

Kenya Methodist University

Faculty of Science and Technology
Department of Computer and Business Information Systems

Second Trimester Examination 2010

Course Title : Accounting Information Systems

Course Code : BBIT 311

Semester : 2nd Trimester 2010

Time : 2 hours

Instructions

Answer question **ONE** and any other **TWO** questions

QUESTION ONE

- a. Briefly, explain the meaning of the following terminologies as used in Accounting Information Systems
 - i) Just-in-time (JIT) inventory systems
 - ii) Business process reengineering
 - iii) Source documents
 - iv) Activity based accounting
 - v) Enterprise Resource Planning systems (10 marks)
- b. Highlight any **four** purposes of codes for Accounting Information Systems. (8 marks)
- c. Explain any **three** methods used by criminals to obtain accounting personal data. (3 marks)
- d. What do you understand by the term fault tolerant system? (2 marks)
- e. Highlight two considerations in report design. (4 marks)
- f. Distinguish between auditing around the computers and auditing through the computers. (3 marks)

QUESTION TWO

- a) Business processes includes sales and purchase processes, human resource management, fixed assets management, production and financing processes. Discuss how Accounting Information Systems would be helpful in either of **two** above mentioned processes. (10 marks)
- b) Discuss **five** methods for preventing computer crimes, abuses and fraud. (10 marks)

QUESTION THREE

- a) Describe the four main components that form an ERP's architecture or technical structure. (10 marks)
- b) What are the main benefits of using an Enterprise Resource Planning System (ERP). (10 marks)

QUESTION FOUR

- a) It is usually cost-effective to test input data for the attributes of validity, accuracy and completeness as early as possible. Give for reasons for this. (8 marks)
- b) Using examples, explain the term edit tests. (4 mark)
- c) Explain two computer facility controls an organization may implement to protect its data processing centers from harm. (4 marks)
- d) Using Examples, explain two characteristics of Mid-Range Accounting Software. Fraud. (4 marks)

QUESTION FIVE

- a) Explain four factors to consider when evaluating vendor proposals in acquisition of Accounting Information Systems. (10 marks)
- b) Describe the various activities involved during implementation of new Accounting Information System. (10 marks)