). The effectiveness of internal control system on the efficiency of financial management for selected training institutions in Arusha

- Tanzania. *Contemporary Journal of Education and Business (CJEB)*, 1(1), 55–73. www.ijieb.co.tz/cjeb
- Md Zain, S. R., Abd Samad, R. N., Samsudin, M. M., & Armia, R. N. (2020). The dynamics of accounting practices and accountability in the selected mosques in Federal Territory. *UKM Journal Article Repository*, 2020, 81–89. <https://doi.org/10.17576/islamiyyat-2020-42IK-11>
- Meckling, W. H., & Jensen, M. C. (1976). *Theory of the Firm. Managerial behavior, agency costs and ownership structure*. Springer, Dordrecht.
- Mohamed Adil, M. A., Mohd-Sanusi, Z., Jaafar, N. A., Khalid, M. M., & Abd Aziz, A. (2013). Financial management practices of mosques in Malaysia. *Global Journal Al-Thaqafah*, 3(1), 23–29. www.gjat.my
- Mohamed, I. S., Mustafa, N., Syed Yusuf, S. N., & Rozzani, N. (2023). Issues in financial governance practices in Malaysia's mosques. *Journal of Nusantara Studies (JONUS)*, 8(3), 134–146. <https://doi.org/10.24200/jonus.vol8iss3pp134-146>
- Mubtadi, N. A. (2019). Analysis of islamic accountability and islamic governance in zakat institution. *Hasanuddin Economics and Business Review*, 3(1), 1–12. <https://doi.org/10.26487/hebr.v3i1.1544>
- Muli, J., & Musau, S. (2022). Internal controls and financial management of humanitarian non-governmental organization in Nairobi City County, Kenya. *African Journal of Emerging Issues (AJOEI)*, 4(9), 105–125.
- Nazila, S. R., & Fahlevi, H. (2019). Analisis penerapan pelaporan keuangan entitas nirlaba berdasarkan PSAK No.45 pada masjid di Kota Banda. *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi (JIMEKA)*, 4(2), 374–382.
- Ndanyi, D. M. (2021). Internal control systems and the financial management function in urban governance in Uganda. *Journal of Public Administration and Policy Research*, 13(2), 32–38. <https://doi.org/10.5897/jpapr2020.0497>
- Nuha, E., Aridah, M. W., & Kamil, G. A. (2021). The effect of applying COSO's internal control framework on operational risk management in commercial banks in Jordan. *Journal of Accounting and Management Information Systems*, 244–276.
- Odek, R., & Okoth, E. (2019). Effect of internal control systems on financial performance of distribution companies in Kenya. *Research Journal of Finance and Accounting*, 10(20), 11–32. <https://doi.org/10.7176/rjfa/10-20-02>
- Olayisade, O. A., Igbekoyi, O. E., Akande, K. M., & Abiola, B. E. (2023). Internal control system and financial management in federal government hospitals. *International Journal of Research and Innovation in Social Science*, VII(IX), 1648–1664. <https://doi.org/10.47772/ijriss.2023.71033>
- Oussii, A. A., & Taktak Boulila, N. (2018). The impact of internal audit function characteristics on internal control quality. *Managerial Auditing Journal*, 33(5), 450–469.
- Oyelakin, O., & Abdullahi, A. (2022). Assessing the efficacy of employee training and internal control system on financial management of small and medium scale enterprises in Nigeria. *African Journal of Economic and Management Studies*. <https://doi.org/10.1108/AJEMS-06-2021-0299>
- Oyetunji, O. T., Lawal, B. A., Yinus, S. O., Akodu, A. A., & Lawal, B. O. (2021). Internal control practices and financial management of local governments: a quantitative framework approach. *Article in Journal of Eastern African Research & Development*, 10(2), 42–54. <https://www.researchgate.net/publication/352363344>
- Prakash, A., & Gugerty, M. K. (2010). Trust but verify? Voluntary regulation programs in the nonprofit sector. *Regulation & Governance*, 4(1), 22–47.

