

**MAKERERE UNIVERSITY BUSINESS SCHOOL
FACULTY OF COMMERCE
DEPARTMENT OF ACCOUNTING**

COURSE OUTLINE

PROGRAM : BACHELOR OF SCIENCE IN ACCOUNTING (BSA)
Course Name: Accounting Information Systems I
Course Code: BSA 1207
Course Level: Year 1, Semester II
Credit Units: 5
Credit hours: 75
ACADEMIC YEAR : 2024/2025

1.0 Course Description

Accounting can be defined as an information system that supports business processes and decision making. This course explores business processes and transaction cycles, related internal controls, and the use of computers as tools for the collection, organization, analysis and reporting of accounting data

1.1 Course objective

The course aims to provide a critical understanding of Accounting Information Systems (AIS) that will enable graduates to practice the subject in an effective manner. As technology has continued to develop, accounting has become increasingly dependent on information systems, to the point where it is now viewed as a subset of information systems. Accounting information is central to many different activities inside and outside an organization. The information that can be generated by an accounting system is diverse and informs the decisions of internal and external stakeholders. Therefore, AIS encompass the development and distribution of economic information about organizations for internal and external decision-making.

1.2 Learning Outcomes/ competences

By the end of this course, the student will be able to:

- i) Explain basic concepts of Accounting Information Systems, business processes and the application of Accounting Information Systems in businesses and organizations.
- ii) Explain how AIS are used to record and enable business processes and transaction processing
- iii) Explain how information systems, particularly accounting information systems, can assist in attaining organizational objectives, and how they can improve planning and control at all levels of the organization
- iv) Explain the technical nature of (and interrelations between) physical resource flows, source documentation, financial flows, internal controls, accounting information procedures, and management control systems for both manual and computerized accounting information systems.

- v) Describe business processes and accounting cycles: how accounting transactions are initiated, processed and recorded and the operational and information functions of several major AIS subsystems, how these subsystems interface with one another, and the principle inputs, processes, files and outputs associated with these subsystems.

1.4 Methods of Instruction

The structure of the course is a combination of lectures (Physical and online) & and discussion of problems. Difficult concepts are best illustrated through problem-solving, learner-centered assignments & and interactions.

2.0 Detailed Course Outline

TOPIC	CONTENTS	LEARNING OUTCOMES	HOURS
1. Accounting Information Systems Fundamentals	<ul style="list-style-type: none"> • Basic concepts of Accounting Information Systems, business processes • Categorization of Accounting information system • Role & Purpose of Accounting Systems • Transaction Processing in the AIS • Management Concepts • Information System Concepts 	<p>Upon completion of the content, Students will:</p> <ul style="list-style-type: none"> – Understand the foundational principles and components of AIS. – Classify and categorize different types of Accounting Information Systems based on their functions and applications. – Know the essential role of AIS in supporting financial and managerial decision-making. – Analyze the flow of transactions through the various stages of processing. – Explore the integration of AIS with overall management processes. – Understand the role of information systems in supporting business operations. 	10 HRS
2. Business Processes	<ul style="list-style-type: none"> • Sales/Collection Process • Acquisition/ Payment Process • Billing / Accounts Receivable / Cash Receipts Process • Accounts Payable / Cash Disbursements Process • General Ledger and Business Reporting • Other Business Processes (inventory management) • Source documentation of business process techniques 	<ul style="list-style-type: none"> – Demonstrate a comprehensive understanding of core business processes, such as: Sales/Collection, Acquisition/Payment, Billing/Accounts Receivable/Cash Receipts, Accounts Payable/Cash Disbursements, General Ledger, and Business Reporting. – Understand and analyze the flow of transactions within an organization. – Develop proficiency in documenting various business processes, including the use of source documentation. – Apply accounting techniques in real-world scenarios, distinguishing between Accrual and Cash accounting methods. 	10 Hrs

	<ul style="list-style-type: none"> • Documentation of Expenditure cycles • Accounting techniques used (Accrual V Cash accounting) 	<ul style="list-style-type: none"> – Analyze and apply principles of inventory management within the broader context of business operations. – Understand the significance of source documentation in validating and supporting business transactions. – Apply problem-solving techniques to address challenges related to documentation, accounting methods, and business process optimization. 	
3. Introduction to Excel	<ul style="list-style-type: none"> • Getting started in excel • Invoking excel and Navigating/ viewing excel • Commands, buttons contained in the ribbon • Arranging windows (maximize, minimize, restore) • Resizing and moving windows • Creating a workbook <p>Moving around a work book (Using a mouse and a keyboard)</p> <ul style="list-style-type: none"> • Saving a workbook • Renaming worksheets • Opening an existing workbook 	<ul style="list-style-type: none"> – Demonstrate the ability to view, open, and manage Excel files effectively. – Navigate and access essential tools within the Ribbon to enhance spreadsheet manipulation. – Master the techniques of arranging windows, including maximizing, minimizing, and restoring, to optimize workspace organization. – Create and set up a workbook from scratch, understanding the fundamental elements such as sheets and cells. – Engage in practical exercises to reinforce learning and ensure practical application of acquired skills. – Understand best practices for file naming conventions and folder organization. – Apply efficient renaming techniques for increased clarity and ease of navigation. – Develop proficiency in opening existing workbooks, whether locally stored or accessed from external sources. – Implement effective methods to track and manage different versions of a workbook. – Foster a habit of maintaining clear documentation for enhanced collaboration and future reference. – Explore automated backup options and contingency plans to prevent data loss. 	5 Hrs
4. Making excel entries	<ul style="list-style-type: none"> • A label, Value, Formula • Selecting cells – single and a range of cells • Formatting text (General, Number, Currency, date) • Centre and merging cells Borders 	<ul style="list-style-type: none"> – Understand and differentiate between labels, values, and formulas within Excel. – Navigate and manipulate data efficiently through precise cell selection. – Explore formatting options for text, including General, Number, Currency, and Date formats. 	5 Hrs

