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**KENYA METHODIST UNIVERSITY**

**END OF FIRST TRIMESTER 2018 (PT) EXAMINATIONS**

**SCHOOL : SCIENCE AND TECHNOLOGY**

**DEPARTMENT : COMPUTER SCIENCE**

**COURSE CODE : BBIT 437**

**COURSE TITLE : ACCOUNTING INFORMATION SYSTEMS**

**TIME : 2 HOURS**

**INSTRUCTIONS:**

* ***Answer Question ONE and any other TWO Questions.***

**Question One**

1. Give four functions performed by an AIS (4 Marks)
2. State five characteristics that distinguish an AIS from other computer based information systems (5 Marks)
3. Explain the major subsystems of an AIS (5 Marks)
4. Explain the functions performed by computer audit software (5 Marks)
5. What is the main purpose of logical controls? (3 Marks)
6. Define the term computer fraud and list four examples (5Marks)
7. What are the reasons for using coding systems in accounting information systems? (3 Marks)

**Question Two (20 Marks)**

1. Name and describe any three accounting information systems documentation methods. (6 Marks)
2. Why is documentation important in a computerized accounting system?

(4 Marks)

1. Discuss the THREE elements of the budgeting process. (6 Marks)
2. Using examples differentiate between batch processing and real time processing. (4 Marks)

**Question Three**

1. Discuss how the following concepts are facilitated in order to address computer security in a typical organization of your own choice dealing with financial transactions;
2. Confidentiality (5 Marks)
3. Integrity (5 Marks)
4. Availability (5 Marks)
5. Identify the vital services which accountants provide to a business organization (5 Marks)

**Question Four**

1. Explain the key decisions that need to be made in any transaction cycle of AIS. (10 Marks)
2. Describe the types of audits that are commonly performed to examine all elements of the computerized accounting information system (10 Marks)