THE EFFECT OF ACCOUNTING INFORMATION ON INVESTORS DECISION MAKING: A CASE STUDY AT RAKAI HEALTH SCIENCES PROGRAM

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DECLARATION

As per the university core values of integrity and diligence, I have not received any unauthorized assistance while working on this paper. I declare that the work is entirely mine to the best of my knowledge, it contains no traces of plagiarism and unethical practices. The only work used that has already been published by other persons has been purely for reference purposes.

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APPROVAL

This research report has been under my supervision and is now ready for submission with my approval.

Signature.............................

Mr. KISENYI VICENT

Date.....28/8/2024.....

DEDICATION

I dedicate this research to my family who advised, supported and mentored me throughout my education up to university level. Above all, I thank God for guidance, protection and provision towards completion of this dissertation

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I am greatly indebted to Mr. Kisenyi Vicent who was my supervisor for his effective supervision, dedication, availability and professional advice.

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ABSTRACT

The study examined the impact of accounting information on investor's decision making at Rakai Health Science Program in Masaka. The specific objectives of the study were to ensure the accuracy of accounting information, to ensure that accounting information is provided in a timely manner and to ensure that accounting information is complete and includes all necessary disclosures. The study used a descriptive cross-sectional design using both qualitative and quantitative approach to collect data from a sample of 44 respondents who gave a response rate of (88%). Questionnaires and interviews were used to collect the data from the employees and the managers of the organization.

Data was collected using the questionnaires, interview guide and analyzed using Statistical Package for Social Scientists (SPSS) and content and thematic analysis for quantitative and qualitative data respectively. The findings revealed that there is a significant relationship between accounting information and decision making, and a strong significant relationship between completeness and decision making.

The study further recommends that the investors should be trained to acquire necessary skills to help understand the financial reports so they make informed decisions.

CHAPTER ONE

INTRODUCTION

1.0 Introduction.

The Rakai Health Sciences Program was established in 1987 as a collaboration between researchers at Makerere, Columbia, and John Hopkins working on health science and the division of research at the National Institute of Allergy and Infectious Diseases, showing the level of competence in the tool. However, there existed the illusion that AIDS was the discovery of new diseases but shortly after the bones of contention came on board as Dr. Nelson Ssewankam bo and David Serwadda in 1982 Re-identified the disease and declared it in Rakai District Uganda. The Rakai Health Sciences Program is currently a research and service organization working in more than 12 districts in the greater Masaka Region, including but not limited to Mpigi, Kyotera, Masaka, Bukomansimbi, Lyantonde, Sembabule, and Rakai. Service and research studies of the Program include ARV provision, Male Circumcision, Health Education, Pharmacy, Clinical Services, Rakai Community Study Cohort, ETT, and Stylish Campaign, among others.

'The Rakai Health Sciences Program' based in Uganda is actively driving health research and capacity building, having accomplished this for more than three decades. RHSP was formed in the wake of the crisis of HIV/AIDS but has come to play a very significant role in building scientific knowledge and training health professionals in low- and middle-income countries.

In this regard, accounting information becomes an essential attribute for accountability and transparency of organizations, as it guides the stakeholders and investors about the crucial dimensions relating to financial performance and sustainability of an entity. Efficient accounting information influences investment, financing, and other decisions within the precincts of an organization.

1.1 Background to the study

The study shall critically look into the historical, conceptual, theoretical, and contextual aspects of the topic under consideration.

1.2 Background Information

HIV/AIDS is a problem that is spreading in most of the developing world. Uganda is among the countries that have been fighting HIV/AIDS for a long time. The government, international donors, non-governmental organizations, social groupings and researchers have come up with various strategies to fight the HIV/AIDS pandemic in this country.

The Rakai project was initiated in 1978 when Dr David Serwadda, Dr Nelson Ssewankambo, and colleagues recognized an epidemic of a wasting syndrome that was locally named "sirimu disease" in the south-western part of the country, whose first identification was at the Kasensero landing site on an island called Lukunyu. Besides providing basic services for infected persons and their families, the obtaining and planning of effective prevention programs were important.

In 2004, RHSP was accredited as an international Centre of Excellence in Research. Funding was channelled from the government to RHSP through CDC Uganda to start providing Anti Retroviral Therapy to HIV infected persons.

The Rakai Health Science Program is currently one of the oldest and largest community-based HIV/AIDS and related infections and Reproductive Health research efforts in Africa. RHSP is a non-profit making organization that seeks to improve public health through research in the various communities in Rakai District and the neighbouring districts.

The sections below discuss how RHSP integrates social behavioural, epidemiological, clinical and laboratory research with service delivery through intensive health education, voluntary counselling and testing to provide timely health care to all its community participants.

RHSP is by the Ministry of Health Uganda through Uganda Virus Research Institute Entebbe collaborating with Kyotera District, Faculty of Health Sciences Makerere University, Columbia University and John Hopkins University in the United States of America.

1.3 Theoretical Background

The conceptual framework of accounting also emanates from asymmetrical information theoretical backgrounds. This model of decision-making involves investors, creditors, and other stakeholders in the financial statements that form the rational judgment upon which to build their decisions. Thus, it is put forth that agency theory makes the loft function assume the role of its agency and that accounting information aims at rendering possible the convergence of interests. Furthermore, pecking order theory states that the companies prefer internal equity due to overabundance of information costs and assigning signaling effects to external equities. This is evident through retained earnings versus debt or equity.

The company has an efficient team to handle its financial issues and systems; it keeps the accounts and finance department under the leadership of chartered accountants. This is supported through an automated financial management system to report on the financial management of more than 13 research and training grants/contracts that average more than 5 million dollars per year. RHSP segregates project funds physically but remains flexible in reporting across time periods and dimensions if and when needed by users and founders.

1.4 Conceptual Background

It means that in a conceptual framework imposed by accounting standards, it ensures that the financial statement is prepared in consistent and comparable terms. The investors will benefit from this accounting information because such a framework will guide the first level or base of their knowledge in making decisions. Besides, this focuses on transparency and disclosure, opportunity, and risk.

The development of standards with regard to financial reporting has, therefore, greatly affected the way in which information is presented in different companies, thereby affecting comparability and transparency. Most of the old accounting practices of the majority countries were developed and hence have led to inconsistent presentation of financial information: a position that is an injury to investment decisions. Therefore, the International Accounting Standards Board (IASB) and its standards, the International Financial Reporting Standards (IFRS), were established to create a level playing field in accounting practices around the world. This means that the basic principle of IFRS is fair value, measurement, and transparency in disclosures.

Adoption of the IFRS is a movement away from rules-based to principles-based accounting with an emphasis on such qualitative characteristics as relevance, reliability, comparability, and understandability. Based on this framework are the preparations of the financial statements presenting a true and fair view of the financial position and performance of a company. Investors rely on the financial statement of a business in order to guide them as to the potential that a company has for growth and profits and to manage risk.

The fundamental concept of IFRS to its users is to present the accounting information in a systematic and comparable manner for the investors to make the right and best choice to find out the best performer among the companies and the industry. The basic focus of the framework is to let transparency and disclosure help the investors identify and comprehend potential risk or/and opportunity. On the other hand, the absence of a conceptual framework permits the existence of those aberrations and contradictions in financial reporting so that rational decisions by investors will also be constrained. Investors need to be informed about the IFRS framework so that they are in a position to decide on the impact of accounting information on their some-which-investment-to-choose decisions.

