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**University Examinations 2015/2016**

FOURTH YEAR, SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF COMMERCE

**HBC 2225: FINANCIAL INFORMATION SYSTEM**

**DATE: NOVEMBER 2015 TIME: 2 HOURS**

**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***two*** *questions*

**QUESTION ONE (30 MARKS)**

1. Describe attributes that make a financial model a robust one. (15 Marks)
2. Discuss various levels of management clearly outlining the kind of decisions they respectively make and the most suitable financial information system for each level. (15 Marks)

**QUESTION TWO (20 MARKS)**

1. Describe the various methods of debugging an excel model (10 Marks)
2. Distinguish the following as used in excel models; Independent variables, dependent variables and parameters. (10 Marks)

**QUESTION THREE (20 MARKS)**

Outline the steps of making an excel model (20 Marks)

**QUESTION FOUR (20 MARKS)**

Describe the nature of the following information system

1. Transaction processing systems (6 Marks)
2. Management reporting systems (8 Marks)
3. Decision support systems (6Marks)

**QUESTION FIVE (20 MARKS)**

As a credit manager, you need to prepare an excel model that can be used in calculating the repayment amount per period and also the loan amortisation schedule.

**Required:**

1. What are the Independent and dependent variable that you would incorporate in your model.

(8 Marks)

1. How would you detect and correct the detected errors in the model (12 Marks)