- Radojević, A., Dragičević, P., & Milašinović, M. (2022). Interdependence of control activities and monitoring as components of the internal control system of manufacturing companies in the Republic of Serbia. *Acta Economica*, 20(36), 175–194. <https://doi.org/10.7251/ace2236175r>
- Rae, K., Sands, J., & Subramaniam, N. (2017). Associations among the five components within COSO internal control-integrated framework as the underpinning of quality corporate governance. *Australasian Accounting, Business and Finance Journal*, 11(1), 28–54. <https://doi.org/10.14453/aabfj.v11i1.4>
- Romney, M., Steinbart, P., Mula, J., McNamara, R., & Tonkin, T. (2012). *Accounting information systems Australasian edition*. Pearson Higher Education AU.
- Said, J., Mohamed, A., Sanusi, Z. M., & Yusuf, S. N. S. (2013). Financial management practices in religious organizations: An empirical evidence of mosque in Malaysia. *International Business Research*, 6(7), 111–119. <https://doi.org/10.5539/ibr.v6n7p111>
- Sallal, F. F. J., Jabal, S. N., & Al-Gburi, S. S. A. (2023). Evaluation of the internal control system of banks listed on the Iraq Stock Exchange according to the COSO framework during the Covid-19 pandemic. *Journal of Advanced Research in Economics and Administrative Sciences*, 4(4), 60–73. <https://doi.org/10.47631/jareas.v4i2.645>
- Sanusi, Z. M., Johari, R. J., Said, J., & Iskandar, T. (2015). The effects of internal control system, financial management and accountability of NPOs: The perspective of mosques in Malaysia. *Procedia Economics and Finance*, 28, 156–162. [https://doi.org/10.1016/s2212-5671\(15\)01095-3](https://doi.org/10.1016/s2212-5671(15)01095-3)
- Saunders, M. N., Lewis, P., & Thornhill, A. (2019). *Research Methods for Business Students*. Research Methods for Business Students.
- Savitri, E., Andreas, Diyanto, V., & Gumanti, T. A. (2020). The effect of leadership, internal control system and organizational commitment on accountability of village financial management. *Journal of Applied Management (JAM)*, 18(3), 522–532. <https://doi.org/10.21776/ub.jam>
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. John Wiley & Sons.
- Setiawan, N. (2024). Accountability for Mosque financial management: How Important Is It? In *Islamic Micro Finance Journal* (Vol. 1, Issue 1). <https://journal.iai-alfatihah.ac.id/index.php/imfj>
- Shmueli, G., Sarstedt, M., Hair, J. F., Cheah, J. H., Ting, H., Vaithilingam, S., & Ringle, C. M. (2019). Predictive model assessment in PLS-SEM: guidelines for using PLSpredict. *European Journal of Marketing*, 53(11), 2322–2347.
- Suarni, A., & Andayaningsi, S. (2018). *Manajemen Keuangan Masjid Se Sulawesi Selatan di Era Industri 4.0*.
- Suarni, A., Wahyuni, S., & Muhammadiyah Makassar, U. (2023). Analysis of mosques financial management practices in Gowa Regency, Indonesia. *RATIO: Reviu Akuntansi Kontemporer Indonesia*, 4(2), 102–120. <https://doi.org/10.30595/ratio.v4i2.18047>
- Sulaiman, M., Siraj, S. A., & Ibrahim, S. H. M. (2008). Internal control systems in West Malaysia's state mosques. *American Journal of Islamic Social Sciences*, 25, 63–81.
- Tamuri, A. H. (2021). Konsep dan pelaksanaan fungsi masjid dalam memartabatkan masyarakat: (The concept and the implementation of the Role of masjid in elevating the society). *International Journal of Mosque, Zakat And Waqaf Management (Al-Mimbar)*, 1–12. <https://doi.org/10.53840/almimbar.v1i1.11>
- Utaberta, N., Lee, C. Y., & Usman, I. M. (2021). Critical analysis on the role of mosque as an educational institution within the contemporary muslim society in Malaysia. *Journal Design + Built*, 14(1), 1–7.

