

Abstract

Community based organisations play important role in development and alleviation emergent adversities among rural and urban population in Kenya. It has been argued that CBOs working in conjunction with governments have actively participated in climate change mitigation and adaptation programs in order to improve the livelihood of those affected by the devastating results of climate change. Effects of climate change are becoming more severe and pervasive in Kenya, more especially in the arid and semi-arid regions. Against this background, the study seeks to establish the effect of financial management practices on financing climate change initiatives among community-based organizations in Kitui county, Kenya. The study was directed by the following specific objectives: to determine the effect of financing decisions on financing of climate change initiatives among community based organizations in Kitui county, to assess the effect of working capital management on financing climate change initiatives among community based organizations in Kitui county, to establish the effect of financial reporting on financing of climate change initiatives among community based organizations in Kitui county and to examine the effect of cash budgeting on financing climate change initiatives among community based organizations in Kitui county. The study used descriptive survey design and a target population of 60 accountants working in community-based organizations involved in climate change activities in Kitui county. The study enumerated all the 60 community-based organizations in Kitui county. The study used structured questionnaire to collect primary data. The study used descriptive analysis to generate means and inferential analysis to generate association between the predictor variables and financing of climate change initiatives. The findings of the study revealed that there was a strong negative and significant relationship between financing decisions and financing climate change initiatives. Additionally, the study found a strong negative and significant relationship between working capital management and financing climate change initiatives. The relationship between financial reporting and financing climate change initiatives was a strong positive and significant. Finally, the study revealed moderate relationship between Cash budgeting and financing climate change initiatives. The study therefore recommended that management of CBOs should institute regular audits in order to maintain appropriate balance between debt and equity.