

UNIVERSITY OF GHANA

**EFFECTIVE FINANCIAL MANAGEMENT ON PRIVATE SCHOOLS
SUSTAINABILITY: THE CASE OF AL-RAYAN INTERNATIONAL SCHOOL**

UNIVERSITY OF GHANA BUSINESS SCHOOL

BY

ZAINAB YAHYA

(10700488)

**A LONG ESSAY SUBMITTED TO THE DEPARTMENT OF ACCOUNTING,
UNIVERSITY OF GHANA, LEGON IN PARTIAL FULFILMENT OF THE
REQUIREMENT FOR THE AWARD OF MASTER OF SCIENCE DEGREE
(ACCOUNTING AND FINANCE)**

AUGUST 2019

DECLARATION

I hereby declare that this long essay is the result of my own original work and that no part of it has been presented for another degree in this university or elsewhere. All references cited in the work have been fully acknowledged.

.....

ZAINAB YAHYA

(10700488)

.....

DATE

CERTIFICATION

I hereby certify that the preparation and presentation of this long essay was supervised in accordance with the guidelines on supervision of long essay laid down by the University of Ghana.

.....

J.M. ONUMAH (DR)
(SUPERVISOR)

.....

DATE

DEDICATION

This long essay is dedicated to the memory of my Dad (Late Tanko Yahya), to my Mum (Hajia Fati) and Grandfather (Chief Awuta) for their wonderful parental care, upbringing and support. Also, I dedicate this work to my husband (Mohammed Musah) and daughter (Zara) for their enormous support and motivation throughout my study, and to my family for their prayers.

ACKNOWLEDGEMENT

My sincere gratitude goes to the Almighty Allah for His protection, strength, wisdom, knowledge and understanding throughout our period of study. I'm grateful to my supervisor Dr. J.M. Onumah whose support, direction and encouragement during the period of putting this long essay together has been invaluable. My sincere thanks to all the facilitators who have been of immense help throughout the programme.

TABLE OF CONTENTS

DECLARATON	i
CERTIFICATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT.....	iv
TABLE OF CONTENTS	v
ABSTRACT.....	vii
CHAPTER ONE: INTRODUCTION.....	1
1.1. Background	1
CHAPTER TWO: LITERATURE REVIEW.....	9
2.0. Introduction.....	9
2.1. Financial Management Strategies/Practices	9
2.2. Effectiveness of the Financial Strategies	10
2.3. Financial Management Compliance, Accounting Standards and the International Financial Reporting Standards.....	11
2.4. Ensuring Sustainability of Financial Management Practices in Education	15
CHAPTER THREE: RESEARCH METHODOLOGY	19
3.1. Introduction.....	19
3.2. Research Design.....	19
3.2.2 Population of the Study	20
3.2.3 Sources of Data.....	20
3.2.4 Sampling Procedure	20

3.2.5 Research Instruments and Administration.....	21
3.2.6 Data Collection	22
3.2.7 Data Analysis.....	22
3.3. The Case Study Organization	23
3.3.1. The Al-Rayan International School.....	23
3.4. Ethical Consideration and Approach	25
3.5. Chapter Conclusion.....	26
CHAPTER FOUR: RESULTS AND DISCUSSION	27
4.1. Introduction.....	27
4.2. Financial Management Strategies of Al-Rayan	27
4.3. Asset Management and Treasury and Cash Flow Strategies of Al-Rayan	31
4.4. Compliance Process and Financial Obligations of Al-Rayan.....	36
4.5 Conclusion and Recommendation	37
CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS	38
5.1. Introduction.....	38
5.2. Summary of Findings.....	38
5.3. Conclusion	40
5.4. Recommendation	40
REFERENCES.....	42
APPENDIX 1.....	48

ABSTRACT

The study explored the financial management strategies of Al-Rayan International School as a case study using qualitative methods. Its study revealed that, tuition, application and registration fees; sale of paraphernalia and donations were the most sources of income generation of the school. On the other hand, staff salaries, advertising, audit fees, insurance, utilities were the cost drivers of Al-Rayan International School (ARIS). Within the financial management structure (capital structure, capital budget, and capital management), foresaw the investment strategies of ARIS in fixed deposits, tier 2 pension investments, rental services and other multiple business source just to sustain the operations of the school. As a requirement, the study further find out that, recommended books such as accounts payable books, cash and purchase books, fixed assets books, purchase books and payroll books were all properly kept reporting on the financial state of ARIS stipulated by the IFRS compliance. With a twice auditing cycle designed by ARIS indicates a good sustainable financial management practice that keeps their accounting and financial activities in check. In effect, the revenue management strategies, the investments, cash flow management, managing expenditures including assets in the current form of Al-Rayan indicates a description observation of better and effective financial management processes. The study recommends that; a quantitative approach of methodology be used to study Al-Rayan to determine the efficiencies and effectiveness using accounting ratios as this study was qualitative and offered opinions on the words and activities of the accounting staff of the organization.

CHAPTER ONE

INTRODUCTION

1.1. Background

There exists considerable literature on financial management across the spectrum of both private and public sectors in global arena and local front. Studies have indicated some number of international bodies in charge of financial management protocol for management and accounting systems. International Financial Management institution (IFI); has been established by more than one country as financial institution and hence is subjects of international laws. Firstly, Quality Assurance which stipulates in accordance with Section 23 of the Chartered Accountants Act 1963, and the Institute of Chartered Accountants (Ghana) (ICAG) are responsible for conducting Quality Assurance (QA) reviews of statutory audits. In 2008, ICAG developed a Quality Assurance Monitoring (QAM) system for its members and institutions of affiliation.

Research has revealed that, International standard on Auditing stated that, under the Chartered Accountants Act 1963, the (ICAG) is responsible for adopting auditing standards in Ghana. In 2007, ICAG first adopted International Standards on Auditing (ISA) and other The International Auditing and Assurance Standards Board (IAASB) pronouncements without modifications. Subsequently, ICAG reports that clarified ISA, as well as any subsequent revisions, have been adopted and are applicable in Ghana. This standard is subject to constant revision and should be incorporated into the general practice by all nation members. Also, the international practice on financial management has prescribed code of ethics for professional accounting which indicates that, (ICAG) is responsible for adopting ethical requirements for its members in accordance with Section 9 of the Chartered Accountants Act 1963. ICAG has

adopted the IESBA Code of Ethics and states that it adopts new and revised amendments to the Code on an ongoing basis without modifications. According to the International Public Sector Accounting Standard which has been adopted in Ghana, under the Chartered Accountants Act 1963, the Institute of Chartered Accountants (Ghana) (ICAG) is responsible for adopting public sector accounting standards. It has adopted IPSAS as the financial reporting framework for public sector entities.

Literature has uncovered historically trajectory institutions in the financial management in Ghana. In the 1990s, ICAG issued the Ghana National Accounting Standards and, in 2007, adopted IFRS as the accounting standards required for the preparation of financial statements of all government business enterprises, banks, insurance companies, securities brokers, pension funds and public utilities. In 2010, the institute adopted IFRS for SMEs, with the mandatory use of those standards becoming effective beginning in 2015. In 2013, “A Guide for Micro-sized Entities Applying the IFRS for SMEs” was issued for micro-entities that are too small to use IFRS for SMEs. It is not a separate standard but includes only those requirements of IFRS for SMEs that are likely to be necessary for a typical micro-entity. Other entities are permitted to use either full IFRS or IFRS for SMEs.

“Companies Code, 1963 (Act 170)”, stipulates that all companies registered under the law (private and public) regardless of size or public interest level, must be audited by auditors registered with ICAG and must file audited financial statements with the Registrar of Companies. Under the Chartered Accountants Ghana (Act 170) of 1963, the ICAG is also the auditing standard setter for Ghana. ICAG has adopted ISA and other IAASB pronouncements since 2007. The Securities Industry Law, PNDC Law 333, and the Securities and Exchange Commission (SEC) Regulations, 2003 (L.I.1728) set the requirements for financial reporting

and auditing for listed entities. Listed companies are required to use IFRS, and the SEC checks financial statements for compliance with those standards. Aside that, banks are regulated by the Bank of Ghana (BoG) in accordance with the Banking Law 1989. According to that law, banks must prepare their financial statements in compliance with IFRS and have them audited and are required to rotate audit firms every six years. The BoG may not approve auditors appointed at an annual general meeting if the auditors do not meet certain criteria.