Shortly, the improvement in financial reporting quality, especially with the adoption of IFRS, has significantly raised the threshold level in terms of quality and comparability of accounting reports. Much more reliance can be placed by investors on the transparent and consistent reporting depicted in the financial statements about their investments. The IFRS framework is absolutely critical to ensure that accounting information is presented in a manner best likely to facilitate informed decisions and, in effect, increase capital market efficiency.

1.4.1 Conceptual framework

Independent Variable

Accounting Information

- Accuracy
- Timeliness
- Completeness

Dependent Variable

Decision Making

- Planning
- Control
- Monitoring and Evaluation

Figure 1: Conceptual framework showing the relationship between accounting information and decision making.

Source: Developed basing on financial accounting standards board (2014) and Saaty (2008).

1.5 Contextual Background

Rakai Health Sciences Program has its headquarter located in Masaka, Uganda offers an interesting context for our study. The RCCS forms an open population-based prospective cohort that registers all consenting residents aged 15-49 in 40 communities distributed across Rakai and neighbouring districts. Rakai organization, being a healthy-focused organization, treats its financing perspectives differently from other organizations in the finance sector. However, taking account that its sustainable sources of finance, capital structure, and investment priorities interlink with the general health care dynamics of the entire sector, its analysis broadens our scope toward the practical relevance of accounting information reform initiatives to organizations. Thus, analysis of accounting information, as the reference point of the financing decisions of Rakia, broadens our scope toward the practical relevance of accounting information reform initiatives to organizations. The health facility is granted a funding for a project accounting for $67,452,003, which are $8,353,992 that finance the research and the latter finances the Programs.

The Account and Finance department plays a vital role that can be accrued with such crucial responsibilities as preparing, monitoring, and reviewing budgets; requisition and receive payments; bank accounts management, processing of payments and financial and statutory reporting; management of activity advance and asset, fixed management. Very effective finance management is highly regarded in the department and this has been vital in the effective implementation of things at RHSP. The vision of the department is to ensure that things are done in the Finance Department are very transparent and with regard to the functions and responsibilities, which have been spelled out. This microcosm reflects global trends and informs policymakers, practitioners, and investors about real-world effects of regulatory changes.

1.6 The Problem Statement.

Since it first emerged around 1982, Rakai District has been seriously affected by the impacts of AIDS. We all know that the lives of the people-professionals, farmers, traders, and others from Rakai-have been taken away by the serious epidemic of AIDS and seriously undermined economic productive capacity. Besides, the death of parents created great numbers of orphans, about 38,000. These include headmen who take care of their siblings. Despite these splendid successes of reducing the prevalence of HIV and improving the health care services, the program is, however, faced with the enormous challenges of using mobilized investors to avail the needed funds to allow the program to extend its operations. Primarily, this is because there has not been the provision of clear, credible, and timely accounting information that investors require to make their investment decisions regarding program investments. Currently, poor practices of accounting and financial reporting systems have been exercised in the program. For this reason, both accountability and transparency lack credibility. There is no accounting information system whatsoever. This has left the program struggling all through with non-accurate financial data, incomplete financial reports, and a lack of financial metrics to measure performance. This has evoked uncertainties and scepticism from investors, posing greater challenges toward accessing the desperately required funds for running the program and achieving its goals. It is also highly donor-funded and grant-dependent hence, not being very sure of the long financial survival of the program, it is appropriate to enhance accounting practice in order to have information for investors to make informed decisions that are necessary for wise decision-making and doing better resource allocation which the Program cannot tell and understand its financial performance at this point in time.

Unless the trend is checked, RHSP will have to bear tremendous financial burdens that may substantially weaken or even undermine its capacity to continue providing essential health services to the same communities and thus undermine the great strides it has made in the struggle against the HIV/AIDS epidemic in Rakai District. "There is a need to institute in due course a comprehensive proper accounting information system that provides clear, reliable, and timely financial information to support investors' decision-making, which can allow the program to be sustainable in the long run."

1.7.0 Research Objectives

1.7.1 The objectives of the research are as follows;

1. To ensure the accounting information would be reliable enough to regard the investment decision was taken by the investors.
2. To ensure that the accounting information be timely so that it eases the investors in taking a timely decision.
3. To ensure that the accounting information shall be complete about all facts and includes all required disclosures so that investor may make decisions.

1.8 Research Questions

1. How the accuracy of accounting information affects the decision-making of the investors within the organization?
2. How does the timely reporting of accounting information affect an investor's investment decision-making?
3. What is the extent of the influence that exists between the effectiveness of accounting information produced by the accounts department on the investor decision-making?

1.9 The Significance of The Study.

This research will add to the clearer perspective concerning accounting information about the decision-making process of an organization. The study will help improve on the profitability of the organization and more so provide for its sustenance. It will help in allocating scarce resources that have alternative sources. It will further establish improvement in the company by processing the accounting information and illustrate equally how the improvement can be achieved. All interested parties such as the shareholders, employers, investors, creditors and government. This research paper will also be a point of reference to the student who has interesting to venture into such research.

1.9.1 Scope of the study

It covers such a wide scope that the researcher cannot grapple with all aspects and kinds of accounting information. In considering the financial information, the researcher considered the financial statements such as the balance sheet, income statement, and cash flow statement. The other non-financial information includes the corporate social responsibility and the annual reports. In this study, a cross-sectional designed survey will be used where data will be collected through questionnaires and interviews from a sample of 44 respondents in Rakai Health Science Program. Finally, the study will use statistical analysis and descriptive statics in analyzing data.

1.9.2 Limitations of the study.

This is what brought challenges when it came to the disclosure of information from the socio-cultural backgrounds. This is what has come to put a burden on these research works even though the information necklaces were availed. The researcher encountered financial as well as time constraints. Resource limitation might also be experienced for reference purposes especially for responses. Most respondents gave biased responses, possibly due to job protection, name and image protection of the officer, personal reluctance, or unnecessary fear of legal implications.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction.

In this chapter, the category available as management accounting information and financial accounting information is considered. Accounting information, as well as the qualitative characteristics of the decision-making by the investors, is considered. In conclusion, the users of accounting information are identified, and their needs are summarized.

It can be defined as the ways of recording, analyzing, summarizing, and interpreting the financial information of the business entity. The accounting information thus generated may be useful to the stakeholders, employees, shareholders, banks, and other lenders, regulatory agencies, and tax authorities. It is the language that the organization can use to communicate to the internal and the external world. It incorporates the accounting information within the accounting information system itself, which is run with computers taking care of most of the data processing. It records and trails all of the business's accounting activity using the information technology systems and resources. The reports generated from the system are useful to both the internal and external users. Accounting information is based on the principle of going concern, which means that the organization has infinite life. The organization is going to continue operating during the foreseeable future period.

This assumption justifies the valuation of the assets on the historical cost basis for example at their original purchase price.

2.1 Theoretical Background.

As, "Arrow's, 1951, 1971, the underlying research for this study area is of social choice theory and general equilibrium analysis".

