

KABARAK



UNIVERSITY

UNIVERSITY EXAMINATIONS

2012/2013 ACADEMIC YEAR

FOR THE DEGREE OF BACHELOR OF COMMERCE

**ACCT /FNCE 325: ACCOUNTING INFORMATION SYSTEMS/E-
FINANCE**

DAY: THURSDAY

DATE: 5/12/2013

TIME: 11.00 – 1.00 P.M.

STREAM: Y3S2

INSTRUCTIONS:

- Answer question both questions in section A and two questions in section B
- Marks are shown at the end of the question
- Use practical examples to illustrate your answers
- Give precise and concise answers
- Do not write on this question paper during the exam session

SECTION A

Question One

Nakurumatt is a newly quoted company in Nakuru town that is involved in the management of a chain of supermarkets across the East African region. They have approached you for professional advice on the best ways of managing data. They specifically want you to address the following issues:

- (a) Distinguish between application approach and database approach to data storage and management **(4 marks)**
 - (b) Discuss the benefits and shortcomings of each of the two approaches, use real life examples in your explanations drawn from the local or regional business environment. **(16 marks)**
- (Total: 20 marks)**

Question Two

- (a) Explain the forms of electronic finance available in your city/county. **(5 marks)**
- (b) Discuss the major challenges of electronic banking in Kenya to both the service providers (banks) and clients (bank customers) and explain how such challenges can be overcome or minimized. Use practical examples to illustrate your answer. **(15 marks)**
- (Total: 20 marks)**

SECTION B

Question Three

Discuss the major principles that should be followed (observed) when designing a modern financial system, clearly showing the significance of each principle to the efficiency and effectiveness of a financial information system. **(15 marks)**

Question Four

Discuss how advancement in the following communication technologies has revolutionized the management of businesses in Kenya

- (a) Cellular technology **(8 marks)**
- (b) Internet Technology **(7 marks)**

(Total: 15 marks)

Question Five

Discuss the main elements of a financial information system in a modern business organization and explain the contribution of each toward the proper functioning of the financial system.

(15 marks)