On the management and budgeting front of finances in educational institutions, Frederick; (2001) argues that budgeting is perhaps the most chosen course of action or inaction by the management and staff across all sectors including schools. Management at all level within the public and private has used the budgets as their shield or excuse when confronted or challenged about any decision. A budget is an essential management tool for planning, monitoring and controlling the finances of a project or organization. It estimates the income and expenditures for a set period for project or organization (World Bank, 2010). Studies explained; that the issue of financial management in the senior high schools has been over-looked by the stakeholders of the institutions. This is as a result of the fact that stakeholders turn to be more interested in the academic performance of the schools at the expense of their money which they have invested. In recent days in Ghana, financial management has been centralized following the free Senior High School policy by the government. Stakeholders' involvement in financial management will be more effective. According to Glatter (1988), the turbulent environmental uncertainties in schools show the importance of parental contribution in the financial management of secondary schools. Winkler and Yeo (2007) argue that decentralization has the potential to improve accountability, increase parental participation, strengthen the leadership role of school directors; and increase teamwork among the teaching faculty. From the literature, it is emerging that increasing parental and community participation in the running of local schools as, and giving them more responsibilities, has a positive impact on the delivery of

education services NEA Education Policy and Practice Department, (2008). However, how effective the parents and communities are in executing their responsibility is subject to their capacity and that of the school personnel. Literature available show that there are positive impacts of giving schools budget authority and of involving parents in school governance (Vuzi Mncube, 2009).

In Kenya, studies show that, Principals and students perceived parental involvement in financial management as present to some degree in most schools. The results also indicated that parental involvement had positive influence on financial management outcomes. Since schools' finance is important in school management outcomes, it is therefore necessary for education stakeholders to increase parental involvement.

In Ghana, some research findings revealed that the schools have procurements board or committee mandated to oversee the procurement of goods and services for the schools. The study further established that various checks and balances ensure that financial irregularities are minimized. First, signatories to the school account must consist of two persons: the headmaster and the accountant-in-charge. Second, no account opened in the name of the school must be overdrawn.

The purpose of all these institutions and bodies or associations in regulating, shaping the transactions and operations of best practices of organizations including educational institutions on appropriate and best financial management remains crucial. Considering the blossoming and wider emergence of private school system in Ghana to augment and compliment the public educational establishments, this study intends to examine the case study of Al-Rayan International School (ARIS) in Accra to appreciate and explore their financial management practices and how that contributes to its sustainability drive.

1.2. Problem Statement

Studies further shows that; private sector school management is more efficient than public management systems in achieving academic quality. Private funding also improves efficiency whether the schools are publicly or privately managed, but the incremental effect declines as the local funding share increases.

ARIS argues that it uses the global accounting and financial management standards which Ghana adopts and uses through its institutions and citizens. These standards, if adhered to, is argued to leapfrog their financial abilities into a sustained future. Considering that all public basic and secondary school levels are now free in Ghana, the private educational schools have a huge challenge in getting the required number of students for a commercial fee-paying status. Hence sustainability management of the financial generation is critical.

Since schools' finance is critical in school management outcomes, it is important for education stakeholders to increase parental involvement. Studies have shown from the above that, there exists a wealth of literature on public financial management system in Ghana, which contains several policy recommendations and reforms which are of international standard, adjusted and adopted to suit Ghanaian context. This so far has made a significant progress in strengthening fiscal discipline and improving the efficiency of its public financial management. However, studies further revealed that less attention and efforts has been made to ensure effective financial management of private educational setups in Ghana. Every institution operating appropriately under the companies act and standard norms of organizations follows due financial management compliance and standards. These standard compliance processes are what scholars and financial practitioners classified to be the strategies and financial

management framework (planning and budgeting, cash flows, income and expenditure, balance sheet and over all audit and compliance).

1.3. Research Objectives

- I. Identify the financial management strategies followed by Al-Rayan
- II. Determine the effectiveness of the financial strategies used by Al-Rayan
- III. Examine how Al-Rayan meets the financial commitment (income and expenditure) in a competitive educational front
- IV. Examine how the compliance processes and meeting the international financial standards are done.
- V. Determine the sustainability of Al-Rayan financial Management (FM)

1.4. Research Questions

- I. What are the FM strategies of Al-Rayan?
- II. How effective are the financial strategies used by Al-Rayan?
- III. How does Al-Rayan meet the financial commitment in competitive educational front?
- IV. How are the compliance processes and meeting the international financial standards achieved?
- V. How sustainable is Al-Rayan with this FM?

1.5. Al-Rayan International School

Al-Rayan International School (ARIS) was established in September 2003 focusing on providing world class standards in education to the lower and secondary levels. ARIS argues of a dedicated culture and value of a creative upbringing, resilient, independent and socially

responsible young and future leaders; having the requisite knowledge and trainings necessary to support the communities in Ghana.

The combination of better admissions policy with the internationally orientated curricula is one of the best frameworks of education strategy to achieving all-round excellence in Ghana. The school claims to support its students in essentials and all times to help them achieve their maximum learning and development potential.

With its international and British-linked curricula, ARIS is an authorized Primary Years Programme (PYP) school, since April 2016. Again, it is a registered institute for the Middle Years Programme (MYP) with an authorization to run the full IB Diploma Programme (IBDP) since 2015, towards university education.

1.6. Significance of the Study

The study is aimed to contribute to the knowledge of financial management in the educational sector of Ghana. It also tries to explore the financial management narrative of sustainability in a competitive private and public educational space. It will contribute to understanding how cash flow, balance sheet, budgeting, revenue and expenditure management and general source of generating income for a private school like Al-Rayan are managed for effectiveness in a competitive system and for sustainability.

1.7. Scope of Study

This is case study research which is focusing on ARIS financial management strategies for a sustainable governance process. Chapter one will focus on the introduction and background of the study whilst chapter two takes care of the relevant literature of the study which includes the financial management and the cash flow systems of the ARIS. Chapter three will explore

on case study methodology approaches and results and discussions will be done in chapter four whilst chapter five will be dedicated to conclusion and recommendation.

CHAPTER TWO

LITERATURE REVIEW

2.0. Introduction

This chapter looks at an overview of available critical literature for reviews with focus on financial management effectiveness of the financial strategies, compliance processes and the international financial standards, ensuring sustainability of financial management practices in education and lastly on the theoretical framework underpinning the study.

2.1. Financial Management Strategies/Practices

Financial management are activities related to record keeping of the finances of an organization, and include financial planning and forecasting, budgeting, reporting, cash flow management, and working capital management (Turyahebwa, Sunday, & Ssekajugo, 2013). It is the management of finances of a business or an organization, with the responsibilities of obtaining and assigning funds properly to meet the organizational targets or goals (Turyahebwa, et al., 2013). Wolmarans and Meintjes (2015) in particular illustrated the constituents of financial management which involve the functions of planning, directing, monitoring, organizing and controlling of the finances of the organization. Some of the key practices or strategies of typical financial management include cash management, receivables management, inventory management, investment, financing and financial reporting and analysis (Turyahebwa, et al., 2013). Working capital is needed for managing daily operations of the business (Okafor, 2012). An increase in working capital efficiency can impact the profitability of a firm positively (Ville Virkkala, 2015) Competencies in financial management are critical to determining whether or not the personnel are qualified for managing the financial resources of the organization (Clay & George, 2014).

According to Frederick (2001), budget is a preferred tool that drives the decision-making process in departments and institutions in every industry. Management at all levels within the public and the private sector has used budgets as their shield or excuse when confronted or challenged about any decision. A budget is a key management tool for planning, monitoring and controlling the finances of a project or organization. It estimates the income and expenditures for a set period of time for a project or organization (World Bank, 2010). According to Rabin and Lynch, (1986), budget inform key purposes, including: Monitoring the income and expenditures over the course of a year (or a specific project time frame), helping to determine if adjustments need to be made in programs and goals, forecasting income and expenses for projects, including the timing and the availability of income (such as additional grant funds) and providing a basis for accountability and transparency.

2.2. Effectiveness of the Financial Strategies

The lifeblood for organizations and general businesses are finance and the strategies involved. Each business entity must keep enough funds in order to operate efficiently the business and maintain the daily schedules of the organization. The goals of the business entity can be achieved only with the help of effective management of finance.

Revenue Generation

Revenue generation or the acquisition of funds plays an integral role in financial management, involving all possible sources of finance available to the business or entity at minimum cost. Funds can be acquired internally or/and externally depending on the project and with regard to the cost associated with that source. In the case of schools, school fees, sale of souvenirs, cafeteria, books, transportation and other investments are the major source of raising funds for school management. The skill and strategy involved in the financial management will be able to acquire the finance that will promote the school.

