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UNIVERSITY EXAMINATION  
2022/2023 ACADEMIC YEAR  
FOURTH YEAR SEMESTER TWO  
MAIN EXAMINATION

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCA 422

COURSE TITLE: ACCOUNTING INFORMATION SYSTEMS

DATE: 08/08/2023

TIME: 2.00-4.00PM

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INSTRUCTIONS TO CANDIDATES

Answer Question One and Any other Two Questions

TIME: 2 Hours

## SECTION A (COMPULSORY)

1. a) Explain the difference between data and information in a business environment (4mks)
- b) Discuss **six** characteristics of useful information (6mks)
- c) Outline the **three** rules of segregation of functions (3mks)
- d) In this age of high technology and computer based information systems, describe **three** reasons why accountants are concerned about physical (human) controls? (6mks)
- e) Describe **four** major business activities and related data processing operations performed in the production cycle (8mks)
- f) Explain the following terms
  - i) System (1mk)
  - ii) Data abstraction (1mk)
  - iii) Accounting (1mk)

## SECTION B (CHOOSE ANY TWO QUESTIONS)

2. a) Illustrate the systems development lifecycle (SDLC) (4mks)
  - b) Namaloko Ltd Company management encourages employees to bring their own devices (BYOD) such as laptops and tablets for use in office work.  
  
Suggest **five** possible challenges of this trend (10mks)
  - c) State and explain **three** different types of corruption in AIS (6mks)
3. a) Outline **two** broad objectives of internal controls (4mks)
  - b) Identify the distinction between financial and non-financial transaction (4mks)
  - c) Briefly discuss the **three** cycles of transaction processing systems (12mks)

4.a) As a result of the COVID-19 pandemic, most organizations have deployed a work-from-home structure where employees exchange company communication and data over the Internet. Discuss five positive and five negative impacts of this mode of working on organizations and their employees. (10mks)

b) Describe **three** challenges that organizations face when implementing Accounting Information Systems. (6mks)

c) Suggest **two** reasons that would lead to maintenance of finance computer software. (4mks)

5.a) The objective of accounts payable is to authorize payment for goods and services that were ordered and actually received. Discuss the key decisions that need to be made in the **expenditure** cycle. (8mks).

b) Using examples discuss the following accounting concepts

i) Audit trail (2mks)

ii) Accruals (2mks)

c) Discuss the following statement by Mrs. Mulmulwasi, a convicted embezzler. "For every fool proof system, there is a method for beating it." Do you believe a completely secure computer system is possible? Explain. (8mks)