Theories by Arrow are testable, supported by research, and steer directions to clearly observe the significant variations in the effects of mandatory implementation on IFRS in various RSHPS. These deeply explain the advantages and disadvantages of compliance to IFRS. The introduction of IFRS will provide room for investors to be involved in choices between standardized financial statements in organizations, which will enable them to make a choice of the most optimal finance decision. The important thing in the decision-making process is one that will impact on a group or an individual. An investor will make the most optimum investment decision given the known information about the organization under review. If financial statements are transparent, accountable, and efficient enough, then investors would be in a position to make the fairest and equal comparison. Important decisions made by the investors are for their benefits; hence his theory would be relevant to the area of research in which the IFRS adapts. He also cited that items should be taken into account, like political and or economic factors, and interest rate risks. IFRS aims to give transparency, accountability, and efficiency to the investors in relation with the organization's financial statements during an evaluation process. Investors may make various decisions about whether or not to invest in a company's stock. There can be a variety of external factors present around their environment that influence this decision-making process. This will lead investors towards financial decisions that give the most information to make valued judgments, rather than roaming some die and rolling on the number for the pick of an organization for investment. They would want to make investment decisions that avail them of most the information. Information which is most profound in nature, it provides transparency, accountability, and efficiency amongst all the financial statements of the companies. With this, the investors would be able to take a rational decision. The relevancy in the application of IFRS is also carved out by the implementation of IFRS in such characteristics in the decision-making process. IFRS have made it compulsory, and in the ways of financial reporting, it has informed investors and made comparability and transparency evident across all ways of operations. The practical implications for IFRS are attached to all types of operations. It is, according to "Rixon and Faseruk", of human nature that the problematic stated by adaption of IFRS 2009 implies some advantages to government business enterprises or public sector agencies. By understanding the financial reporting standards, the mission of "IFRS" deals with these challenges of accounting information and making investment a reliable and transparent action. The framework is a statement of generally accepted theoretical principles which leads to that framework of reference for accounting information. These theoretical principles give the basis on which new accounting standards are developed and those in existence evaluated.

2.2 Nature of Accounting Information.

In brief, the nature of accounting information can be summarized as financial and management accounting. "Drury 1996, P.4, " can define the different needs of internal and external users of accounting information brought out by management accounting and financial accounting.

Elaboration would be that whereas management accounting is the arrangement of information to the people inside the organization, financial accounting is the arrangement of information to the stakeholders outside the organization. In fact, information generated provides useful information to an economic entity and significantly differentiates in the following area: access, frequency, timing, detail, required expertise, and response. They are defined below;

The internal users have limitless access of information within the organization. Management, therefore, has information if there is demand for support for strategic, tactical and operational decisions. Whereas the external users of financial information cannot easily access of information within the organization and mostly they rely on the financial reports. The required skills and level of awareness regarding accounting information vary for external users or internal users. By internal users, it means those who are related to the day-to-day working of the business. Therefore, they are highly knowledgeable about the inside processes of the business and upward, and hence their level of understanding with the business is high in comparison to the external users, who are concerned with interpreting the trends of the results.

The frequency with which the accounting information is obtained varies between internal and external users. The management can request the material whenever they desire regularly, whereas the external users have to rely on the annual reports.

The development of management and financial accounting has resulted in almost two information systems within the organizations.

According to, "Johnson and Kaplan, 1991", management accounting is developing at a faster rate as compared to the financial accounting in recent times.

They argue that in the past, it's financial accounting that led to the formulation of management accounting. When rules and standards leading to financial accounting were neglected, then management accounting became more flexible, thus the managers and accounts were willing to experiment thus the demands of management. It is in this way that management gradually comes to view financial statements as a costly but necessary inconvenience to satisfy the law and GAAP. Independent development of financial and management accounting widened the gap between the needs of the management and what is reported to various users. When implemented properly, technology can be employed to design a flexible system in an enterprise that will cater to the varied requirements of the internal, as well as the external, users. "A set of corporate reports coupled with computer technology could satisfy the needs of both internal and external users of information", states the Institute of Chartered Accounts of Scotland 1988.

For this study, it assumes that there is only one accounting information system and only one discipline which is the accounting and which also covers the fields of study of financial accounting as well as management of accounting information.

2.3 Purpose of Accounting Information.

The purpose of the accounting is explained through management, financial as well as cost accounting.

The use of accounting information is in deciding between different course of actions entails. It's for reduction of uncertainty that is in the organization where the decisions are made by the investors. It would help the decider eliminates biases based. For instance, an appeal is made that chaos exists where no information is availed from the other source.

It's currently recognized as the function of the accounting information is in providing information useful to the decision-making process. This holds good for theoretical frameworks on financial reporting as well as accounting literature. According to, "Gray 91994. P.9)" confirms that accounting literature is dominated only by the notion of decision usefulness. In this regard, various international reports have been published in the 19702 revealing the aim of accounting information and the content of the financial statements. These focused on the needs of the external users and the internal users in making well-informed decisions. The following are the objectives of the financial statements;

- To provide information that is used to judge the amount, timing, and unpredictability of the potential cash flows.

- To provide information for judging whether the managers' ability to utilize resources properly or not.
- To meet the needs for those users who solely rely on financial statements.
- To provide information for making economic decision.

Management accounting essentially assists in planning, mostly through the manager's information. The plans will be expressed in money terms; thus, one can easily allocate resources efficiently. The information presented by the accountants helps to prepare the various budgets. This is also called budget formulation.

Information provided helps in controlling process by producing performance reports that compare the actual outcome versus planned outcome. The main common uses of the accounting information are for measuring the performance of various organisation's operations. Financial ratios make use of the information reported on financial statements for making informed decisions.

Accounting information is mostly applied by users outside the company, such as stakeholders, to facilitate investment decisions. These could further be compared with other organizations to know one's stand. This way, the business owner will know how well his or her business is operating compared with other established organizations.

The financial accounting information, therefore, gives an indication to creditors, investors, and any other stakeholders of a company's worthiness to receive credit from them, and on the unavoidable associated risks. These allow for good calculation of tax and help in reporting. This can allow the organization to do business within the rule of law on tax and prevent fines.

The information provided by the accounting is therefore the most relevant in giving a kind of help in finding out the value of the company. Information about the value of a firm is very useful in merger acquisition and sale negotiations. It provides useful starting points for any kind of market-related negotiations, such as negotiated prices and informed investments.

Finally, derived information helps one know the profitability and efficiency growth of a company. It also shows a glimpse of inflow revenue, expenses, and other assets and liabilities that expose one to ratify or understand the financial fitness or performance of an organization.

2.4 Qualities of Accounting Information.

- Relevance: Information has to be relevant for the management to consider it. Reports prepared by accountants have to be reliable to both the internal and external users of accounting information.
- Relevance: Accounting reports must contain data that investors or company owners are interested in, and not anything general or vague. Financial reports should be relevant to the situation of the company. Backdated data would only consummate in informed decisions which might make planning difficult for those in management. The accountant should work on the timeliness of the reports, be it weekly, monthly, or even yearly, to enable investors to make decisions accordingly.
- Reliability: by this, accountants' information should be accurate. This means that they should be free of bias when used by investors in decision-making and free from fraud and errors.
- Understandability: the reports should be clear and the management should be able to make decisions and plans as long as the financial reports presented in a way that managers can understand. This guides the continuation of the organization since investment is made easier.

2.5.0 Users of Accounting Information

The following are the users of accounting information and they are grouped into two; external and internal users.

2.5.1 External users.

- Competitors. They require the information to obtain awareness of the relevant strength and weakness of their competition, comparative analysis, and bench marking.
- Suppliers and creditors. They require information to be aware whether to pay the much that fall due and also the awareness on the going concern of the organisation.
- Lenders and financial institutions. The solvency of the company and ability for the organization to pay back the loans and interest.
- Customers. The continued existence of the organization and therefore the likelihood of the continued supply of products and after sales services.

- Government and regulation. They require the accounting information so as to be in position of knowing how to allocate the resources and if the organization is comprehending to the rules and regulations on board.

