بسِمِ اللهِ الرَّحْمَنِ الرَّحِيمِ

قال تعالى:

{وَعَلَّمَ آدَمَ الْأَسْمَاءُ كُلَّهَا عَرَضَهُمْ عَلَى الْمَلَائِكَةِ فَقَالُوا أَتَنْبِئُونِي بِأَسْمَاءِ هَؤُلَاءِ إِنَّ كُنْتُمْ صَادِقِينَ {31} قَالُوْا سُبْحَانَكَ لَا عِلْمٌ لِّنَا إِلَّا مَا عَلَمْتَنَا إِنْذَاكَ أَنتَ الْعَلِيمُ الحكيمُ {32}}

صدق الله العظيم

سورة البقرة الآية (31 – 32)
بسم الله الرحمن الرحيم
Dedication

To the soul of my father,

To my mother

To my brothers and sisters

To the soul of my brother (Yahia)

To the soul of my uncle (A.Alla Yousef)

To my brother Ali A.Alla

To all my uncles and Aunts

To my friends, colleagues and Dears

Dedicate such effort

The researcher
Acknowledgement

I would like to express my thanks and appreciation to the honor of Sudan University of Sciences and Technology which gave a chance to acquire knowledge not only in master program but also since BSC level. I am indebted to thank the management and the staff in the college of Business Studies. I am so grateful to Dr. Fath Errahman Elhassan Mansour who supervised, directed and supported the fulfillment of this research; he did more than enough and gave me precious advices that guided me to completion of the research. I will ask Allah to give him plentiful health and to open to him the gates of his mercy (Ameen). I will not forget to appreciate the efforts I have got from the management and staff of (Petrodar Operating Company, Greater Nile Petroleum Company, Petronas Marketing and CHlumberger Overseas Company). Special thanks and appreciations should be forwarded to the libraries of Graduate Studies at Sudan University of Science and Technology, Elnilein University and Umdruman Islamic University. Thousand thanks to who ever supported me and not mentioned.

The Researcher
Abstract

The objective of the study is to highlight the importance of planning budgets as a tool of performance control in oil companies operating in Sudan for the period from 2000 up to 2007.

The problem of the study had stemmed from using inefficient method of budgets preparation, and its applications, that’s because many companies use to prepare their annual budgets with no consideration of using budgets perfectly so as to achieve the predetermined objectives. They thought that its preparation is a routine procedure used by all firms. The study has suggested a solution to aforementioned problem through the following hypotheses:

1- Participating in the budgets preparation leads to the accuracy of estimated figures of the budgets, and will enhance the coordination with in the firm for goal achievement.
2- A company mainly depends upon the budgets process to control and evaluate the department performance.
3- There is no system use to estimate the budgets figures except the management expectation.
4- The accountability of the cost center leads to accuracy of budget estimation.

The study has used some of research methods such as historical, deductive, inductive and descriptive approaches by using random sampling in the period of data collection and analysis from primary and secondary sources. Moreover, the statistical package for social sciences (SPSS) is used in analyzing the data and testing the hypotheses.

The analysis results asserted that all hypotheses are true.

The study has revealed important findings via: Planning budgets in oil companies are the main tool use to control its performance, the
staff in lower level of management participates effectively with the higher level management to set an efficient over all plan so as to be implemented efficiently without any conflicts, Budget’s figures are estimated accurately according to what is expected to happen in the coming year by studying the surrounded environment and depending on the previous year’s budgets actual results and Planning budgets establish the performance standards of oil companies and translate the nominal objective into quantitative figures so as to be easy for measuring.

Finally the study recommends to:
1- Consideration of behavior conflicts in budgets preparation either conflicts between management and staff or disputes of department with each other.
2- To activate the control process by budgeting and measuring the performance of department accordingly.
3- Measuring the individual performance according to department performance so as to delegate the responsibilities among the staff.
4- Train the staff on how to prepare a sound budget and how to meet the budgets requirements so as to achieve its objectives. In addition to suggestion of further researches.
الخلاصة


اقترحت الدراسة حلًا مشكلة الدراسة من خلال الفترات التالية:
1- المشاركة في إعداد الميزانيات التخطيطية تؤدي إلى دقة تقديم أرقام الميزانيات ويدعم عملية التعاون في الشركة لتحقيق الأهداف.
2- الشركة تعتمد أساساً على الميزانيات التخطيطية لرقابة وقياس أداء الأقسام.
3- لا يوجد نظام يستخدم في تقدير أرقام الميزانيات باستثناء توقعات الإدارة.
4- مساعدة مركز التكلفة تؤدي إلى دقة تقدير أرقام الميزانية.