Financial Planning

Financial management helps in the identification of the financial requirement needed by the school. Financial planning is an important element of the business or project concerned, which helps in the promotion of the fluid operation of the organization. When the finance designate is able to manage the expenditure of the school or organization well, and put the funds into proper use, it can reduce the cost of operations which tends to increase the value of the firm.

Profitability of Financial Management Strategies

Profitability helps firms thrive in spite of intense competition. The effectiveness and proper utilization of funds by the businesses will determine their level of profitability which could be enhanced with the help of strong financial control devices including budgetary control, strict auditing policy, ratio analysis and cost volume profit analysis etc. The goal or objective of any business concern is to achieve the maximum profit and higher profitability as well as value for money services which leads to the maximization of shareholder's wealth in an institution.

Financial Decision

In school management system, there is a direct relationship that exists among the various departments such as finance, admissions, academic departments, estate and transport, marketing and personnel etc. Due to this relationship, financial decisions influence all other units of the school or organization. Financial management therefore helps the entity to take sound financial decision in the business concern to enable it to have a positive impact.

2.3. Financial Management Compliance, Accounting Standards and the International Financial Reporting Standards

According to Brown (2011), accounting standards are essential in a complex financial market because they underpin how capital is allocated and performance is monitored and rewarded.

Chen (2010), posits that accounting standards and preparer incentives interact to produce accounting information. Financial reporting practice under a given set of standards is sensitive to the incentives of the managers and auditors responsible for the preparation of financial reports (Ball et al., 2003). Ball et al. (2003) show that high quality standards do not necessarily produce high-quality accounting information.

Literature has uncovered historically trajectory institutions in the financial management in Ghana. In the 1990s, ICAG issued the Ghana National Accounting Standards and, in 2007, adopted IFRS as the accounting standards required for the preparation of financial statements of all government business enterprises, banks, insurance companies, securities brokers, pension funds, and public utilities. In 2010, the institute adopted IFRS for SMEs, with the mandatory use of those standards becoming effective beginning in 2015. In 2013, a document referred to as “A Guide for Micro-sized Entities Applying the IFRS for SMEs” was issued for micro-entities that are too small to use IFRS for SMEs. It is a not a separate standard but includes only those requirements of IFRS for SMEs that are likely to be necessary for a typical micro-entity. Other entities are permitted to use either full IFRS or IFRS for SMEs.

The Companies Code of Ghana, Act 1963, stipulates that all companies (private and Public) registered under the law regardless of size or public interest level, must be audited by auditors registered with ICAG and must file audited financial statements with the Registrar of Companies. Under the Chartered Accountants Act 1963, ICAG is also the auditing standard setter for Ghana. ICAG has adopted ISA and other IAASB pronouncements since 2007. The Securities Industry Law, PNDC Law 333, and the Securities and Exchange Commission (SEC) Regulations, 2003 (L.I.1728) set the requirements for financial reporting and auditing for listed entities. Listed companies are required to use IFRS, and the SEC checks financial statements

for compliance with those standards. Aside that, banks are regulated by the Bank of Ghana (BoG) in accordance with the Banking Law 1989. Banks must prepare their financial statements in compliance with IFRS and have them audited. Banks are required to rotate audit firms every six years. The BoG may not approve auditors appointed at an annual general meeting if the auditors do not meet certain criteria.

Brown (2011); declares the importance of the independent auditor in establishing the credibility and reliability of accounting reports, and in verifying the correctness of the statement that a company's financial statements adhere to the IFRS framework. He also stated that there is a major role for legal protection of the rights of outsiders relative to insiders, to put it simply, and for accounting standards to have the force of law. Systemic financial risk and the stability of the world's financial markets will be a growing challenge and closer cooperation between and among countries will required. There are major benefits to speaking the same financial language in an increasingly integrated world and IFRS is part of that dialogue. Ball (2006) claims that by eliminating many international differences in accounting standards, and standardizing reporting formats, IFRS eliminates many of the adjustments analysts historically have made in order to make companies' financials more comparable internationally.

IFRS adoption therefore could bring down the monetary value to investors of processing financial information. The gain would be great for establishments that make large, standardized format financial databases. Increased transparency causes managers to do more in the interests of shareholders. For example, timelier loss recognition in the financial statements increases the incentives of managers to attend to existing loss-creating investments and strategies more quickly, and to undertake fewer new investments with negative net present value. The increased transparency promised by IFRS may possibly result in a similar step-up in the efficiency of contracting between firms and lenders.

In particular, timelier loss recognition in the financial statements triggers debt covenants violations more quickly after firms experience economic losses that decrease the value of outstanding debt (Ball 2001, 2004; Ball & Shiva Kumar 2005; Ball et al., 2006). Timelier loss recognition involves timelier revision of the book values of assets and liabilities, as well as earnings and stockholders' equity, causing timelier triggering of covenants based on financial statement variables. In other words, the increased transparency and loss recognition timeliness promised by IFRS could increase the efficiency of contracting in debt markets, with potential gains for equity investors in terms of reduced price of debt capital (Ball 2006).

Improving financial reporting quality allows them to contend better with professionals, and thus reduces the peril they are trading with a better-informed, professional (known as 'adverse selection'). Powerful local economic and political forces determine how managers, auditors, courts, regulators and other parties influence the execution of regulations. These forces have exercised a real influence on financial reporting practice historically and are unlikely to suddenly give up doing so.

Chen et al (2010), on answering why accounting standards make a difference in accounting quality acknowledged that, the inquiry is far from clear in the extant literature. They argue that IFRS, with higher quality than national accounting standards, limit or reduce alternative accounting choices. So, even though managers have incentives to manage earnings, they have less options/opportunities to behave thusly. Also, IFRS reduces the ambiguity and inconsistency of local standards, as it is easier to understand and enforce. This will bring down the likelihood that managers take advantage of ambiguous local standards to manage earnings. And, IFRS would also improve financial reporting quality by changing managerial incentives. It is broadly accepted that managerial incentives are influenced/shaped by economic and political organizations.

IFRS promises to make earnings more informative and therefore, paradoxically, more volatile and more difficult to forecast. These narratives mean that practitioners in the accounting field of the educational sector are required to operate under these standards to conform to best practices of financial management.

2.4. Ensuring Sustainability of Financial Management Practices in Education

Botha (2002) described education as a system of input-output. He explains that schools also provide input in the form of material resources as well as human resources which come together to deliver processes and activities. The processes and activities will lead to certain outputs which should be in tandem with the educational objectives of the school. The author therefore posits that with better and adequate resources, the educational outcome is expected to be better. It means that resources are pre-requisite for excellent academic achievement in both private and public schools and should be handled with proper care. Resources in this regard are, according to Coleman, A.B., Bush, A.W. and Glover, J.D. (1994) two main resources (financial resources and real resources). Financial resource constitutes the money available to procure real resources, while the latter constitutes the material and human resources which are required for the delivery of efficient education to students. Because real resources can only be procured with money resources, the management of financial resources in schools is of primary importance in delivery of quality educational services to students. The study posits that, heads of schools, bursars, school accountants and departmental heads must be abreast with the management of the school's funds in order to ensure that the funds are used for the intended purposes.

In order to ensure effective financial management and sustainability of our private schools in Ghana, studies have underscored the significance of budgeting. According to Frederick;

(2001), budget is perhaps the most chosen course of action or inaction by the management and staff across all sectors. Management at all levels within the public and the private have used the budget as their shield when confronted or challenged about any decision. A budget is a key management tool for planning, monitoring and controlling the finances of a project or organization. It estimates the income and expenditures for a set period of time for a project or organization (World Bank, 2010).

Studies explained the issue of financial management in the senior high schools has been overlooked by the stakeholders of the institutions. This is as a result of the fact that stakeholders turn to be more interested in the academic performance of the schools at the expense of their money which they have invested. In recent days in Ghana, financial management has been centralized following the free Senior High School policy by the government. Stakeholders' involvement in financial management will be more effective. According to Glatter (1988), the turbulent environmental uncertainties which educational institutions have been faced with are enough evidence that there is need for more stakeholders' involvement in schools' finance. In a study conducted in 1987 in New York, Swap reported several barriers to parental involvement with regards to their role in school's finances (Swap, 1987). The daily management of a secondary school is the responsibility of a Head of school/Director appointed through merit by the Ministry of Education. Each secondary school in Kenya has a Board of Governors (BoG) and a Parent Teachers Association (PTA). The former is largely appointed by the Minister of Education but has parental representation, while the latter is elected by parents of the respective school.