2.5.2 Internal users.

- Management. They use information so as to be in a position to make decisions about running the business and how to make strategic planning for the future.
- Employees. The workers need this so as to enable themselves to know how the organization is doing to know about their personal matters such as appointments, promotion, security, and training.

2.6 Analysis of Income Statement

Financial analysis is about the assessment and interpretation of data in an organization's financial reports to make decisions about the financial health, performance, and position of an organization. Stakeholders apply this for proper decision-making on investment, credit, and other business operations. Financial analysis enables us to understand economic trends, set financial policy, and build long-term plans for investments of the organization.

It fuses data and numerical finance. It may use the income statement, balance sheet, and cash flow statement. The ratios are usually computed on the statements of finance so it can compare to the other companies the financial data is being used and analyzed against. For instance, one of the common ratios used includes the return on investment to determine the efficiency of a company in using assets and- as a measure of profitability.

Corporate financial analysis can also be done by internal accountants, who in turn present the information to management. Internal analysis may include ratios like net present value and internal rate of return to find out the value of such projects that are to be invested in.

Fundamental analysis applies ratios collected from the data in the company's financial statements-for instance, the company's earnings per share-to estimate organizational value.

2.7 The Association of Accounting Information with Shareholder Decision Making

The data in accounting help the investors of the organization in making the decisions. Generally, even the owners of the business use the financial information to review and understand how well the business is operating. For instance, financial ratios use the accounting information beforehand that acts as an indicator for the performance of business.

An overall aspect of the business circumstance through an income statement and accounting expenses with regard to financial management.

Business decisions may be anything from expansion of the current operations to the usage of different resources, inventory of the raw materials, machinery or estimation of the future sales or study of the new business proposals

2.8 Effective use of Accounting Information

There is arguably no doubt on the importance of the accounting information in running any business. The accounting information helps in the tracing of ones' income and expenditure, attending to statutory compliance's, and aiding investors. It can rightly be asserted that there exists a very strong link between the accounting information and the decision-making process.

2.9 Summary of Related Literature Review

With respect to the manufacturing firm, the accounting information systems are very vital. The study summarizes the nature, purpose, characteristics, users, and relationship of accounting information and decision making. It also entails the methods of financial analysis and how the organization complies with the rules and regulations set by the government. For instance, does it pay taxes in time?

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter explains the methodology on which the research study was based. It begins with the description and rationale for the research design used during this study. It further presents how data collection and sampling were carried out, and finally the researcher discusses methodologies for attaining validity and reliability. Finally, the author presents a summary for this chapter.

3.1 Research Design

We conduct qualitative research when the researcher wants to enable people to tell their stories; qualitative research also is an appropriate approach when the researcher wants to understand the contexts, or settings, in which people in a study come to address the problem or issue being researched. In Creswell's words, "the researcher conducted qualitative research when the researcher wanted to understand a phenomenon from the perspective of the person within a specific and unique context" (2007, p. 40). Likewise, the researcher conducted qualitative research when she wanted to. This research answered the primary and secondary research questions through the use of qualitative multiple case study, or descriptive research design methods. This explained how managers use accounting information in making strategic decisions. The researcher adopted a descriptive cross-sectional research design.

As noted in Cooper & Schindler, 2014), this kind of research design was adopted when the researcher was interested to find out the "what" question for the research problem identified with definite issues to be responded to by the respondent. The purposive random sampling was used by the researcher to define the sample frame because the aim was to use one person in each department of the organization to get in-depth information about the study. These respondents were exposed to a questionnaire developed with specific questions to respond to, provided the data analyzed using descriptive statistical methods. These are some of the methods and procedures adopted in the collection of vital data. The researcher believed that in the achievement of the goals of the research, the problems outlined, and the hypothesis tested. Throughout the study, there were moments that the researcher kept in mind such as the identified procedures in data collection and analyzing the relevant data, the procedures identified in the study; the whole work was conducted as economically as possible with the constraining factors taken into account; time and human elements taken into consideration; and suitable testing of validity was ensured by the researcher.

The study selected a quantitative analytic technique as its research design. Secondary data was used in the research to cover the different forms of accounting information in use at Rakai.

3.2 Data Analysis

Data analysis was conducted using the Statistical Packages for Social Sciences (SPSS, Version 20.0). The basis for data analysis at different locations includes quantitative analysis and regression analysis. The data collected, then, have been run through models to know the effect accounting information has on investors' decisions.

Readiness of data was made by striking out atypical data, decipher atypical responses and confirm and discard incorrect responses and inconsistent data in irrelevant questions. Data analysis was facilitated by computer programs such as Statistical Package (SPSS) which facilitated the analysis and interpretation of results. The primary data was analyzed using descriptive statistics that is to say mean and medium. Correlation analysis was also done to the secondary data using the SPSS software.

3.3 Study Area

Rakai Health Science Program is implemented in Kyotera district, formerly Rakai District, with offices at the UVRI in Entebbe and at Clement Hill Road in Kampala.

It was initiated in 1978 as the Rakai Project after the epidemic of a wasting syndrome referred to as "sirimu disease," at the local level, which was occurring in the southwestern part of the country, was recognized by Dr. David Serwadda, Dr. Nelson Ssewankambo, and colleagues. First identified in the Kasensero landing site on an island called Lukunyu, that disease had been known.

Good prevention programs had to be obtained and planned, and basic services implemented for the infected individuals and their families. The researcher had to analyse the various accounting information they use so they can make an informed decision with regard to the people in their communities and the country at large.

3.4 Target Population

In 2004, RHSP was declared as an international Centre of Excellence in Research (ICER). RHSP listed on the research and development partners across the globe. RHSP was awarded grants by the President's Emergency Plan for Aids Relief (PEPEFAR) through CDC Uganda to begin the provision of Antiretroviral Therapy to HIV infected people. It is currently one of the most massive and early Community-Based Research Programs on HIV/AIDs, related infections and Reproductive Health in Africa.

RHSP is a Non-Governmental Organization designed to promote public health through the conducting of research in different communities of Rakai District and the proximate districts of Lyantonde, Masaka, Sembabule, Kyotera, Rakai, Mpigi, Butambaia, Bukomansimbi, Kalungu, Gomba, and Lwengo.

In shaping the research agenda at RHSP, the combination of research disciplines with the partnership in the development of social, behavioral, epidemiological, clinical, and laboratory service delivery plays an important role. Multidisciplinary research in the general area of sexual health and HIV/AIDS translates into action in favour of the study populations and communities.

RHSP is under the auspices of the Uganda Ministry of Health, in partnership with the Uganda Virus Research Institute Entebbe, Kyotera District, Faculty of Health Science's Makerere University and Columbia University and John Hopkins University in the United States of America.

3.5.0 Qualitative Research.

The community-based research therefore generates perspectives from the study populations and health service recipients, which inform it in making project formulating, project monitoring design, and making meaning in the interpretation of the quantitative findings. Such methods include the use of focus group discussions, in-depth interviews with key informants, and participant observation. The face-to-face in-depth interviews investigate a research topic because they help engage in the obtaining of individual perspectives independent of the community norms and group dynamics. Informed consent to participate in the study is sought, as well as permission to audio-record interviews and discussions. Rarely, if a participant finds it uncomfortable to have recording, we resort to recording data in field notes. All data collected are transcribed verbatim in Luganda by the main data collector and translated into English.