استخدمت الدراسة كل من المنهج التاريخي والاستقرائي والاستنباطي والتحليل الوصفي، والاستخدامIFIED العشوائية في فترة جمع وتحليل البيانات من المصادر الأولية والثانوية. بالإضافة إلى برنامج الحزم الاحصائية للعلوم الاجتماعية، التي استخدمت في تحليل البيانات واختبار الفرضيات، وقد أكدت نتائج تحليل الدراسة إثبات صحة كل الفرضيات.

توصلت الدراسة إلى نتائج منها: الميزانيات في شركات النفط هي الأداة الأهم لرقابة الأداء، الافراد في الادارات الدنيا يشاركون فيفاعلية مع الادارات العليا لاعداد خطة كاملاً وتطبيقها بدون أي خلافات، أرقام الميزانيات تقدر بدقة حسب توقعات السنة القادمة ودراسة البيئة المحيطية والاعتماد على نتائج ميزانية السنة السابقة، وتصوّس الميزانيات معایير الأداء لشركات النفط وترجم الأهداف إلى أرقام حسابية لتسهيل عملية القياس.

أخيراً، اوصت الدراسة على:
1- الاخذ في الاعتبار الخلافات والمشاكل السلوكية التي تلازم إعداد الميزانيات سواء كانت هذه الخلافات بين الأفراد والمدراء أو بين الأقسام فيما بينها.
2 - تنفيذ عملية الرقابة عن طريق الموازنة وقياس اداء الأقسام على ضوءها ،
3 - قياس اداء الفرد من خلال اداء القسم لتحويل المسؤولية على الافراد ،
4 - وتدريب الافراد على اعداد موازنة جيدة وكيفية متابعة متطلبات الموازنة لتحقيق الاهداف، كما اقترحت الدراسة بحوث اضافية .

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Introduction

1- The Conceptual Frame Work

2- Previous Studies
1- The Conceptual Framework

Preface:
Management accounting is a system of information founded to assist the management on their functions at any economic entity, whether it is commercially or not, profit-maker or nonprofit organization; they depend upon management accounting tools to fulfill their given targets or the main objectives of associated entity,

Since every economic entity has a set of goals need to be achieved, either these goals are in a short time or long time as strategic goals, planning to reach them in advance is so necessary. The success of each organization in realizing its profit each year will be determined by the extent to which it establishes its objectives; this entire process constitutes the planning budgets and budgetary control program. It includes the overall activities that the company going to do in the future time, and it extends through the entire organization from the top management to the front line supervisory levels.

Since the very survival of a business depends ultimately upon its financial function, the technique of budgeting and budgetary control makes vital contribution to the management function. The budgetary planning and control has ultimate objectives looking forward to achieve them, the successful application of budget is the most reasonable to attaining the optimum objectives within the firms.

The research is conducted to clarify the importance of the budgeting system as a device of performance control in oil operating companies in contrast with other industrial companies.

The Problem of the Study:
Budget is a quantitative model of plan of action based on management forecasts of expected condition, its functions as an aid to planning, coordinating and controlling, and will help the organization operate effectively. The problem of the study is due to the most of the previous researches were conducted on the budgeting process in small local enterprises with no regards to the international organizations which have very complex operation and need a huge amount of money. but in general the problems of the budgets are concentrated in how to prepare it and how to follow its application, The budgets might be with no value for the company if they are not prepared accurately and implemented carefully, it is very essential to follow up the actual performance when the budgets implemented so as to make comparison between what was planned and the actual performance, when the variance appeared whether it is negatively or positively, the accountability of the department is required. The problem of the study will be stated as in the following questions:

1- Are the executive managers preparing the budgets themselves and they don't consider participation the staff in the low levels?
2- Is the budget the most important tool of performance control in the oil companies?
3- Are the estimated budgets figures systematically estimated and forecasted or prepared according to the management expectations?
4- Is there any accountability to the departments or the cost centers, which their actual performance shows variances?
5- Is there any flexibility to change the estimated budgets when needed?

