

BS(Accounting&Finance)

S.NO:

**Effectiveness and use of accounting information System for decision making  
in public sector organization:**



(In the completion of the bachelors degree in Accounting & Finance)

**By:**

Maheen kiran (01-112152-015) Saifullah Mahmood (01-112151-015)

BS(Accounting & Finance)

**Supervisor:**

Mam Nida Aman

Department of Management Sciences

Bahria University Islamabad

## **Acknowledgement:**

In the beginning, we are grateful of Allah almighty who blessed us with so many opportunities in our life's and one of them is to attain such a best graduation degree in Accounting & finance. This is possible with the blessing of Allah and with the support of our parents, financial support and as well as the strong encouragement towards our hard work. we are really thankful to our supervisor Mam Nida Aman who guide us clearly in our project related the Effectiveness and use of accounting information for decision making in public sector organization. And this project couldn't be completed without the hard work and efforts of our supervisor, Family and the mutual consent of our group as well.

we are really appreciative ,as we both managed our project within the given specified period of time. we submit the heartiest appreciation to our precious university for sincere guidance and help of roadmap in completing our graduation degrees and providing us the great faculty staff to better understand the material and guideline in our final year project .

Finally ,i would like to regard the support and source of inspiration by our families , supervisor, Faculty staff and the group performance through which we keep going our project so accurately without all these we would not be able to fulfill our final year project .

### **Abstract:**

OGDCL ,oil and gas development company limited comprises of the many research and development surveys mainly include the seismic survey as OGDCL have the best energy resources like lubricant , gasoline , petroleum , reserves of crude oil and drilling activities etc. All the surveys, development projects , the rules regulations and the plan of action they are following make ogdcl unique and the best organization in all over the Pakistan. As the lubricant and gasoline sector possess the significant influence on the Pakistan economy however it also raises the tax income for the betterment of the economy of Pakistan. Oil and gas development company limited captivate the elevated levels of the FDI , when the foreign direct investment increases the income generated also increases the company as well the country condition. The overall purpose of this report is to highlight the major changes occurs in several areas and the different sectors , the surveys they performed increases their funds which lead towards betterment for the country. This study has identified different technologies and innovations such as their accounting process , financing cycle, expenditure cycle , Information technology systems, enterprise integration, online systems and web services etc. The present study forecasts and predicts the potential answers to the challenges regarding accounting domain like compliance, financial reporting, internal and external check. This report would help the other companies to better run their organizations in a accurate and effective manner for the growth purposes and it contributes the highest level of performance and the market leader company for all over the Pakistan, more over companies should anticipated the oil and gas development company limited as the guidance for their betterment in the near future.

## Table of Contents

<b>Chapter No: 01</b> .....	7
Introduction.....	7
1.1: Introduction of OGDCL :.....	7
1.2: Mission Statement: .....	8
1.3: Company History:.....	8
1.4: Preliminary Success and Self Financing:.....	9
1.5: Conversion to Public Limited & Initial public offering (IPO):.....	10
1.6: OGDCL Aim & Fundamental Values:.....	10
1.6.1:Fundamental values:.....	11
1.6.2: Customer Goals:.....	12
1.6.3: Internal Processing Goals:.....	12
1.7: Overview of the Exploration:.....	14
1.8: Business Challenges and Risks:.....	15
<b>Chapter 02:</b> .....	17
Problem Definition and Requirement Analysis .....	17
Accounting information system.....	17
2.1: Definition: .....	17
2.2: Background:.....	17
2.3: How it works:.....	18
2.4: Functions of the AIS:.....	18
2.5: Benefits of the AIS and requirement Analysis: .....	18
2.6 :Problem statement: .....	19
2.7: The Success Story:.....	20
<b>Chapter : 03</b> .....	23
Design and implementation: .....	23
3.1): Basic Subsystem and the AIS implementation of OGDCL:.....	23
3.2): Design of AIS and the bookkeeping data systems: .....	30
3.3: Basic Concept and design of AIS: .....	33
<b>Chapter No: 04</b> .....	38
Testing and deployment.....	38
4.1: Testing of the AIS Component: .....	38

4.2: Partners involved in the oil and gas development limited company:.....	48
<b>Chapter : 05</b> .....	51
Future enhancement / Action Plans: .....	51
5.1: Types of AIS and its Plans:.....	51
5.1.1)Physical Systems: .....	51
5.1.2) The Inheritance system: .....	52
5.1.3) Modern IT system: .....	53
5.2: Financial Highlights of OGDCL :.....	54
5.2.1: Highlights Financial : .....	54
5.2.2: Operational: .....	55
5.2.3: Market capitalization: .....	55
5.2.4: Reserves: .....	55
5.3: SWOT ANALYSIS: .....	56
5.3.1: Strength: .....	56
5.3.3 Weakness:.....	57
5.3.3: Opportunities: .....	57
5.3.4: Threats: .....	57
5.4: Organizational chart of the OGDCL:.....	58
5.5:Geographical Presence:.....	60
5.6: Graphical Representation of OGDCL Ratios: .....	62
5.6.1:CHART 1: Crude Oil: .....	62
5.6.2: Chart 02: Gas.....	62
5.6.3: Chart 03: Dividend & Earning per share: .....	64
5.6.4 : Chart 04: Net Profit Margin: .....	64
5.6.5: Chart 05: Sales vs. Profit: .....	66
5.6.6: Chart 06: Assets & Liabilities:.....	66
5.7: Performance of the OGDCL: .....	68
5.8: Statement of Profit & Loss: .....	69
5.8.1: Net Sales: .....	69
5.8.2: Gross Profit: .....	69
5.8.3: Profit Before Tax: .....	71
5.8.4: Profit After Tax:.....	71

5.8.5: Earning Per Share:.....	71
5.9: Dupont Analysis: .....	72
5.10: Future Enhancements:.....	72
5.10.1: Development Projects: .....	74
<b>Chapter :06</b> .....	76
Conclusion .....	76