3.5.1 Quantitative studies

The frequency of rCD4 cells harboring replication-competent virus was measured in enrolment samples by quantitative viral outgrowth assay. Preliminary results, presented elsewhere, demonstrated a mean reservoir size of 0.36 IUPM, representing a reduction of more than 60% compared with that previously described in similar African American cohorts (1.08 IUPM); set point viral load was positively, while duration of suppression was inversely, correlated with reservoir size.

Of interest, and likely of relevance to the HIV cure efforts is the biologic mechanism which underlies this identified smaller reservoir in the Ugandans. One of the key comparisons that we are in the process of doing is around the relevant virologist and immunologic characteristics and quantifying lately infected cells in annual follow-up samples using these to determine whether lately infected cells are being eliminated more rapidly in the Ugandans compared to the Americans

3.6.0 Sampling Procedure and Sample Size

The sampling methods provide the information required for the selection of the samples.

It also provided with a detailed foundation under which the research sample can be drawn, and for a population that is enough for high quality selection of the participants (Lewis and Ritchie, 2003).

The researcher therefore used purposive random sampling which is a method under probability sampling technique.

The researcher used purposive random sampling, whereby samples were drawn from the laboratories and the study area located in Rakai Health Organization.

Further, the population was sub-divided into small manageable sections, hence making it easier for the managers and employees especially in the financial department to track clear information about the area of study. This was because they were ease about the topic and area under study hence, they were expected to represent each element in the population. This technique helped in reducing on the costs of collecting and analyzing data.

3.6.1 Sample size

The researcher used Krejcie and Morgan's (1970) table to determine the sample size since the population study was known and calculated by the scholar. The sample size was 44 respondents drawn from a total population of 50 from the financial department and the managers of different departments in Rakai Health Science Program located in Masaka. This reflected the kind of financial reporting standards that is being applied. This was based on the topic of study for the researcher.

3.7.0 Data Source

The researcher used both primary and secondary data as she carried out the research study.

3.7.1 Primary source

This data refers to data collected for the first time. The data obtained is precise since it is obtained for the first time. The data collection was through interviews and self-assessment questionnaires to the selected respondents as she sought for their opinions.

3.7.2 Secondary source

On the other hand, secondary data is data whose utility is outlived by other people than the researcher. The secondary sources are usually in the form of books or articles. Other sources from which the data can be gathered include written literature, for instance, e-books, journals, printed articles, annual reports, and periodicals.

3.8.0 Methods of Data Collection

One class of data collection instruments was used by the researcher during this study. These are questionnaires, interviews and group discussions.

3.8.1 Questionnaire survey

Questionnaire survey is a research method by which it collects information from respondents by using standardized questionnaires by Mugenda and Mugenda (2003).

This is a research method that involved seeking information from a sample of respondents, in this case, the managers and owners who carry out operations within the Rakai district, specifically the health science center, among a procedural way of obtaining information. This method was used since it has a very high and general capability of representing a massive population.

It helps to make the collected data representative of the huge number of people who answer the survey, for a better understanding of what is being studied.

Questionnaire survey was used for these categories of respondents to save on time because their number seems to be big to interview (Amin, 2005).

3.8.2 Ethical considerations.

The researcher took into consideration a number of ethical issues including: Respondent's information was treated with confidentiality. It was not necessary to put down the respondent's name nor contacts on the questionnaires. Instead, identification numbers were used in such a manner that all the information given could not, in any way, be traced back to a respondent. Every information piece gathered was perfectly for the sole purposes of this study. The respondents had foreknowledge of research procedures that they were going to undergo and were asked for informed consent to participate in the study.

All the literature sources were acknowledged throughout the whole study by proper citations and referencing.

Personal bias was avoided during the entire study that is to say during interviews, data analysis and reporting.

3.8.3 Validity and reliability of the instrument.

Validity legitimizes the measuring instrument to the extent of measuring what is to be designed to measure. The means to structure and circulate questionnaires as a measuring instrument for the study use soundness and stability to attain validity. Leading to this, a questionnaire was properly designed in order to assure itself that it is a suitable instrument and distributed well. For the validity of the questionnaire design and proper distribution, it has been used up to prominent lectures, professors, and personnel who circulate the questionnaires to go through them and make necessary suggestions to the work.

3.9 Method of Data Analysis

Data relating to this research work was analyzed using percentage and simple statements as referred from the information collected through research questionnaire delivered by the respondents and is represented in a tabular form.

The collected data was statistically analyzed using the Statistical Package for Social Sciences (SPSS Version 20.0). The research design was also incorporated quantitative analysis techniques for further analysis of some specific data. Here is one more section where different models will be tested in respect to the data collected to find out the potential effect of accounting information on any investor.

Responses were prepared to delete out-of-the-ordinary data, construe unexpected responses, and confirm and discard erroneous answers and conflicting data of questions not related to each other. The data was analyzed through a computer programme like Statistical Package (SPSS) which facilitated as the data analysis. The analysis was done applying the following: primary data analyzed using "descriptive statistics that is to say, mean and the standard deviation.

CHAPTER 4

PRESENTATION, ANALYSIS AND INTERPRETATION.

4.0 Introduction.

Chapter 4 presents the data collected, analysis of data, and interpretation of the findings. The response rate, demographic characteristics of the respondents, and empirical study findings are indicated based on the objectives of the study: to find out the relationship of accounting information and decision making. Analysis was carried out using the SPSS statistical package. The information received was presented in distribution tables, frequency tables, and figures.

4.1 Response Rate

Out of the 50 questionnaires distributed, the researcher was able to collect 44 questionnaires making a response rate of 80% which was deemed sufficient according to Mugenda and (Mugenda, 2003) who stated that the questionnaires response rate of at least 50% is sufficient.

Response Rate table.

Table 1: Showing the response rate for questionnaires and in-depth interviews.

Category	**Population**	**Sample Size**	**Response Rate**
Organization Investors	2	2	2
Top Managers	3	3	3
Middle Managers	8	8	6
Sales and Marketing Manager	19	16	16
Finance and Accounting Staff	18	15	15
TOTAL	**50**	**44**	**44**

Source: Primary Data

This study had a study population of 50; a sample size of 44 was selected for the study, of these sampled respondents, a total of 40 returned the questionnaires completed and 4 were interviewed giving response rate of 88%.

4.2 Demographic Characteristics of Respondents.

To determine the background characteristics of the respondents the study focused on gender, age, education level and time spent in the organization. Demographics allow you to determine whether you are actually reaching your target audience. Knowing the distribution of the demographic characteristics of your respondents helps in determining how close the sample replicates the population.

4.3 Gender of Respondents.

This section looked at the gender of the respondents which was categorized as male and female.

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	female	21	47.7	47.7	47.7
	Male	23	52.3	52.3	100.0
	Total	44	100.0	100.0	

Source: Primary data

Table 2 above indicates the responses for gender, where the majority of them were male with 52.3% compared to their counterparts the females who had 47.7%. Therefore, it was concluded that the male respondents participated more in the study compared to the female respondents.

4.4 Age of Respondents

This section looked at the age bracket of respondents which was categorized as below, 21-30 years, 31-40 years, 41-50 years and above 50 years. The results were analyzed using descriptive statistics and presented as follows:

Age		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21-30yrs	12	27.3	27.3	27.3
	31-40yrs	24	54.5	54.5	81.8
	41-50yrs	6	13.6	13.6	95.5
	above 50 yrs	2	4.5	4.5	100.0
	Total	44	100.0	100.0	

Source: Primary data

Table 3 above indicates the responses for the age, where the highest percentage was for those in age bracket of 31-40 years with 54.5% and respondents in the age bracket of 21-30 years with 27.3% who had the moderate percentage and then the lowest percentage was for those in age bracket of 41-50 years with 13.6% and then the least percentage was for those with 50 years and above with 4.5%. Therefore, it was concluded that most of the respondents were in the moderate ages thus being energetic and still strong to carry out different activities and different times.