**The Importance of the Study:**
The importance of the study is due to the role of planning budgets as effective tool of performance control that helps the company management to plan and forecast the future events or transactions so as to manage un expected risks might face them, also budgets
and budgetary control help executive manager to invest the available resources efficiently and effectively. Moreover budgets are considered as mean of communication with-in the organization vertically and horizontally. It enhances the coordination among the staff to work collectively as teamwork for certain goals. Furthermore, through the budgets and budgetary control the responsibilities should be distributed to any cost center, therefore it will enhance the responsibility accounting

**The Main Objectives:**
This study aims to clarify the importance of the budgets system in commercial entities concentrating on the oil companies. It also focuses on the way of using budgeting process as a device of performance control. Moreover it focuses on the strongness and the weakness of budgets preparation in the oil industrial companies, and the problems which face the managers who are in charge of planning, forecasting and budgeting. In addition to that, the study aims to identify the enhancement and supporting of the budget and budgetary control to the responsibility accounting approach.

**The Hypotheses:**
The study has examined the following hypotheses to find out whether they can be proved or not so as to find the solution to aforementioned problems.

  5- Participating in the budget preparation lead to the accuracy of estimated figure of the budget, and will enhance the coordination with in the firm for goal achievement.
  6- A company mainly depends upon the budgeting process to control and evaluate the department performance.
  7- There is no system use to estimate the budgets figures except the management expectation.
  8- The accountability of cost center leads to accuracy of budgets estimation.
The Research Methodology:
The study has depended on some of research methods such as deductive, inductive, historical and descriptive approaches and also random sampling has been selected in the period of data collection and analysis from primary and secondary sources.

Data Collection:
The researcher has obtained the primary data from questionnaire and direct interviews to those who engage in budget and budgetary control, whereas the secondary data has obtained from reference books, journals, magazines, and all relevant sources. The study’s sample contented of four companies selected randomly, three of them are operating companies and the one is mixed marketing and operating activities.

The Limits of Study:
The study applied on sample of oil companies in Sudan, and it covers the period of seven years from 2000 to 2007.

Organization of the Research:
The study has divided into an introduction, three chapters with subtitles and conclusion. Introduction presents the conceptual framework and previous studies and chapter one talked about planning budgets and budgetary control. Performance control was presented in chapter two while chapter three focused on the field study. Findings and recommendation were presented in the conclusion.

2- Previous Studies
No body will discover new things with out any signs and guidance that enlightened the way to him. So the pervious studies are guided the researchers or it is a basic foundations that established in order to combine the efforts to complete the building project. Moreover, it is an over view that enable the researchers to know what has discovered previously and what he will discover
later. To complete the research objectives, several previous studies has summarized to support research project and to be as evidence to the researcher that this topic is important and discussed in various places. These studies are:

**Mohamed Ibrahim A. Elsalam Truki (1984)**

The Study problem appeared through the American Accounting Association (AAA) point of view to the importance of focusing on the behavior concepts in the accounting studies, therefore, the problem clearly appears as follows:

1. Some accounting essays concern with accounting problems that need to be solved by accountants themselves not by traditional psychologist.
2. Some researches set to concern with academic part of the Accounting just and not concern with practical part, so more researches needed to link the gap between the theory and the practice.
3. Preparing the planning budgets through the higher directorial levels or by using some models and operating research techniques regardless the psychological effect of the employees within the firm.

The study aimed to identify the behavioral aspects on the accounting, and to interpret the human behavior concept on budgets preparation and control, also it is to find out the behaviors concepts in budget preparation principles and the factors that affect the participant’s behavior so as to change the traditional shape of planning and budgets.