- Utaberta, N., Yin, L. C., Usman, I. M. S., Malaysia, P., Bina, J. S., Bina, A., & Kejuruteraan, F. (2023). *Journal Design + Built Critical Analysis on The Role of Mosque as An Educational Institution Within the Contemporary Muslim Society in Malaysia* CRITICAL ANALYSIS ON THE ROLE OF MOSQUE AS AN EDUCATIONAL INSTITUTION WITHIN THE CONTEMPORARY MUSLIM SOCIETY IN.
- Utama, A. A. G. S., & Wulandari, T. N. A. (2020). Fraud prevention using village financial management control system. *In 3rd International Conference on Innovative Research Across Disciplines (ICIRAD 2019)*, 288–293.
- Wan Zakaria, W. Z., Ilias, N., Wahab, N., & Abdullah, Z. W. (2020). A preliminary study on financial management practices among Kuala Nerus mosques. *International Journal of Islamic Business*, 5(2), 35–47. <https://e-journal.uum.edu.my/index.php/ijib/article/view/13248/2981>
- Wan Zakaria, W. Z., & Ilias, N. (2023). A Preliminary Study Towards Financial Management Practices of Mosques. *Advanced International Journal of Business, Entrepreneurship and SMEs*, 5(18), 231–243. <https://doi.org/10.35631/ajibes.518021>
- Wanggetete, B., & Asri, M. (2023). COSO framework: Credit Union perspectives. *SIMAK*, 21(01), 130–150.
- War, W., & Barlis, M. J. P. (2023). The correlation of financial management practices and controlling mechanisms for financial management challenges and issues the case of Franciscan Missionaries of Mary Congregation. *Business Economic, Communication, and Social Sciences Journal (BECOSS)*, 5(2), 101–114. <https://doi.org/10.21512/becossjournal.v5i2.9780>
- Yaacob, H., Petra, S., Sumardi, A., & Nahar, H. S. (2015). Accountability through accounting and reporting lenses: Lessons from an awqaf institution in a Southeast Asia country. *Humanomics*, 31(3), 299–313.
- Yang, C., & Northcott, D. (2018). Unveiling the role of identity accountability in shaping charity outcome measurement practices. *The British Accounting Review*, 50(2), 214–226.
- Yang, C., Northcott, D., & Sinclair, R. (2017). The accountability information needs of key charity funders. *Public Money & Management*, 37(3), 173–180.
- Yuliyanto, H., Hasan, C., Putri, S. N., Kartikasari, D., & Fithriani, N. R. (2023). The study of applying the internal control based on COSO framework to process of billing and receiving cash at PT ABC. *In The 6th International Conference on Vocational Education Applied Science and Technology (ICVEAST 2023)*, 783–798. https://doi.org/10.2991/978-2-38476-132-6_67
- Yusuf, B. I., Inuwa, U., & Chedi, J. M. (2023). Effect of control environment and control activities on financial management in public secondary schools of Bauchi state. *In International Journal of Intellectual Discourse (IJID)* (Vol. 6, Issue 2).
- Zhang, H. (2023). How organizations can enhance the effectiveness of internal controls in response to changes in the business environment since the Sarbanes-Oxley act: An analysis of the COSO framework. *In Proceedings of the 2023 2nd International Conference on Economics, Smart Finance and Contemporary Trade (ESFCT 2023)*, 156–163. https://doi.org/10.2991/978-94-6463-268-2_19
- Zikran, G., Abd Majid, M. S., & Suriani, S. (2022). Role of internal control in improving financial management-based performance: The case of mosques in Banda Aceh City, Indonesia. *In 2022 International Conference on Decision Aid Sciences and Applications (DASA)*, 1254–1258. <https://doi.org/10.1109/DASA54658.2022.9765255>