In addition, BoG enjoys legal backing from the education legislation while PTA does not. The PTA is largely concerned with resource mobilization while the BoG has the overall authority

on all school affairs. Conflicts between BoG and PTA over resource use are not uncommon and in some cases are manifested through student strikes and parent demonstration against poor school management. The importance of parental contribution in the financial management of secondary schools cannot be underestimated. Winkler and Yeo (2007) argue that decentralization has the potential to improve accountability, increase parental participation, strengthen the leadership role of school directors and increase teamwork among the teaching faculty. From the literature, it is emerging that increasing parental and community participation in the running of local schools, and giving them more responsibilities, has a positive impact on the delivery of education services. However, how effective the parents and communities are in executing their responsibility is subject to their capacity and that of the school personnel. Literature available show that there are positive impacts of giving schools budget authority and of involving parents in school governance.

In Kenya, studies (2018) show that principals and students perceived parental involvement in financial management as present to some degree in most schools. The results also indicated that parental involvement had positive influence on financial management outcomes. Since schools' finance is critical in school's management outcomes, it is therefore necessary for education stakeholders to increase parental involvement. In Ghana, research findings (2015) revealed that, the schools have procurements board or committee mandated to oversee the procurement of goods and services for the schools. The study further established that various checks and balances ensure that financial irregularities are minimized. First, signatories to the school account must consist and comprise of at least two persons, the headmaster and the accountant-in-charge. Second, no account opened in the name of the school should be overdrawn. Any drawings made by the school at the bank must be authorized and approved by the administrator. Thirdly, all accounts must be opened in the name of the school with official

authorization and approval from the headmaster and the accountant. Studies further shows that private management is more efficient than public management in achieving academic quality. Private funding also improves efficiency whether the schools are publicly or privately managed, but the incremental effect declines as the local funding share increases.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

This chapter provides a vivid impression of the research methods adopted in conducting the study. It presents the tools used in capturing the data from the interaction with management of AL Rayan International School Ghana and how the analysis was done. This segment outlines the details of the research design, population of the study, sources of data, sampling procedure, type and administration of research instruments and the data collection procedures.

3.2. Research Design

This is a case study research with focus on the financial officials of the AL Rayan International School Ghana. A detailed interview to appreciate the financial management strategies of the School, how effective these strategies are, and the challenges of the strategy were carefully laid in this research. As a mixed method study, it embodied qualitative approaches (key informant interviews) with some of the accounting staff of the school and other departments to elucidate qualitative information. The use of the descriptive qualitative approach allows for detail explanation and exploration of thoughts, opinions of experts and professional practitioners to examine the merits and value based positions of technical issues such as financial management and performance as opposed to numeral and numbers of the positivist and quantitative views to research.

3.2.2 Population of the Study

As a case study research, this study was mainly on the Al-Rayan International School Ghana; with purposive focus on its management generally and in particular the officials of the finance and account unit.

3.2.3 Sources of Data

Data for the study emanated from both secondary and primary sources. These related to information gathered from books, journals and research papers. Al-Rayan brochures including both published and unpublished materials and other contemporary articles on financial management and the sustainability of private school system in Ghana were used. For the primary data, the focus was on the interview guide and the survey questions developed to pick data from the management and the officers of the accounting and finance unit of the school.

3.2.4 Sampling Procedure

Purposive sampling technique was used to directly approach the eleven management members while random sampling technique enabled the researcher to interview the forty-four (44) selected members of ARIS. Purposive sampling is also known as judgmental or non-probability sampling technique in which an experienced individual selects a sample based on personal judgment about some appropriate characteristics of the sample members.

Sampling, according to Wilmot (2005), is the act, process, or technique of selecting a suitable group or a representative part of a population for the purpose of determining parameters or characteristics of the whole population. The main objective of sampling is to draw conclusions about populations from samples using inferential statistics that enable us to determine a population characteristic by directly observing only a portion (or sample) of the population. A sample is obtained rather than a complete enumeration (a census) of the population for many

reasons. Wilmot (2005) further explained that sampling is done in a wide variety of research settings and enumerated a few of the benefits of sampling.

The sampling information was obtained from the officials and management members of AL Rayan International School Ghana and the distribution is as follows:

Table 3.1: Distribution of Respondents at Al-Rayan International School Ghana

Departments	Population	Sample Size
Finance Department	6	6
Governance	6	2
New Campus	8	2
Administration	12	8
Academic	12	8
Total	44	26

Source: Al-Rayan School

3.2.5 Research Instruments and Administration

Considering the busy schedule of senior management of ARIS, the investigator administered questionnaires to enable each interviewee to offer honest and candid views in a flexible manner, this would encourage them the flexibility to fill out the questionnaire during his/her convenient time. The questionnaire technique was facilitated by in-depth face-to-face interview with respondents who had difficulties with the dictates of the questionnaire. As an employee of AL Rayan International School Ghana, the interviewer did not have much difficulty to pick up the staff list for the areas. Staff members who were selected through the sample technique were quickly informed using the intercom for those within the school premises.

The researcher had the opportunity of introducing the rationale behind the study to the respondents. Some of them had already ‘tasted’ tertiary education and therefore the interaction sparked off some nostalgia and therefore did not hesitate to share their personal experiences with the investigator.

3.2.6 Data Collection

The data gathered for the study was largely qualitative in line with the specific research objectives of the study. Use of the interview guide was done to pick data from ARIS management and from the accounts. Qualitative methods enabled respondents to express themselves in a direct manner (McCracken 1988, in Hoggart, Lees and Davies, 2002). The interviews were recorded with participants consent and transcribed for verbatim quotes as reflected in the results discussion chapter.

3.2.7 Data Analysis

The data collected was subjected to descriptive analysis with the use of bar charts and frequency distribution tables. It also involved document review, comprising financial statements and other official documents. The statistical package for social science (SPSS) was used in analyzing data obtained from survey and NVIVO was used for the qualitative data grouped into themes, categories and sense making scenarios. The resulting pie charts, frequency tables, bar graphs and graphs have been featured in the next chapter.

Table 3.2. Analytical Framework

Specific Objectives	Analytical Method
Identify the financial management strategies followed by Al-Rayan	Percentages, frequencies, and means
Determine the effectiveness of the financial strategies used by Al-Rayan	Percentages, frequencies and means
Examine how Al-Rayan meets the financial commitment (income and expenditure) in a competitive educational front	Percentages, frequencies and profit and gross margin
Examine how the compliance processes and meeting the international financial standards are done.	Percentages, frequencies, and means
Determine the sustainability of Al-Rayan FM.	Percentages, means and frequencies

3.3. The Case Study Organization

3.3.1. The Al-Rayan International School

Al-Rayan International School (ARIS) was established in September 2003 with a “forward-thinking community view and uses the Cambridge Assessment Educational International Standards and membership” as captured in their statutes. Al-Rayan International School’s mission focuses on “providing world-class standards in education where it claims to have a better combination of an inclusive (rather than elitist) admissions policy with our internationally orientated curricula is an ideal framework for achieving all-around excellence

for our students”. Students are supported wherever and whenever support is needed, and at the same time challenged to achieve their maximum potential. As a dedicated institution, ARIS helps young people to be creative, resilient, independent and socially responsible, equipped with requisite knowledge and skills necessary to be agents of change in their communities and the world at large. The students consist of both Ghanaians and foreigners or international students. This applies to the staff also (ARIS, 2019).

It consists of the basic level to the Senior High School level, with two different campuses within the Greater Accra Region. In upholding this ethos, ARIS ensures that it recruits a highly professional and dynamic teams of educators with a passion for academic excellence and a drive to transform learners to become global citizens.

In terms of approaches to learning, the school curriculum and pedagogy tries to incorporate a means of self-improvement and self-reflection attitude by students to help groom and nature them. As contemporary theories of cognitive development and multiple intelligences continue to emerge, the curricula must be capable of examining students closely, and be able to assimilate new ideas and approaches to the extent to which suit them (ARIS, 2019).

Al-Rayan International School operates with a 3-4-year tenure system for their governing board. “The board consists of elected and appointed members, who are primarily parents of students enrolled in the school and members of the Ghana Society for Islamic Education and Reformation (GSIER). As volunteers, Board members are committed to promoting gender equality and intercultural understanding (ARIS, 2019).