The study concluded with findings that the planning budgets preparation has two parts. One part related to accounting data and information, and the other part related to the behaviors of the participants and their direct interact. So preparing budgets through

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(1) - Mohamed Ibrahim A. Salam Truki-(1984) - The Role of Behavior Concepts on The Validity of Planning Budget’s Objectives – (Management Science Magazine – College of Management Science- King Soaud University- Elriyad)
one part will affect budgets objectives. The aims regarding the behavior concepts in the budgets are: the participation of all employees when they are prepared, study the participant behavior and how it will be controlled and the factors that affect their mentalities so as to create correlation between the individual goals and the planning budgets objectives.

The important recommendations of the study were:
1- It is important to take on account the behavior concepts while preparing and implementing the budgets.
2- Identifying the participant psychology, coordinating and co-operating of all employees must control budgets.
3- Orienting the employees, that budgeting process is not a performance appraisal of its figures, but also it is to recognize the individual’s concerns.

**Eihab Mustafa (2002)**

The problem of the study extracted from the imposed diversion and change that has affected the economical, social, political environment domestically and all over the world, planning and gradually programming has become most important to be adopted so as to achieve the strategic goals of the company. Therefore, planning budgets must be the main device of performance correction and directing toward the certain goal set for the company. Improvement must be made in the ways of following up and co-ordinating the implementation stages of budgeting process and focusing on flexibility and efficiency. Also budgets are considered as a device of measuring the transparency among the high directorial levels and the low directorial levels.

The study aims to the following point:
1- To study the banking sector in Sudan in aspects of history, content and the main activities.

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(1) – Eihab Mustafa Mohamed Agaab –(2002)- Preparation and Analyzing The Planning Budgets in Banking Sector in Sudan- (Applied At Elgharb Islamic Bank- Partial Research for fulfilling Master Program- Umm Durman Islamic University- Collage Of Graduate Studies)
2- To know how to prepare planning budgets in banking sector and setting clear, applicable goals.
3- To illustrate the importance of planning budgets in improvement the banking performance, so as to achieve the goals with low cost.
4- To know how to forecast the future correctly, and the ability of finding the weakness and wasting point through the performance comparison.

The proposed solution of the study problem is the following hypothesis:
1- There is no accounting system applied scientific accounting principles that distribute the responsibilities, and the targeted result is unreachable.
2- Planning budgets show the contribution of each branch of the bank in profit and loss making.
3- There is no evaluation program to follow up the budget implementation so as to find the diversions or variances, makes its invalidity in goals achievement.
4- The financial analyses are not used as guidance in budget preparation, makes incorrect plans.

To achieve the research objectives the researcher used the following approaches:
1- Inductive approach: used for determination the research problem.
2- Deductive approach: used for hypothesis testing.
3- Descriptive analytical approach: used for applying the financial analyses in the bank (Case Study).
4- Historical approach: used for historical background of the Subject.

The important Study’s results are:
1- There is an accounting system that applies the accounting principles and distributes the responsibilities. Thus the first hypothesis is incorrect.
2- Financial analysis of previous year, not used as guidance for planning budget for the next year. Therefore the second hypothesis is true.

3- There is no control program to follow up the budgets implementation so as to find budgets diversions and correct it. This asserted the validity of the third hypothesis.

4- Planning budgets showed the contribution of the bank branches in profit and loss making.

Finally, the research recommend to:

1- Budget's department must be directorially belonging to the board of directors and technically belonging to general manager, so as to be respectable and independent.

2- Appointment of the budget's department staff permanently. Therefore it will enable them to know the changes.

3- Budget's committee estimations must be compulsory respected by all staff, and the accountability system must be established.

4- Train the department’s leader and cultures them about the importance of budgeting, therefore, it will enable the competition power of the company.

Salah A.Gadir Ahmed (2002)2

The study problem was due to challenges, which face the Sudan economy, and due to increasing of the competition all over the world so the appearance of higher technique is essential. Although the entities were using the budget and budgetary control but it was misused as efficient tool of planning and control, thus reactivating its functions is important, in addition to unclear point of view about planning and control.

The study aims to find out the principles, properties, method and objectives of planning budgets through the theoretical and practical

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(2) - Salah A.Gadir Ahmed-(2002) - The Role of Planning Budgets in Improvement the Efficiency of Administration Performance- (Case Study- Industrial Bank co. – Partial Research for Fulfilling Master Program in Accounting and Finance - Sudan University of Science & Technology - College of Graduate Studies)
point of view. Beside the method of preparing planning budgets in Sudan environment and its efficiency in assessing the importance of planning and budgeting in fulfillment of the organization’s goals, Moreover, it is to find out the practical environment’s impact in the efficiency of planning budgets to reach its functions.