		<ul style="list-style-type: none"> - Utilize merging cells to create visually cohesive and organized data presentation. - Implement cell borders to delineate and highlight specific areas of a worksheet. - Engage in hands-on exercises to reinforce understanding and practical application of learned concepts. 	
5. Financial Modeling	<ul style="list-style-type: none"> • Procedures of modeling an accounting system and it include among other things:- • Preparation of Various Ledger accounts(General journal, Cash book, Accounts payable, Accounts receivable, Salaries & wages, advertising, & other expenses accounts among others • Loan Amortization schedule (interest & payback period) • Asset management schedule (Building a/c, Furniture a/c, Premises a/c, Computers, Motor vehicles (Fixed asset Schedule) • Acquisition of an asset through Leasing and determination of interest expense. • Calculation of annual depreciation using Straight line method, reducing balance method) • Pay as you earn determination schedule for ascertaining employee costs • Investment Models • Linking worksheets 	<ul style="list-style-type: none"> - Demonstrate proficiency in modeling an accounting system. - Create and prepare various ledger accounts, showcasing mastery in accurate and organized record-keeping. - Develop comprehensive loan amortization schedules, incorporating interest calculations and payback periods. - Build asset management schedules for different categories, including Fixed Asset Schedules for buildings, furniture, premises, computers, and motor vehicles. - Evaluate the acquisition of assets through leasing, determining associated interest expenses. - Create PAYE determination schedules for accurately ascertaining employee costs. - Apply financial modeling techniques to analyze and optimize investment decisions. - Utilize linking techniques to create interconnected and dynamic financial models. - Demonstrate the ability to model complex accounting systems and perform financial analysis tasks. 	10 Hrs
6. Generation of Reports	<ul style="list-style-type: none"> • Generation of a trial balance • Final accounts (Statement of profit or Loss & Other comprehensive income) 	<ul style="list-style-type: none"> - Apply principles of double-entry accounting to organize and summarize ledger accounts. - Develop a Statement of Financial Position (Balance Sheet) with a clear 	5 Hrs

	<ul style="list-style-type: none"> • Statement of financial position • Statement of cash flow • Accounts Receivable reports • Supplier reports • Financial Projection reports 	<p>understanding of asset, liability, and equity classifications.</p> <ul style="list-style-type: none"> – Construct a Statement of Cash Flow, categorizing cash inflows and outflows into operating, investing, and financing activities. – Generate detailed Accounts Receivable reports, showcasing outstanding receivables and aging schedules. – Develop Supplier Reports, highlighting outstanding payables and payment schedules. – Create Financial Projection Reports, incorporating forecasts and predictions for future financial performance. – Demonstrate advanced financial analysis skills, including ratio analysis and trend interpretation. – Interpret financial reports and communicate findings effectively to stakeholders. – Ensure compliance with accounting standards and regulations in the preparation of financial reports. 	
--	--	--	--

Note: Tutorial hours: 30 Hours: Practical hours: 30 Hours

3.0 Mode of delivery

Lectures: Physical and Online
 Practicals with computers
 Practical case scenarios in class

4.0 Mode of Assessment

Coursework 30%
 Examination 70%

5.0 Facilitator/ Lecturer

Dr. Julius Opiso
 Ms. Lovince Akurut
 Mr. Hillary Ayebare
 Mr. Charles Kaboge

Recommended Reading Texts

1. Accounting Information Systems; *By Romney & Steinbart, 2018, 14th Edition.*
2. Gelinas U, Dull R, Wheeler P (2018), Accounting Information Systems, Cengage Learning UK, Link: https://koha.baobab-ebooks.com/cgi-bin/koha/opac-detail.pl?biblionumber=527174&query_desc=kw%2Cwrld%3A%20Accounting%20information%20systems.
3. Hall JA (2020), Accounting Information Systems, Cengage Learning UK, Link: <https://koha.baobab-ebooks.com/cgi-bin/koha/opac->

detail.pl?biblionumber=418875&query_desc=kw%2Cwrd1%3A%20Accounting%20infor
mation%20systems

4. *JA Hall (2015) Accounting Information Systems.*
5. *Johnson, G. (2013), Fundamentals of Accounting Information Systems: An Internal Control Approach, North American Business Press*
6. *Kay and Ovilia (2013), Accounting Information Systems; The Crossroads of Accounting & IT, 2nd edition, Pearson publishers. .*
7. *Nkundabanyanga K Stephen (2017); Financial Accounting (practical approach) 2nd Ed*
8. *Robert L Hurt (2016) Accounting Information Systems Basic concepts and current issues, 4th Edition, McGraw Hill.*
9. *Romney, M. B., Steinbart, P. J., Mula, J. M., McNamara, R., and Tonkin, T. (2013) Accounting Information Systems, 1st Edition Pearson.*
10. *Simkin, M. G., Rose, J. M., and Norman, C. S. (2012) Core Concepts of Accounting Information Systems, 12th Edition, John Wiley & Sons, Inc. ISBN: 978-1-118-02230-6*