4.5 Level of Education

This section looked at education level which was categorized as PLE, UACE, UCE and others. The results were analyzed using descriptive statistics and are presented below;

Level of education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	UACE	16	36.4	36.4	36.4
	UCE	4	9.1	9.1	45.5
	OTHERS	24	54.5	54.5	100.0
	Total	44	100.0	100.0	

Source: Primary data

Table 4 above shows the responses of the level of education to respondents and it was found out that most of the respondents had Others (Degree, Diploma and Masters) with 54.5% those who had completed A 'Level certificate had 36.4%, those Level certificate had 9.1%. A' level had 11%. Therefore, it meant that most of the respondents who participated in the study were literates.

4.6 Working Experience

This section looked at the time spent in the organization which was categorized as Years. The results were analyzed using descriptive statistics and are below:

Working experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than one year	4	9.1	9.1	9.1
	1-5yrs	30	68.2	68.2	77.3
	6-10yrs	8	18.2	18.2	95.5
	above10yrs	2	4.5	4.5	100.0
	Total	44	100.0	100.0	

Source: Primary Data

The study findings in the table above show that majority of the respondents who had a working experience of 1-5 years were with the highest percentage of 68.2% and those with 6-10 years had a moderate percentage of 18.2%, those above 10 years and less than one year had the lowest percentage of 4.5% and 9.1% respectively. The results show that majority of respondents had spent 1-5 years and this is due to the fact that there is job security and favourable working conditions in the organization.

4.7 The efficiency of accounting information in Rakai Health Science Program Masaka.

The first objective was examining the efficiency of timely accounting information in Rakai Health Science Program. The respondents were further required to indicate their level of agreement with the statements given in table 6 (using: Strongly disagree-1, Disagree-2, Not Sure-3, Agree-4, and Strongly Agree-5)

Accounting Information

	Questions	**Responses**						
PART 1	**Accounting Information**	**SA**	**A**	**NS**	**D**	**SD**	**µ**	**σ**
AI 1	Timely financial reporting is important to the organization especially when investors are making decisions.	11 25%	22 50%	9 20.5%	2 2.5%	0 00%	3.95	.806
AI 2	Incomplete accounting information impacts the organizational financial reporting.	8 18.2%	23 52.3%	10 22.7%	3 6.8%	0 0.0%	3.82	.815
AI 3	Accuracy in financial reporting influences investor's decision making in the organization.	4 9.1%	20 45.5%	12 27.3%	7 15.9%	1 2.3%	3.43	.950
AI 4	The organization's accounting information is transparent, accurate and reliable.	11 25%	18	7 15.9%	7 15.9%	1 2.3%	3.70	1.091

			40.9 %					
AI 5	Accounting information is used to evaluate the organization's return on investment.	12 27.3%	24 54.5 %	13 6.8%	4 9.1%	1 2.3%	3.95	.963
AI 6	Accounting information is used to identify trends and patterns in the organization's financial performance.	11 25%	22 50%	6 13.6%	5 11.4%	0 0.0%	3.89	.920

Source: Primary Data

The table above represents the descriptive statistics on accounting information and how it affects investor's decision making at Rakai Health Science Program. According to the study in the table above, 75% of the respondents agreed that timely accounting information is important to the organization especially when investors are making decisions, whereas, 20.5% of the respondents where not sure of the statement put across and 2.5% of the respondents disagreed to the statement put across.

The study illustrated that 70.5% of the respondents agreed that incomplete accounting information impacts the organizational financial reporting whereas 22.7% were not sure about the statement while 6.8% disagreed with the statement put across. Therefore, this shows that the majority of the respondents agreed that timely accounting information is important to the organization especially when investors are making decisions.

Additionally, 54.6% of the respondents agreed that accuracy in financial reporting influences investor's decision making in the organization, whereas 27.3% of the respondents were not sure of the statement and 18.2% of the respondents disagreed with the statement as it occurs. This implies the majority of the respondents agreed with the statement since they have the highest percentage of 54.6%.

Also, 65.9% of the respondents agreed that the organizations accounting information is transparent, accurate and reliable, whereas 15.9% were not sure of the statement and then 18.2% of the respondents disagreed with the statement as it occurs. This shows that majority of the respondents agreed to the statement as it occurs.

As shown in the table above, 81.8% of the respondents agreed that accounting information is used to evaluate the organization's return on investment, whereas 6.8% of the respondents were not sure of the statement and 11.4% of the respondents disagreed with the statement as it occurs.

Finally, 75% of the respondents agreed that accounting information is used to identify trends and patterns in the organization's financial performance, whereas 13.6%of the respondents were not sure and 11.4% disagreed with the statement as it occurs. In conclusion it is evident that majority of the respondents agreed with that accounting information impacts decision making in the organization since the overall mean (3.79) is high and the standard deviation (0.92) is low.

4.8 What investors base on while making decisions at Rakai Health Science Program?

PART 2	Investors decision making	SA	A	NS	D	SD	µ	σ
IDM 1	Financial metrics and ratios are used to measure performance and make decisions in the organization.	9 20.5%	24 54.5%	10 22.7%	1 2.3%	0 0.0%	3.93	.728
IDM 2	Technologies such as financial software, data analytic tools are used by the organization in order to support investor decision making.	7 15.9%	14 31.8%	11 25%	9 20.5%	3 6.8%	3.30	1.173
IDM 3	Financial statements analysis is used to evaluate investment opportunities.	12 27.3%	23 52.3%	7 15.9%	2 4.5%	0 0.0%	4.02	.792

IDM 4	The organization rely on different sources of funds such as equity, debt and grants.	13 29.5%	24 54.5%	4 9.1%	3 6.8%	0 0.0%	4.07	.818
IDM 5	Financial performance, industry trends and management team are factors to consider when selecting an investment.	11 25.0%	22 50.0%	5 11.4%	6 13.6%	0 0.0%	3.86	.955
IDM 6 **Idm7**	Regular portfolio reviews are used to monitor investments.	9 20.5%	27 61.4%	6 13.6%	2 4.5%	0 0.0%	3.98	.731

Source: Primary Data.

Basing on the financial metrics and ratios that are used to measure performance and make decisions in the organization,75% of the respondents agreed to the statement, whereas, 22.7% of the respondents were not sure and 2.3% of the respondents disagreed with the statement. This implies that majority agreed that financial metrics and ratios are used to measure performance and make decisions in the organization by the investors.

Technologies such as financial software, data analytic tools are used by the organization in order to support investor decision making. 47.7% of the respondents agreed to the statement, while,25% of the respondents were not sure of the statement and 27.3% of the respondents disagreed with the statement. This implies that the respondents equalized with the responses.

Additionally, 79.6% of the respondents agreed that financial statements analysis is used to evaluate investment opportunities, whereas, 15.9% of the respondents were not sure of the statement and 4.5% of the respondents disagreed with the statements as it occurs. This is evident that majority of the respondents agreed with the statement as shown in the table above.

Furthermore,84% of the respondents agreed that the organization rely on different sources of funds such as equity, grants and debt which enabled to make informed decisions. While 9.1% of the respondents were not sure of the statement and 6.8% of the respondents disagreed with the statement as it occurs.