The researcher tried to solve aforementioned problems by the following hypotheses:

1- Budget can be used all over the company’s activities to assist the planning and controlling purposes.
2- Budgets are not effectively used as an indicator of performance appraisal.
3- Controlling the activities through out the budgets, it is a pressure tool to department managers, and it will not be used as assisting tool.

The study used the case study methodology, analytical and descriptive approach. In addition to the deductive and inductive method and the primary data were collected from the observation and interviews of who involved in the case study, whereas the secondary data were collected from textbooks, magazines and company’s (case Study) reports. The entire hypotheses were positive when tested, and the research results were:

1- The establishment of strong management system is important for implementing budget and budgetary control successfully.
2- Budgets were not used as an effective tool of performance control.
3- Accounting system is a cooperative point to budgets and budgetary control.

Finally, the recommendations were as follow:

1- Planning system should be though the budgeting and budgetary control, thus external auditors must audit the budgets.
2- The Financial indicators must be used as budget’s objective.
3- Concentration on information centers and markets researches to overcome the external environment impact on the planning and strategic activities.
The study problem was appeared through unreasonable estimating of budget figures in the business enterprises which will affect its implementation and usages as an effective tool of control, and due to the expectation of the budget figure when it is prepared, makes it invalid as a tool of performance control.

The study objectives were to enlighten the importance of planning budgets as a tool of control in achieving the goals of the company. Moreover, it is to make budgets as a matter of auto control.

The researcher tried to solve the study problem through the following hypotheses:

1. The validity of budgets for enterprises is based on assumption relevant to its nature and the period that cover.
2. The successful of the budgets depend upon the degree of participation of all budget centers.
3. The budgetary slack negatively affects the uses of budgets as a control tool.

All those hypotheses were positive when tested, so the findings were:

1. Budgets are prepared systematically, and according to the firm nature.
2. The validity of the budgets in the goal fulfillment depends on participating of all budget centers when it prepared.
3. The unreasonable estimating of budgets cause its invalidity as control tool.

Finally the study has recommended that the reasonable estimating of the budget figures makes it as effective tool of control, the responsibilities must be distributed carefully among the cost center and setting monthly reports to assist the managers to control the activities.

(1) - Tarig Mahgoub A.Alla Sid Ahmed-(2002) -The Essentiality of Planning Budgets as a Tool Of Control – ( Case Study – Arab Agricultural Production and Manufacturing co. Partial Research for Fulfilling Master Program – in Accounting and Finance Sudan University Of Science & Technology -collage of graduate studies )
This study has focused on the importance of budgets on planning and control as it’s applied on Zakat chamber at Umm Badah locality. The objectives of the study were to suggest ways to improve financial performance, and to justify the importance of budgets in serving the activities of planning and control within Zakat chamber. The problem of the study has focused on the impact of governmental accounting with budgets techniques, and the impact of planning budgets on the accounting system. So the researcher has proposed the following hypotheses to solve the study problem:

1- Participating of various administrative levels in budgets preparation, lead to positive changes in the employee’s behaviors.

2- Incentive associated with implementation of planning budgets lead to the positive change in the employee’s behaviors.

3- Participation of the various administrative levels in preparing and implementing planning budgets lead to realization of the desired objectives.

The study used deductive, inductive and descriptive approach in the period of data collection, in addition to statistical program of social science (SPSS) to analysis the collected data. Final finding proved that all hypotheses were valid when tested, and study concluded with findings of:

1- Participating of labors in preparing and implementing budgets, it increases the motivation of the employees to achieve the organization goals.

2- Goals and objectives cannot be fulfilled unless the budgets are implemented carefully.

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(3) – Badr Eldin Elhadi Ahmed Serag Eldin – (2005) – The Role of Planning Budgets In Planning and Control on Zakat Chamber – (Applied on Zakat chamber- Umm Badah Locality- Partial Research for Fulfilling Master Program - Accounting and Finance – Sudan University of Science & Technology – Collage of Graduate Studies)
3- Participating of employees in budgets preparation decreases the control cost of budgeting.