As the legal authorizing body of ARIS, the board supports and promotes the school’s mission, aims and ethos. Furthermore, it appoints and supports the school’s principal, oversees the school’s financial position, as well as reviewing and updating the school’s policies and procedures. The board is made up of four (4) sub-committees and holds monthly meetings;

also present at these meetings can be any co-opted advisors, along with members of the school's administration, faculty representatives and a student representative” (ARIS, 2019).

The Finances Structure of the School

“As part of its responsibility, the Finance Committee works closely with the school's financial controller and accountant to provide counsel on all financial matters. Furthermore, this committee reviews and identifies any issues relating to the school's operating and capital budgets and annual external audit processes “(ARIS, 2019).

Communications Manager

Collaborating with key personnel and the Admission manager, the communication manager promotes the school’s vision and mission and creates a strong marketing platform for the school. Additionally, a major function is to support the school community in ensuring integration with the new campus in East Legon (ARIS, 2019).

3.4. Ethical Consideration and Approach

In research and in academics, ethical processes, considerations and standards are critical to the integrity of research works, knowledge management, the researcher and the researched as well as the results. Ethical considerations were diligently applied to all respondents irrespective of gender, sex, religion and age in ARIS as required by the University of Ghana. Privacy and confidentiality of information of the respondents were highly respected and guided during and after the survey. Equal respect and standard measurement and treatment to every respondent were adhered to. Permission was also sorted at every level and stage of the survey and interview process from the respondents before the start of the interviews and interactions. Questions and interactions were largely focused on the objectives of the study.

3.5. Chapter Conclusion

This chapter outlined the profile of ARIS, the research design, sampling and the analytical method of the study. It adopted the mix method approach and how that is significant, considering the nature of the objectives. The write-up provided the background on which the methodology was developed and how the data was collected. The chapter outlined the key steps upon which the study was carried out and gives the entire guide and structure of the study. It provides the solid scientific basis underpinning the research with emphasis on the research objectives. This consequently provides the basis for the next chapter which presents results and analysis of the study.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1. Introduction

This chapter tries to critically identify the underlining financial management strategies of Al-Rayan School that aims to make them sustainable as an organization. It goes further to examine how effective such strategies have been and if they have been meeting their commitments and compliances. This was done following an interview session with the accounts department of the school, after which became clear the types of financial management strategies of the school.

4.2. Financial Management Strategies of Al-Rayan

As captured in the official documents of the school, there exists a finance committee which liaises with the school's "Financial Controller and Accountant" to provide advice and guidance on all financial matters of the organization. They also review and identify issues related to their operating and capital budgets and allows for annual external auditing processes to be done for compliance to accounting standards.

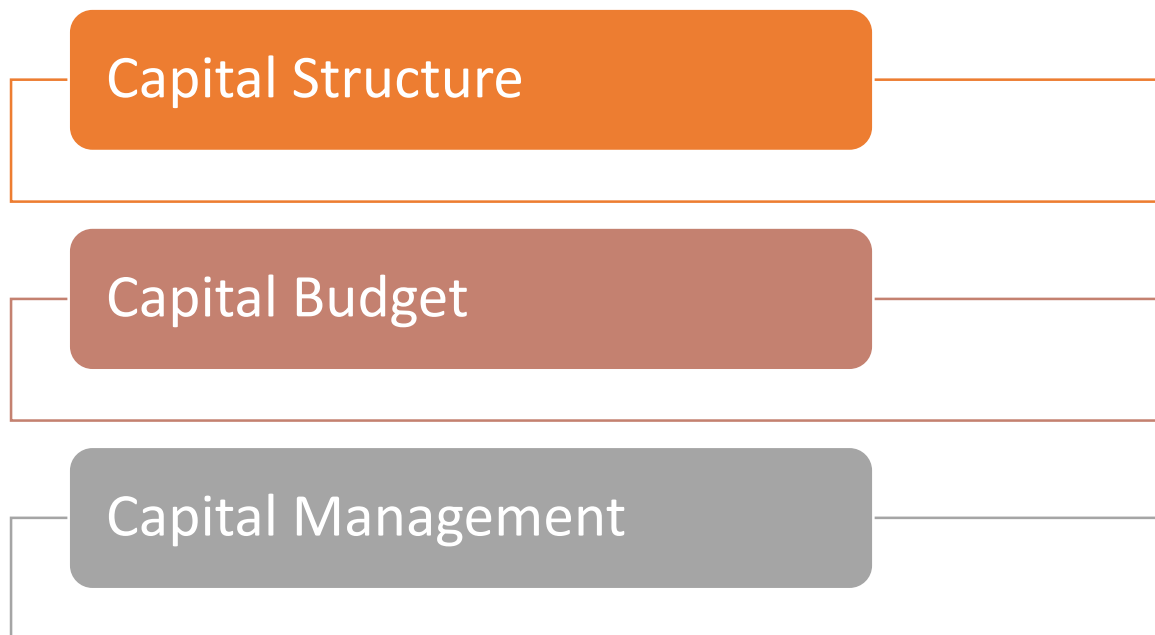


Figure 4.1: Structure of Financial Management

4.2.1. Revenue Sources and Investment Strategies for Al-Rayan

As explained by Eugene Brigham; (2009), financial management consists of capital structure, budget and management (Figure 4.1). The capital structure is considered mainly as the revenues/income of every organization. For Al-Rayan, their key capital structure was linked to activities of a school which include fees, book sales and donations (Figure 4.2). Clearly from Figure 4.2, tuition fee, registration and application fees and uniform were the most ranked revenues sources for Al-Rayan.

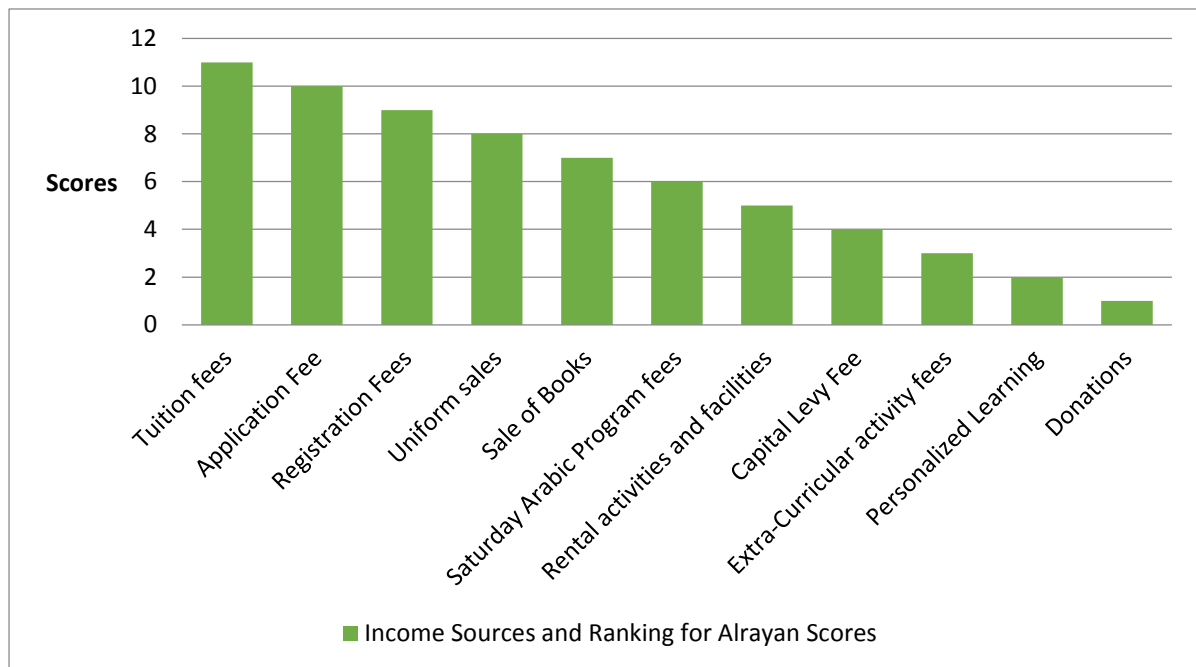


Figure 4.2: Income Sources of Al-Rayan

These are the income generation part of the school for which they depend on for existence. Donations came out as the least ranked income source for the school. One of the respondents from the accounts department recounted that;

“Some of the parents of the students are generous to the school by helping but not in the majority. More so, such assistance comes rarely”

This is clear that, since every student is to pay tuition and registration fees, it is normative that such activity ranked higher compared to other sources. Revenue management as defined by

Cross (1997) being “the application of disciplined tactics that predict consumer behavior at the micro-market level” indicates how Al-Rayan uses all these revenue streams (Figure 4.2) by observing and understand its clientele-students and parents in behavior towards patronizing their initiatives towards income generations. The Arabic programme for the weekend complimented the mainstream revenues generated which helped to diversify their sources. As long as they continue to admit students within their agreed quotas, generation revenues to satisfy the going concern rule are guaranteed.