In addition, 75% of the respondents agreed that financial performance, industry trends and management team are factors to consider when selecting an investment, whereas, 11.4% of the respondents were not sure of the statement and 13.6% of the respondents disagreed with the statement as it occurs.

Finally, 81.9% of the respondents agreed that regular portfolio reviews are used to monitor investment which enabled investors to make informed decisions, whereas, 13.6% of the respondents were not sure of the statement and 4.5% of the respondents disagreed to the statement as it occurs. In conclusion, it is evident that majority of the respondents agreed to what investors base on while making informed decisions of the organization. This can be backed up with the highest mean of 3.86 and standard deviation of 0.86 as per the data collected and analyzed above.

Investors decision making indicators

PART 3	Investors decision making indicators	SA	A	NS	D	SD	µ	σ
IDMI 1	The debt equity ratio influences investor's decision making.	16 36.4%	27 61.4%	1 2.3%	0 0.0%	0 0.0%	4.34	.526
IDMI 2	The return on equity influences investors decision to invest.	10 22.7%	29 65.9%	4 9.1%	1 2.3%	0 0.0%	4.09	.640
IDMI 3	The Net Present Value influences the organization's ability to either take on the proposed project or divert from it.	12 27.3%	29 65.9%	3 6.8%	0 0.0%	0 0.0%	4.20	.553
IDMI 4	The organization considers the cost of capital as a financial	12 27.3%	31 70.5%	1 2.2%	0 0.0%	0 0.0%	4.25	.488

	indicator when evaluating investment decisions.							
IDMI 5	The inventory turnover ratio is used when evaluating the organization's efficiency.	16 36.4%	26 59.1%	2 4.5%	0 0.0%	0 0.0%	4.27	.694
IDMI 6	Capital rationing influences the investment decision and also, it's considered when evaluating the attractiveness of an investment.	15 34.1%	29 65.9%	0 0.0%	0 0.0%	0 0.0%	4.34	.479

Source: Primary Data.

As illustrated in the table above, 97.8% of the respondents agreed that the debt equity ratio influence investors decision making, whereas ,2.3% of the respondents were not sure and none disagreed with the statement as evidenced above.

The percentage of the respondents who agreed that the return on equity influences the investors decision to invest is 88.6. while 9.1% of the respondents were not sure and 2.3% of the respondents disagreed with the statement put across.

Additionally, 93.2% of the respondents agreed that the Net Present Value influences the organization's ability to either take on the proposed project or divert from it. While 6.8% of the respondents were not sure and non-disagreed to the statement put across.

Furthermore, 97.8% of the respondents agreed that the organizations consider the cost of capital as a financial indicator when evaluating investment decision. Whereas 2.2% of the respondents are not sure and non-disagreed to the statement put across.

In addition, 95.5% of the respondents agreed that inventory turnover ratio is used when evaluating the organization's efficiency. While 4.5% of the respondents were not sure and none of the respondents disagreed with the statement put across.

Finally, all of the respondents agreed that capital rationing influences the investment decision and also, it's considered when evaluating the attractiveness of an investment.

4.9 Relationship between accounting information and investor's decision making.

	Statements	Responses						
PART 4	**Relationship between AM and IDM**	**SA**	**A**	**NS**	**D**	**SD**	**µ**	**σ**
R/P 1	Investors use financial statements such as income statements, balance sheet and cash flow statement to make investment decision.	**12** **27.3%**	**30** **68.2%**	**1** **2.3%**	**1** **2.3%**	0 0.0%	4.32	.601
R/P 2	Debt to equity ratio and return on investment are accounting ratios that investors rely on when evaluating investment opportunities.	**16** **36.4%**	**27** **61.4%**	**1** **2.3%**	**0** **0.0%**	**0** **0.0%**	**4.20**	**.594**
R/P 3	Investors use accounting information to evaluate an organization's management team.	**14** **31.8%**	**29** **65.9%**	**1** **2.3%**	**0** **0.0%**	**0** **0.0%**	**4.30**	**.509**
R/P 4	Data quality, accounting standards and organization's differences are limitations that investors face when using accounting information for investment decisions.	**13** **29.5%**	**30** **68.2%**	**1** **2.3%**	**0** **0.0%**	**0** **0.0%**	**4.27**	**.499**
R/P 5	Investors consider transparency, accuracy and disclosures in	**12**	**32**	**0**	**0**	**0**	**4.27**	**.451**

	accounting information when making investment decision.	**27.3%**	**72.7%**	**0.0%**	**0.0%**	**0.0%**		
R/P 6	Investors use accounting information to compare an organizations' financial performance.	**13** **29.5%**	**31** **70.5%**	**0** **0.0%**	**0** **0.0%**	**0** **0.0%**	**4.03**	**.462**

Source: Primary Data

As evident in the table above, 97.8% of the respondent's agreed that investors use financial statements such as the balance sheet, income statement and the cash flow statement to make informed decisions. While 2.3% of the respondents were not sure and 2.1% of the respondents disagreed with the statement as put across.

Also, 97.8% of the respondents agreed that debt to equity ratio and return on investment are accounting ratios that investors rely on when evaluating investment opportunities. While, 2.1% of the respondents were not sure and the rest of the respondents did not agree with the statement.

Furthermore, 97.7% of the respondents agreed that investors use accounting information to evaluate an organizations management team. While 2.3% of the respondents were not sure and the rest did not agree to the statement put across.

Additionally, 97.7% of the respondents agreed that data quality, accounting standards and organization's differences are limitations that investors face when using accounting information for investment decisions. Whereas 2.3% of the respondents were not sure of the statement put across.

In addition, all of the respondents agreed that investors consider transparency, accuracy and disclosure in accounting information when making investment decision.

Finally, all of the respondents agreed that investors use accounting information to compare an organizations' financial performances in accounting information when making investment decision. Inclusion majority of the respondents agreed to the above statements since the mean was **4.23** and the standard deviation is **0.52**

CHAPTER FIVE

SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATION.

5.0 Introduction

This chapter shall present the summary, discussion, conclusion and recommendation drawn from the study findings. In this chapter, the objectives of the study are outlined and discussed.

5.1 Summary of Research Findings.

The research was to investigate the association of financial reporting with regard to decision making in the context of Rakai Health Science Program Masaka. The analysis was done based on responses from 44 respondents out of the 50 distributed questionnaires, giving an 88% response rate. The study attempted to provide a demographic representation of the respondents considering gender, age, education level and working experience of the target audience.

Based on the objectives as discussed below, below is a summary of research findings of the study.

5.2 The Efficiency of Accounting Information in Rakai Health Science Program.

The study findings have revealed that accounting information is quite significant in ensuring efficiency of the organization.

The study carried out showed that the organization prepares financial reports and statements as a way to support investor's decision making timely and good performance.

Actual and budget comparisons are observed and analyzed for decision purposes, and members of the accounting team are involved in financial watching. These results are in nearly total agreement with most (75%) of the respondents, sensitize that timely accounting information is in fact needed, especially when investors are deciding and thinking to make a capital investment because this is a burden of every stakeholder to provide and deliver to them timely and relevant financial statement. Transparency, accuracy and reliability of accounting information were also seen as important, as agreed by 65.9% of the respondents. This highlights the relation that high-quality accounting information has with trust and decision making within an organization. Lusthaus et al. (2002) stated that the proper financial monitoring includes the timely preparation of reports to enable timely financial decisions. The reports are then prepared by the managers and reviewed to see estimated performance against the benchmarks.