The researcher recommended to:
1- Adhering to formulate policies as condition for realizing objectives.
2- Organizing on going training course with view of explaining the concepts of planning budgets, and indicating how they can be used to improve performance of various administration posts.

Mashails A.Rahim (2005)

The problem of the study appears through the variances occurrence when the budgets implemented, and the impact of the variance as shown in the questions below.

1- What is the reason stand behind the budgets variances when they applied?
2- Does the poor participation on preparing budgets, the main reason behind its defect?.
3- Are budgets that prepare according to the expectation without availability of data, makes it ineffective tool of control?.

The study objected to enlighten the importance of budgets as a tool of control, and its impact on performance improvement and goal achievement, as well as to minimize the budgets variances and how it can be used to improve the performance, so the researcher used the deductive and inductive approaches, as well as historical and descriptive approaches in the period of data collection.

The researcher has set the following hypotheses to solve the aforementioned problem:
1- Budget is the one of the most effective tools of planning and control.
2- Participating of all administrative level in forecasting the budgets figures, is the one of the most important way to guaranty the budgets successfulness.

3- Preparing the budgets depend on prediction without accurate data, lead to its invalidity in control.

All these hypotheses were positive when tasted, resulted to most of industrial enterprises don’t use to prepare budgets, and there were great gap between actual performance and the estimated figures of budgets, as well as no treatment for the variances.

Finally the study has recommended to the necessity of budgeting process in the industrial companies, and it is important to use significant method for budget figures estimation.

Sohail Hassan Mohamed Hassan (2005)

The Study has tackled the impact of behavior factor in planning budgets preparation, applied in Sudan University of Science and Technology (SUST).

The problem of the study came up through the less consideration of budgets preparation in respect of attitude and behavior in the public sector (Government firms) that will affect the budgets implementation and they may loose its function as a planning and control device. Therefore, the main problem has its sub-branches as follow:

1- Inefficient allocation of the available resources.
2- Budgets preparation and implementation is not clear setting.
3- Failure in goals achievement.

The study aimed to achieve the following objectives:
1- Prepare clear, accurate, and formal budgets.
2- Employ the available resources of the business.
3- To illustrate the behavior impact in budgets preparation.

The following hypotheses have set to solve the study problems:

(*) Sohail Hassan Mohamed Hassan- (2005) – The Impact of Behavior factors in Planning Budgets Preparation- (Case Study Sudan University of Science and Technology – Partial Research for Fulfilling Master Program - Accounting and Finance - Sudan University of Science and Technology - Collage of Graduate studies)
1- Participating of all directorial levels in budgets preparation, lead to implement the budgets as it is.
2- Unguided with previous budgets may not enable management to set reasonable budgets.
3- Motivations that related to budgets preparation and implementation, lead to positive change in the employees behaviors.

The researcher used the following methodologies during the research stages:
1- Deductive approach: while setting the hypotheses.
2- Inductive approach: used when the hypotheses was tested.
3- Descriptive approach: used for analyzing the result and statistic methods.

The study concluded findings are:
1- The University management depends upon participation of all department levels while preparing budgets.
2- Participating of employees while preparing and implementing, lead to achieve the entity and the employee’s goals.
3- Depending on the previous periods budgets, need a careful control system to avoid the variance.
4- Budget committee has a considerable role in budgets setting and goal achievement.

The Study has recommended the following points:
1- Setting training courses prior budgets preparation and setting clear objective of the budgets.
2- More consideration to budget committee within the firm, and establishment of sub-branches committee is essential.
3- Stick with previous period budgets for setting the next period's budget.
4- Motivating System to encourage employees toward common goals.
5- More researches need for the subject.
Yosra Ahmed Mohamed (2006)

The study problem focused on the stages of budgets preparation as very important point, and the selection of scientific methods of forecasting is also necessary to insure its efficiency. Moreover, the ethical and behavior concepts are more likely to be respect.

This study aimed to prove that the estimated budgets will achieve the organization’s goals in the public sector as well as enable the management to implement the stipulated plans, and it will facilitate the control system.