Generating revenues alone is not enough in effective financial management. Re-investment into the organization and in other viable sources to consolidate the gains and financial position of organizations are essential. Al-Rayan revealed through interactions that, their main investment strategy is the Tier 3 fund which is a provident fund and managed by Cal Asset Management. The Tier 3 investment contributes significantly to the welfare of the school. One of the Accountants put it;

“This Tier 3 Investment fund contributes 5% on the staff basic salary and the Employer also Contribute 5% towards this as a pension requirement. Hence generating 5% towards staff salary is significant enough to be considered as a key investment strategy from the school” So when a staff is leaving the organization, either due to expiration of contract or termination of appointed, a letter is sent to Cal Asset Management for the release of the staff portion of investment”.

Aside these, it was revealed that the school was having other investments that helps to reduce their investments risk and rake in good return on investments (ROI) for the shareholders. Cathy Burgess and Keith (2001) posit that, good revenue management correlates to strong organizational profitability. Participants explained that there were several activities the school engaged in which embodied the core expenditure of the school (Table 4.1) including auditing, utilities, rentals, stationery, advertising etc. just to mention a few.

Al-Rayan Operational Expenses	
Advertising	Bank Charges
Consultancy Expenses	Utilities
Audit Fees	Certificate and B.O.P Expenses
Fuel Expenses	Staff Salaries Expenses
Hotel Expenses	Cost of Staff Uniform
Insurance Expenses	Clinic Supplies
Legal Fees	Landscape Expenses
Internet Expenses	Food Expenses
Medical-School Physician	Public Relations Expense
Rentals	Office Supplies
Security Service Expenses	Repairs and Maintenance
Travel & Transportation	Stationery Expenses
Water Refill Expense	Memberships & Subscriptions

Table 4.1: Operational Expenditure of Activities of Al-Rayan

Legal fees, accounting services, directors’ fees, cost of meetings, registration fees are considered as typical cost and expenditure activities of organizations (Thomas H. Pollak, Patrick Rooney and Mark A. Hager, 2001). They added that, some of these expenditures require amortization period to file for tax return, whilst others capitalized or added to the capital asset base of the organization under consideration. These views of Thomas et al, (2001) fits into the narrative and accounting process of Al-Rayan as they claim the listed expenses require

other assurance bodies, it should inure to the effective financial management of the organization such as Al-Rayan. For Al-Rayan, they revealed that;

“All fees payable are deposited directly into our bank accounts or our electronic payment platforms such as MTN Momo and POS.

“Fees are issued to parent one month before school closes for the year and payments are made in May and December”.

“All payments MUST go through approval by the Controller before checks are issued or paid online to make every financial transaction”.

“For Store Department, all purchases and issues should be handled by stores with all transactions entered into Tally as and when they occurred base on accrual”

Some of these statements resonate with the World Bank; (1998) position that operating cash balances of institutions should be kept to a minimum for liquidity prudence and tact financial management processes. It further advised to centralize payments and liquidity issues on a single platform to follow through with oversight. For Cangiano; (2017), payment processing, cash and cheques handling, revenue collection and recording and pre-auditing functions for efficiency and compliance should be adhered to, in order to serve as best practice for treasury and cash flow standards for which Al-Rayan actors revealed they practice.

“One for expending and the other for receiving fees. Each account has different signatory. For each bank account, there are two signatories. Control over negotiation beyond a certain threshold is always agreed on”

“Sourcing of quotations from different suppliers before a purchasing decision is made. All cash received are banked on daily basis as required by best practice”.

For asset management, they aspire to be the best in its approach with several asset management strategies. Managing purchases, managing plant and equipment, staff knowledge on handling of logistics and equipment, and general maintenance considered as approaches of current asset management (Bradley Peterson, 2003). For Al-Rayan, they are working within this space of standard as they revealed that appropriate entries are always made, depreciation margins calculated on every asset as well as the required maintenance treatment processes. The accounts unit explained that;

“ARIS has a five year Plan to become the best IB school in Africa with a Competitive Advantage. It is the policy of the school to tag all assets purchased with an ARIS tag”

They also aspire to become a best school known for being green and so every asset is considered in that regard.

“To become one of the "Go Green Schools" in Ghana as part of the effort to eradicate plastic waste. To safeguard its asset through proper planning and execution”

These efforts of the school coupled with what is required in financial management (capital budget, structure and management) indicate the due diligence followed by ARIS (Table 4.2) to ensure efficiency and effectiveness of their financial management systems.

Table 4.2 Account Reporting Types at Al-Rayan

Accounting Reports at AL-RAYAN	
Cash Payment/Receipt Vouchers & Book	Copies of Consultancy Agreements
Bank Payment/Receipt Vouchers & Book	Capital Assets Approvals Reports
Summary/Daily Petty Cash Book	Student Invoicing Files
Journal Vouchers and Journal	Statutory Payment Files
Fixed Assets Register	Income Statement Documents
Contract/Registration Documents	Balance Sheet
Budget and Variance Record Files	Cash Flow Statements
Variance Analysis Report	

On budgeting, participants in Al-Rayan reveal that they operate with incremental budgeting and activity-based budgeting methods.

“Based on historical and assumptions as well as management input of what they forecast in the next academic year. We use Master, Incremental Budgeting and Activity Based Budgeting. Data is picked from each department for the master budget with reasonable use of assumptions”.

Incremental budgeting takes last year’s actual figures and adds or subtracts a percentage to obtain the current year’s budget. It is mostly used to its easy usage and reliance on historical data from previous years. Activity-based budgeting is a top-down budgeting approach that determines the amount of inputs required to support the goals set by the company.