5.3 Investors Decision Making

Financial metrics and ratios were pointed out as integral tools in performance measurement and decision-making with 75% of respondents agreeing to their importance.

Technologies such as financial software, and data analytical technologies were less universally agreed tools at 47.7%, an indication that integration of modern financial tools are is still lacking wear-enhancing diversity.

Most of the participants, 84% believed that reliance on various kinds of funds (equity, debt, and grants) ascertained the diversities in the financial strategies that the organization follows.

5.4 Investors' Decision-making Indicators

The debt-to-equity, return on equity, and net present value were identified as essential indicators, impacting investments decisions. Close to all of the respondents agreed to this. The latter three are quite vital in ascertaining the financial feasibility and sustainability of making investments.

5.5 Association of Accounting Information with Investment Decision Making

The survey established that the financial statements, accounting ratios and accounting information transparency are very key to investment decision making, all the respondents agreed that the above items are essential before an investment decision is made.

5.6 Conclusion

It was therefore be concluded in the study that financial reporting is a significant influence in the different decision-making processes, particularly investment related decisions. Investors depend on the quality of information, transparency and timeliness in accounting information in making their different decisions. It was also reflected in the study that commonly used traditional financial metrics can still have room for improvement in decision-making processes if modern financial technologies find a place in the systems.

5.7 Recommendations;

- Reinforce Financial Reporting System. Organizations should not lose sight or distract their efforts on the veracity, transparency, and timeliness in preparation of financial reports. Making reports subject to periodical external audits and considering internal accounting rules may add toward making financial information more dependable.
- Embrace modern financial tools. Modern day financial tools need to be implemented as part of the modern-day financial technologies that will help ensure that state of the art and robust decision-making systems and models are developed within the company. Improved staff training about them could also help in applying them appropriately and in an improved manner for increased efficiency in decision making.
- Timely and clear communication of financial information. It is also very important to have the timely and unambiguous communication of financial information to all stakeholders, including the investor community. It could be achieved by making sure that there are regular shares of updates, detailed financial reports, and transparent disclosures.
- Encourage Continuing Education: Because of the wide role that financial literacy plays in decision-making, continuous education and professional development for employees at all levels should be per-iodized. This is meant to enhance the ability of the employees to understand and apply complex financial information effectively.
- Diversify Financial Metrics: Beyond the traditional financial metrics, non-financial indicators and larger market trends could be of value when reapplying due diligence to view potential investors comprehensively.

In conclusion, the auditor urged the Rakai Health Science Program to carry out more awareness programs to create a positive influence toward accounting information for stakeholders. In other words, a lot of sensitization indeed needs to be done with the users and other stakeholders for it to be successful at the Rakai Health Science Program.

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APPENDIXES

QUESTIONNAIRE.

For Selected Proprietors in Rakai District at Rakai Health Science Program in Masaka Kyotera Village.

Dear respondent,

I am Kogere Praise a student of Science in Accounting and Finance at Uganda Christian University conducting research on "the impact of accounting information on investor decision making in Rakai district at Rakai Health Centre in Masaka". I assure total confidentiality of the information given to me during this research. This research will contribute to the award of my bachelor's degree of Science in Accounting and Finance so I humbly ask you for your cooperation.

Section A: Personal Background Information

Tick where applicable

1. What is your gender?

a) Male ☐ b) Female ☐

2. What is your age group?

a) 21-30 years ☐ b) 31-40 years ☐

c) 41-50 years ☐ d) above 50 years ☐

3. What is your highest level of education?

a) PLE ☐ b) UACE ☐

c) UCE ☐ e) others ☐

5. How long have you been operating this organization?

a) Less than 1 year ☐ b) 1-5 years ☐

c) 6-10 years ☐ d) above 10 years ☐

Note: In these subsequent sections, use the scale provided to tick in the box of the relevant answer that describes your opinion. **NB: 5=Strongly Agree, 4=Agree, 3= Not Sure, 2= Disagree and 1=strongly disagree.**

Section B: Accounting Information

	Questions	**Responses**				
PART 1	**Accounting Information**	**5**	**4**	**3**	**2**	**1**
AI 1	Timely financial reporting is important to the organization especially when investors are making decisions.					
AI 2	Incomplete accounting information impacts the organizational financial reporting.					
AI 3	Accuracy in financial reporting influences investor's decision making in the organization.					
AI 4	The organization's accounting information is transparent, accurate and reliable.					
AI 5	Accounting information is used to evaluate the organization's return on investment.					
AI 6	Accounting information is used to identify trends and patterns in the organization's financial performance.					
PART 2	**Investors decision making**	**5**	**4**	**3**	**2**	**1**

IDM 1	Financial metrics and ratios are used to measure performance and make decisions in the organization.					
IDM 2	Technologies such as financial software, data analytic tools are used by the organization in order to support investor decision making.					
IDM 3	Financial statement analysis is used to evaluate investment opportunities.					
IDM 4	The organizations rely on different sources of funds such as equity, debt and grants.					
IDM 5	Financial performance, industry trends and management team are factors to consider when selecting an investment.					
IDM 6	Regular portfolio reviews are used to monitor investments.					
PART 3	**Investors decision making indicators**	**5**	**4**	**3**	**2**	**1**
IDMI 1	The debt equity ratio influences investor's decision making.					
IDMI 2	The return on equity influences your decision to invest or divest.					
IDMI 3	The Net Present Value influences the organization's ability to either take on the proposed project or divert from it.					
IDMI 4	The organization considers the cost of capital as a financial indicator when evaluating investment decisions.					

IDMI 5	The inventory turnover ratio is used when evaluating the organization's efficiency.					
IDMI 6	Capital rationing influences the investment decision and also, it's considered when evaluating the attractiveness of an investment.					

	Statements	**Responses**				
PART 4	**Relationship between AM and IDM**	**1**	**2**	**3**	**4**	**5**
R/P 1	Investors use financial statements such as income statements, balance sheet and cash flow statement to make investment decision.					
R/P 2	Debt to equity ratio and return on investment are accounting ratios that investors rely on when evaluating investment opportunities.					
R/P 3	Investors use accounting information to evaluate an organization's management team.					
R/P 4	Data quality, accounting standards and organization's differences are limitations that investors face when using accounting information for investment decisions.					
R/P 5	Investors consider transparency, accuracy and disclosures in accounting information when making investment decision.					
R/P 6	Investors use accounting information to compare an organizations' financial performance.					

Thank you very much for your cooperation

Krejcie table

For determining sample size of a known population

Table 3.1

Table for Determining Sample Size of a Known Population

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	1000000	384

Note: N is Population Size; S is Sample Size *Source: Krejcie & Morgan, 1970*

Source: *Krejcie and Morgan's (1970)*

Introductory Letter

UGANDA CHRISTIAN UNIVERSITY

A Centre of Excellence in the Heart of Africa

SCHOOL OF BUSINESS

24th July, 2024

TO WHOM IT MAY CONCERN

Name: **KOGERE PRAISE** Reg. No **J22B33/049**

A Bachelor's student who is seeking permission from your office to collect data for **her** dissertation titled

"The Impact of Accounting Information on Investors Decision Making a case study of Rakai Health Science Program, Masaka"

We shall be grateful if you could render assistance to **her** in collecting the necessary data for **her** dissertation

The Uganda Christian University School of Business thanks you in advance

....

Mukisa Simon Peter

Research coordinator

UGANDA CHRISTIAN UNIVERSITY
P. O. BOX 4, MUKONO
24 JUL