The researcher used the deductive approach for setting the research hypotheses, and the inductive approach in the primary and secondary data sources as well as applied approach in realizing the hypotheses.

The study found that the estimating of budgets figures which comes through the personal adjustment has negative effect in it’s implementation, and exaggeration of the estimated figures of budgets will make it’s invalidity as well as the involvement of all departments in budgets preparation has positive effect on it’s execution.

The study has recommended to: observing the scientific bases and personal adjustment and experience in preparation of well-designed budgets, as well as setting training courses for the company’s personnel on the most important method of budgets preparation.

Faried Mohamed Hassan-(2007)

The Study has tackled the role of using planning budgets in planning, control and performance evaluation for decision making.

The problems of the study has surrounded the area of knowledge and ability of school manager to use planning process for

(1) - Yosra Ahmed Mohamed Ahmed (2006) – The behavior impact of Estimated Budgets Preparation in Public Sector Entities-(Partial Research for Fulfiling Master Program – Accounting and Finance - Sudan University of Science & Technology – College of Graduate Studies)

forecasting and estimating the budgets data in scientific way, as well as their ability to use planning budgets as device of planning, control, and performance evaluation.

The study aimed to enlightened the problems and difficulties that force those who prepare budgets, also planning to appoint well qualified staff to assist management in budgets preparation, to use planning budgets as a tool of communication and co-ordination among the staff, to find out the variance for accountability and taking actions, and to use the accounting information, through the planning budgets in rational decision making.

The Study has tested the following hypotheses:

1- The knowledge of budgets advantage, benefit and difficulties, lead to prepare objective budgets.

2- Adopting of the principles and the bases of planning budgets and participating the employees, will aids to prepare and implement the planning budgets.

3- Using planning budgets in planning, co-ordinating and control, lead to raise the performance efficiency.

4- Understanding what the control process is? The objectives, advantage, methods and its types, will establish well designed control system.

5- Understanding the performance evaluation, the objectives, standards and its methods, will increase the efficiency and the effectiveness of performance.

The researcher has depended on the historical approach while setting the previous studies that related to his studies, inductive approach for setting the hypotheses, deductive approach for hypotheses testing and descriptive and analytic approach for collecting and analyzing the data. Therefore, all hypotheses were valid when tested.

The study has concluded with finding and recommendation as follow:

1- Budget is a tool of planning and control and its successful come through out the human participation.
2- Budget is relevant communication method for all organization levels.
3- It is possible to use budget as a control tool for the various activities of the Schools.
4- Planning budgets considered as standard of management performance evaluation in planning implementation.
5- The Shortage of information is a problem of budget preparation. Therefore, the availability of data base will facilitate the planning process.

Those are the important results of the study. The researcher has recommended for the following points:

1- Planning budgets must be used as a tool of planning, coordinating, controlling, and performance evaluating and decision making in the schools and administration units.
2- It is importance to use budgets as tool of control for the schools activities (if it is well prepared) considered as standard to evaluate the School management performance.
3- It is important to use a complete and reliable control system far away form personal judgments.
4- Participating the employees and labors of schools in decision making is very important so as to create collective responsibility to implement the planning budgets.

It is clear that all the studies have pointed out for the following issues:

1- The important of budgets and budgetary control.
2- How to use budgets as a tool of planning and control.
3- The participation of staff at different levels in the process of budgets preparation.
4- Setting training course about budgets preparation for the employees and budget committee.

Admittedly this study will focus on the same issues but in aspect of different criteria. It is observed that most of these studies have applied on domestic or internal organizations that have no differences in its characteristics and its environment. So the
final results seemed to be same. But this study is differ from those studies because it discusses those issues in the industries that have established recently in Sudan (oil industry). Moreover, it focuses on the companies that its criteria differ from the internal companies. Oil companies have recently joint Sudan, most of these companies are overseas one, they have an international experience that enables them to invest every where and at any environment. This investment needs a large amount of money to be invested, so the associated risks may be so high, as well as their outputs are controlled by international organizations that regulate the oil productions. Therefore, this study aims to discover the international experiences to enhance the local experience so as to develop the budgeting, planning and controlling process.