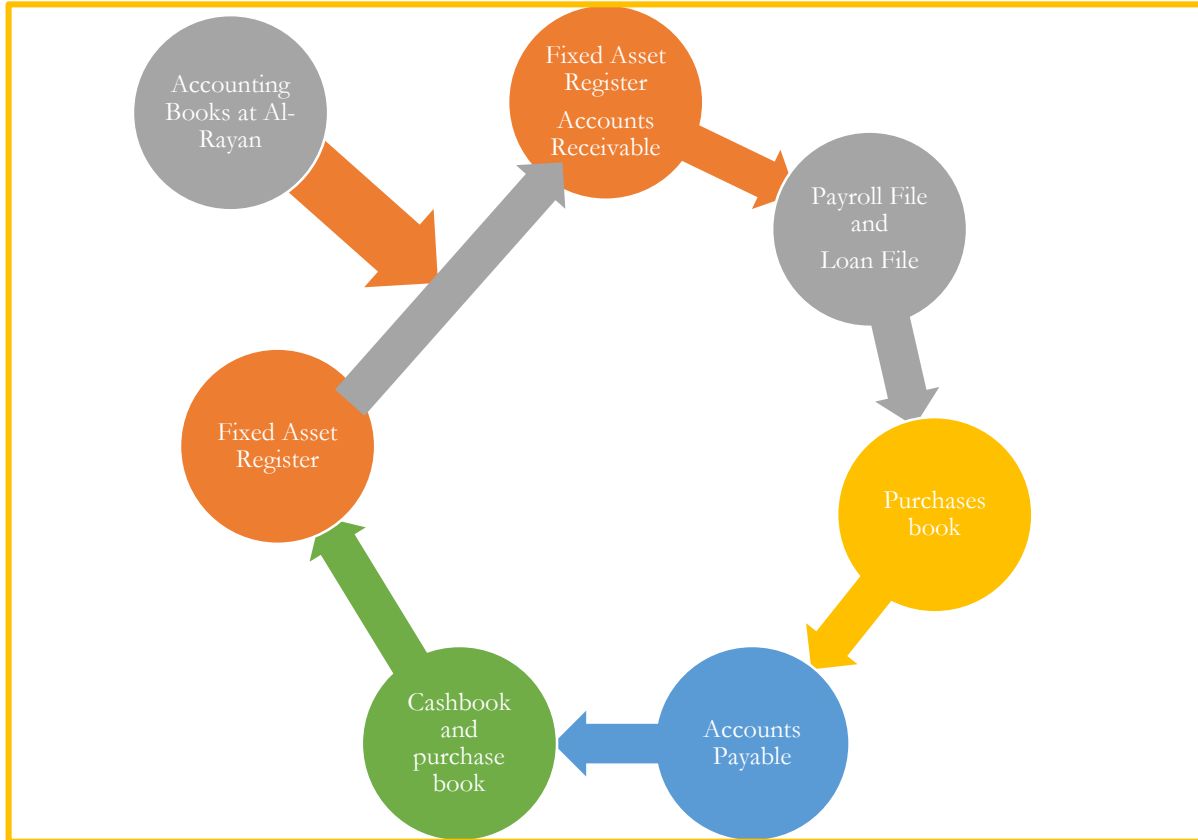


Figure 4.4: Books kept at Al-Rayan for Accounting Purposes

Budgets are excellent communication tools; it helps to point out the operational and financial objectives of the period for organizations such as Al-Rayan. Budgets communicate to the upper and middle management which are the top-management's expectations, and also communicate the management's priorities to the lower levels (Loana-Diana BUFAN, 2013). The critical link to managing communication is the use of the proper accounting books and processes (Figure 4.4) as captured by Al-Rayan. Proper record keeping often results in better and effective budgeting processes and overall efficient financial planning of organizations (Loana-Diana BUFAN, 2013).

4.4. Compliance Process and Financial Obligations of Al-Rayan

In determining the effectiveness of financial management strategies of an organization, the evaluation of the organizational activities, processes and performance in line with standards remains central and critical especially to competitive educational institutions. It is argued that when the financial management of institutions are not in skilled hands, the probable failure rate may be higher (Okafor, 2012). Auditing in Thomas et al.'s; (2001) words is a compulsory component of best practice for every organization where independent auditor have to go through a rigorous series of tests and are obligated as CPAs to honestly report on what they find. Auditing provides a means for boards and shareholders to verify that managers are reporting their organizations' finances accurately (Thomas et al, 2001).

“The school is audited by an independent/external Auditor called Kreston Coopers, and the audit is conducted twice every year. One is the interim audit and the other is the substantive audit. The School withholds all vendors and pays to GRA as well as PAYEE on a monthly basis, ARIS does not pay corporate tax since is an NGO. ARIS is an NGO as a result not liable to pay corporate tax. We however do withhold tax on payments”

The staff of the accounting department interacted with are all members of the CA Ghana and the ACCA who understand these compliances required by the international financial reporting systems. It helps them to ensure sustainability. On meeting their credit (borrowing) obligations, the organization explained that;

“We service our credit facilities on time because we are always liquid. We focus normally on term financing and our facilities are mostly dollar denominated allowing for some stability and monetary depreciation”.

Sustainability

Al-Rayan has adopted a program that is mandated for the school to introduce each student to Community Action Service (CAS) program. students are expected to reach out to the community with its project to help give back and an assessment is done at the end of their final year which makes up their grade.

4.4 Conclusion and Recommendation

The study can conclude with these narratives that Al-Rayan use several accounting and financial management strategies as required to make it sustainable and run as educational institution. In era of fierce competition for students and operate with profits to meet corporate obligations. The revenue management strategies, the investments, cash flow management, managing expenditures including assets in the current form of Al-Rayan indicates a description observation of better and effective financial management processes.

The study recommends that; a quantitative approach of methodology be used to study Al-Rayan to determine the efficiencies and effectiveness using accounting ratios as this study was qualitative and offered opinions on the words and activities of the accounting staff of the organization.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter looks at the summary of the findings, conclusions and recommendations of the study. It focuses on the findings on financial management strategy of Al-Rayan International School, the effectiveness, compliance and the sustainability of its financial management approaches.

5.2 Summary of Findings

The study revealed that financial management strategy of Al-Rayan International School were aligned to the existing standard structure of financial management including the capital structure, capital budget and capital management. There exists a finance committee which liaises with the schools “Financial Controller and Accountant” and accounts department to provide advice and guidance on all financial matters of the organisation.

On revenue generation, the study revealed that; tuition fee, registration and application fees, and uniform fees were the most ranked revenues sources for Al-Rayan International School. For the incomes generated to manage the school, they find that, re-investment of the proceeds back into the school’s other viable sources for growth and expansion are essential. Al-Rayan International School revealed through interactions that, their main investment strategy is the Tier 3 fund which is a provident fund and managed by Cal Asset Management Company Limited to give staff and management some assurance on their end of service benefits.

Additionally, expenditure lines identified were fuel expenses, medical cost, salaries, office consumables, security, utilities, audit cost and general maintenance making the operational cost of the business concern.

Treasury and cash flow strategies identified were linked to modes of payments identified (banks, POS and MOMOs). They argued that all fees payable are deposited directly into their bank accounts and / or other electronic payment platforms such as MTN Momo and POS with all payments verted and approved before transactions are allowed to pass through.

Al-Rayan International School uses historical assumptions and management inputs in their annual budget planning process and forecasting. Other approaches identified are the use of a Master budget, incremental Budgeting and Activity Based Budgeting techniques. Data is picked from each department for the master budget with reasonable use of assumptions and approval is sort before any expenses is incurred.

Another important finding towards a better financial management system was book and record keeping in Al-Rayan. They had purchases book, cash book, accounts payable, fixed asset register, payroll, loan and receivable books for better and effective handling of their financial transactions.

On compliance, Al-Rayan International School subscribed to the standard accounting practices. The school is audited by an independent/external auditor called Kreston Coopers; and the audit is done twice a year. The school fulfills its tax obligations by withholding all taxes due government by vendors and service providers and pays to Ghana Revenue Authority. Additionally, the school calculates all PAYE tax on staff earnings and pay to the Ghana Revenue Authority on monthly basis.

On sustainability perspective, Al-Rayan International School has adopted a program that is mandatory for the school to introduce each student to Community Action Service (CAS) where each student is expected to reach out to the community with its project to help give back. An assessment is done for the students at the end of their final year which makes up their grade.

5.3 Conclusions

The study can conclude with these narratives that Al-Rayan International School uses several accounting and financial management strategies as required to make it sustainable and run as an educational institution. In an era of fierce competition for students, the institution makes every effort to operate at a profitable level to meet corporate obligations. The revenue management strategies, the investments, cash flow management, and managing expenditures including assets in the current form of Al-Rayan indicates a system of better and effective financial management processes.

The records keeping and the re-investment strategy was a good approach aimed at strengthening their financial position. Standards compliance was another important policy of the school and such initiatives strengthen organizational practice and going concern principles.

The study concludes with these discourse that, the financial management strategy of al-Rayan from the qualitative descriptive point of the respondents are effective and can only be consolidated to improve on its inherent weaknesses.

5.4 Recommendations

The study recommends that;

- A quantitative approach of methodology be used to study Al-Rayan to determine the efficiencies and effectiveness using accounting ratios as this study was qualitative and

offered opinions on the statements and activities of the accounting staff of the organisation.

- The financial management strategies of the school could be adopted by other schools to enhance their sustainability.
- Many schools can be added including the public ones to examine their financial management strategies and their effectiveness
- The school should consider a payment platform that will include visa card, maestro, and master card to make it more convenient for parents to make payments.
- Al- Rayan International School should extend its community service to the hinterland in future so that more of the less privileged can benefit from their CAS program

References

1. Coleman, A.B., Bush, A.W. and Glover, J.D. (1994), Bank management. Hempel: Wiley. NEA Education Policy and Practice Department | Center for Great Public Schools | 1201 16th St., NW, Washington, D.C. 20036 An NEA policy brief 4 2008 (PB11)
2. Vuzi Mncube (2009). The perceptions of parents of their role in the democratic governance of schools in South Africa: Are they on board? S. Afr. j. educ. vol.29 n.1 Pretoria Feb.2009.
3. Wilmot (2005). Designing Sampling strategies for social qualitative research: with particular reference to the officer of statistics qualitative register, UK
4. McCracken, G. (1988) The Long Interview. Vol. 13, Sage Publications Inc., Thousand Oaks. <http://dx.doi.org/10.4135/9781412986229>
5. Hoggart, K., Lees, L & Davies, A. (2002) Researching Human Geography, London, Arnold.
6. (ARIS, 2019). Approaches to Learning. <https://www.aris.edu.gh/curriculum/approaches-to-learning>
7. Marco Cangiano (2017) Of Rating and Ranking in the Comparison of Fiscal Institutions, Journal of Comparative Policy Analysis: Research and Practice, 19:4, 377-389, DOI: [10.1080/13876988.2016.1149282](https://doi.org/10.1080/13876988.2016.1149282)

