Level 5 Diploma in Computerised Accounting (333)
151 Credits

Unit: Accounting Information Systems **Exam Paper No.:** 3	**Guided Learning Hours:** 200 **Number of Credits:** 20
Prerequisites: Knowledge of accounting and basic computing	**Corequisites:** A pass or higher in Certificate in Business Studies or equivalence.
Aim: The Accounting Information Systems combines accounting and information technology to meet the technology demands of different business sectors. The unit provide learners with sufficient knowledge and practices to deal with problems and issues related to computer-based accounting information systems. Accounting Information Systems is a component of an integrated enterprise system. The Resources, Events, Agents (REA) mode is used as a framework for analysing the relationship between an organisation's critical resources, events and agents. The purpose of this unit is to enable learners analyse how database software is used to convert business models into physical models; including implementation of the system development life cycle.	
Required Materials: Recommended Learning Resources.	**Supplementary Materials:** Lecture notes and tutor extra reading recommendations.
Special Requirements: The unit requires a combination of lectures, demonstrations and class discussions.	
Intended Learning Outcomes:	**Assessment Criteria:**
1. Understand information requirements on both internal and external business information flows.	1.1 Compare and contract Accounting vs Management Information Systems 1.2 Describe data collection, data process and data management 1.3 Describe data redundancy problems 1.4 Explain the Resources, Events, Agents (REA) model 1.5 Explain the expenditure, conversion and revenue cycles 1.6 Describe the computer based documenting techniques 1.7 Describe the data backup procedures 1.8 Describe the batch and real-time accounting system 1.9 Evaluate and analyse the business financial and nonfinancial transactions.
2 Broad issues pertaining to business ethics, fraud, moral, ethical standards and internal control.	2.1 Examine the main areas of business ethics 2.2 Explain the factors that contribute to fraud 2.3 Explain the general qualification, field work and report standards 2.4 Describe management and employee fraud issues related to the use of IT; including solutions to solve the problems
3 Understand the components of the revenue cycle subsystem; including sales order, credit/customer service, shipping, billing/debtors and cash receipts collections.	3.1 Describe the journal voucher entries 3.2 Develop the Sales Order Process Data Flow Diagram (DFD) 3.3 Develop the Sales Returns DFD 3.4 Explain the Cash Receipts Process DFD 3.5 Describe the control activities and control points in a computerised accounting system

	3.6 Describe the process of automating the revenue cycle
4 The procedure cycle subsystem from purchases requisition, purchasing, receiving/inspecting goods, creditors and cash disbursements to payroll and fixed assets processing.	4.1 Explain the functions of purchases department 4.2 Develop the Purchases Process DFD 4.3 Develop the Cash Disbursements System DFD 4.4 Describe the purchasing master and transaction files 4.5 Develop the Payroll Procedures DFD 4.6 Evaluate and outline how to implement the computer-based payroll systems 4.7 Describe the Fixed Assets System DFD
5 The transformation of input resources, raw materials, labour and overheads conversion cycle.	5.1 Describe the planning, scheduling and control of the manufacturing products 5.2 Describe the Economic Order Quantity (EOQ) Inventory Model 5.3 Describe the elements of a cost accounting system 5.4 Explain the manufacturing competitive advantage trends 5.5 Describe Accounting and Materials Requirements Planning (MRP) 5.6 Describe how the manufacturing environment is characterised by intense international competition, rapid product innovation, turnover and obsolescence 5.7 Describe how the manufacturing environment is characterised by extreme supply and demand variability and significant structural changes in response to new manufacturing strategies and operating models.
6 The Management and Financial Reporting Systems, internal control and risk management systems related to the financial reporting processes.	6.1 Describe the functions of Automatic Identification System (AIS) 6.2 Explain the general ledger information system design 6.3 Describe the general ledger system reports 6.4 Explain the financial and nonfinancial management reporting information system 6.5 Describe management programmed and ad-hoc reports
7 How information is stored, modified, and extracted from a database; the Resource-Event-Agent (REA) framework, the most fundamental REA concepts.	7.1 Compare and contrast the flat file environment vs database environment 7.2 Explain the features of the Database Management system (DBMS) 7.3 Outline the hierarchical, network, relational and object-oriented data structures 7.4 Explain the relationship between Entity-Relationship diagramming (ERD) and REA 7.5 Design/create the REA operating, information and decision/management

	events 7.6 Describe ERP system 7.7 Describe the stages of data warehousing process 7.8 Explain the risks associated with ERP implementation 7.9 Describe how Enterprise Resource Planning (ERP) systems integrate internal and external management information across an entire organisation
8 The electronic commerce system, the transmission of business data, the implementation and functions of e-commerce.	8.1 Describe internet technologies 8.2 Explain the OSI layer Model 8.3 Evaluate the Internet Business Model 8.4 Analyse e-commerce security 8.5 Describe LAN and WAN components and functions 8.6 Describe the EDI system
9 The process of developing information systems through investigation, analysis, design, implementation and maintenance.	9.1 Describe the Systems Development Life Cycle (SDLC) phases 9.2 Describe the purpose of SDLC 9.3 Describe system development internal controls 9.4 Explain the management of controlled and uncontrolled source code (Source Program Library) 9.5 Describe application input, processing and output controls 9.6 Present the sequence of activities for identifying and developing new systems.
10 Understand the UK Corporate Governance the accounting oversight board; accountability for Company Senior Officers and board of Directors and the responsibilities of external auditors.	10.1 Describe the causes of white collar crime 10.2 Explain the relationship between IT Controls, Financial Reporting and Information Technology 10.3 Explain the operating system functions 10.4 Describe operating system controls 10.5 Describe internet and intranet risks
Methods of Evaluation: A 2½-hour written examination paper with five essay questions, each carrying 20 marks. Candidates are required to answer all questions. Candidates also undertake project/coursework in Accounting Information Systems with a weighting of 100%.	

Recommended Learning Resources: Accounting Information Systems

Text Books	• Core Concepts of Accounting Information Systems by Nancy A. Bagranoff, Mark G. Simkin and Carolyn Strand Norman. ISBN-10: 0470045590. • Accounting Information Systems by James Hall. ISBN-10: 0324560931. • Accounting Information Systems: International Version by Marshall B. Romney and Paul J. Steinbart. ISBN-10: 0135009375.
Study Manuals	BCE produced study packs
CD ROM	Power-point slides
Software	None