8. R. J. (Nico) Botha. Pages 361-371 | published online: 10 Nov 2010. Pages 361-371 ...
Michael Cross et al. *Comparative Education*. Volume 38, 2002 - Issue 2.
9. Swap, M. (1987). *Enhancing Parent Involvement in Schools: A Manual for Parents and Teachers*. NY: Teachers College Press.
10. Clay, P., & George, D. (2014). Competency skills gap assessment - why it matters to you. *Armed Forces Comptroller*, 59(1), 25-28. Retrieved from <http://www.asmonline.org/publications/armed-forces-comptroller/>
11. Brown, P. (2011). International Financial Reporting Standards: what are the benefits? *Accounting and Business Research*, 41(3), 269-285.
12. Ball, R., Robin, A., & Wu, J. S. (2001). Accounting standards, the institutional environment and issuer incentives: effect on timely loss recognition in China. *Asia-Pacific Journal of Accounting and Economics*, 7, 71-96.
13. Ball, R., Robin, A., Wu, J., 2003. Incentives versus standards: properties of accounting income in four East Asian countries. *Journal of Accounting and Economics*, forthcoming.
14. Ball, R. (2006). International financial reporting standards (IFRS): pros and cons for investors. *Accounting and Business Research*, 36(suplemento 1), 5-27.

15. Guay, Wayne R., Discussion of Ball and Shivakumar (2005): The Role of Accruals in Asymmetrically Timely Gain and Loss Recognition (December 14, 2005). Available at SSRN: <https://ssrn.com/abstract=871092> or <http://dx.doi.org/10.2139/ssrn.871092>

16. Chen, H., Tang, Q., Jiang, Y., & Lin, Z. (2010). The role of International Financial Reporting Standards in accounting quality: evidence from the European Union. *Journal of International Financial Management and Accounting*, 21, 220-278.

17. Chen, C., Young, D., & Zhuang, Z. (2013). Externalities of mandatory IFRS adoption: evidence from cross-border spillover effects of financial information on investment efficiency. *The Accounting Review*, 88(3), 881-914.

18. Kelvin Isaac Ackom-wilson (2015). Financial management practices of senior high schools in the techiman municipality. A thesis submitted to department of accounting and finance kwame Nkrumah University of science and technology school of business in partial fulfillment of the requirements for the degree of master of business administration finance. School of business, KNUST college of humanities and social sciences

19. Frederick, D. (2001), *Budgeting Control; Credit Management*. ABI/INFORM Global

20. World Bank (2010). World Bank Annual Report. July 1, 2009, to June 30, 2010.
<http://siteresources.worldbank.org/EXTANNREP2010/Resources/WorldBank-AnnualReport2010.pdf>
21. Glatter (R etal, 1988). Understanding School Management. Open University Press
22. Winkler, D. R. (1993). Fiscal Decentralization and Accountability in Education: Experiences in Four Countries. In Decentralization and School Improvement: Can We Fulfill the Promise? (pp. 102 - 134). San Francisco: Jossey-Bass Publishers.
23. Winkler, D., & Yeo, B. (2007). Identifying the Impact of Education Decentralization on the Quality of Education. Washington D. C.: United States Agency for International Development (USAID), Educational Quality Improvement 2 (EQUIP2).
24. World Bank (2008). Turkey - Secondary Education Project Paper. Retrieved November, 10, 2009 from <http://go.worldbank.org/51EM6A2ZJ0>
25. NEA Education Policy and Practice Department, (2008). Parent, Family, Community Involvement in Education. An NEA Policy Brief. 1201 16th St., NW, Washington, D.C. 20036
26. Turyahebwa, A., Sunday, A. & Ssekajugo, D. (2013). Financial management practices and business performance of small and medium enterprises in western Uganda. *African Journal of Business Management*, 7 (38), 3875-3885.

27. Wolmarans, H.P., & Meintjes, Q. (2015). Financial management practices in successful small and medium enterprises (SMEs).
28. Virkkala, O. (2015). Determinants of bankruptcies in leveraged buyouts.
29. Rabin, J., & Lynch, T. D. (1986). Handbook on public budgeting and financial management. New York: Marcel Dekker.
30. Cross, R. (1997), "Launching the revenue rocket", *Cornell Hotel and Restaurant Quarterly*, April, Vol. 35 No. 2, pp. 32-43.
31. Thomas H. Pollak, Patrick Rooney and Mark A. Hager, (2001). Understanding Management and General Expenses in Nonprofits. Working Paper Presented at the 2001 Annual Meeting of the Association for Research on Nonprofit Organizations and Voluntary Action New Orleans, LA
32. Lee White and Colin Tyler MCT (2015). Treasury's role in driving financial and business strategy. Business briefing for Australia and New Zealand
33. Cathy Burgess and Keith Bryant (2001) "Revenue management – the contribution of the finance function to profitability", *International Journal of Contemporary Hospitality Management*, Vol. 13 No. 3, pp. 144-150

34. World Bank, (1998). CHAPTER 9 THE TREASURY FUNCTION AND CASH MANAGEMENT in Managing Public Expenditure - A Reference Book for Transition Countries book.
<http://www1.worldbank.org/publicsector/pe/befa05/OECDChapter9.pdf>
35. Marco Cangiano, (2017). Treasury Core Functions. Rome, February 6-8, 2017
36. Eugene F. Brigham (2009). Fundamentals of Financial Management. 12th edition Eugene F. Brigham, Joel F. Houston Vice President of Editorial, Business: Jack W. Calhoun Editor-in-Chief: Alex von Rosenberg. Frontlist Buyer, Manufacturing: Kevin Kluck.
37. Okafor, R. G. (2012). Financial management practices of small firms in Nigeria: Emerging tasks for the accountant. European Journal of Business and Management, 4(19), 159-169. Retrieved from <http://www.iiste.org/Journals/index.php/EJBM>
38. S. Bradley Peterson (2003). Developing an Asset Management Strategy. https://reliabilityweb.com/articles/entry/developing_an_asset_management_strategy
39. Ioana-Diana BUFAN, 2013. "[The Role Of Budgeting In The Management Process: Planning And Control](#)," [SEA - Practical Application of Science](#), Fundația Română pentru Inteligența Afacerii, Editorial Department, issue 1, pages 16-37, June

Appendix 1

UNIVERSITY OF GHANA
UNIVERSITY OF GHANA BUSINESS SCHOOL
MSC LONG ESSAY

**TOPIC: THE IMPACT OF EFFECTIVE FINANCIAL MANAGEMENT ON
PRIVATE SCHOOLS SUSTAINABILITY: THE CASE OF AL-RAYAN INT
SCHOOL**

Questionnaire/Interview Guide

SCHOOL/INSTITUTION DETAILS

- Name of Organization:
- Responsibility:
- Duties:
- Department:
- Accounting books keeping processes of Al-Rayan
- Types of books kept at Al-Rayan
- Accounts reporting

FINANCIAL MANAGEMENT (FM) STRATEGIES

- How is budgeting done in the school?
- Types of budgeting used
- How many times do you prepare the school budget?

- Asset management strategies
- Treasury and Cash flow strategies
- Investment strategies
- Borrowing strategies
- Type of governing board in the school
- School dividend/profit management (for shareholders/owners)?

AL-RAYAN FINANCIAL AND CASH FLOW MANAGEMENT STRATEGIES

- Expenditure driven activities
- Sources of income
- Balance at balance sheet date
- Liquidity state and status
- School fees hedging.
- Beyond school fees, what other sources of income are generated for the school?
- Assets and liability management techniques of Al-Rayan
- Liabilities register?

COMPLIANCE PROCESSES AND MEETING THE IFRS AND SUSTAINABILITY OF AL-RAYAN

- Asset management strategies
- Asset management processes
- Auditing processes at Al-Rayan

- Internal audit? responsibilities
- Tax compliance process of Al-Rayan
- Compliance process to IFRS standards
- Corporate social responsibilities to communities around
- Types of board decisions and management/meeting times
- How PTAs are involved
- School expansions and student admissions

OTHER FINANCIAL MANAGEMENT OF AL-RAYAN SCHOOL

- Management of Extra-curricular activities and its effectiveness
- Rental of space
- Canteen services income