

**PAN AFRICA CHRISTIAN UNIVERSITY
EXAMINATIONS PAPER**



PAN AFRICA CHRISTIAN UNIVERSITY

BACHELOR OF BUSINESS INFORMATION TECHNOLOGY

END OF SEMESTER EXAMINATION

DEPARTMENT: COMPUTING AND INFORMATION TECHNOLOGY

COURSE CODE: BIT 403

COURSE TITLE: ACCOUNTING INFORMATION SYSTEMS

EXAM DATE: DECEMBER, 2020

INSTRUCTIONS

- This exam script has **TWO (2)** sections.
- Read all questions carefully before attempting.
- Answer All questions in Section **A** and any other Three questions in Section **B**.
- Write only your **student number** on the answer booklet provided.
- None programmable calculator permitted
- Calculators on phones, tablets and computers are NOT permitted in Theory Papers

SECTION A

(Answer ALL questions in this section)

QUESTION ONE

You and a few of your classmates decided to become entrepreneurs. You came up with a great idea for a new mobile phone application that you think will make lots of money. Your business plan won second place in a local competition, and you are using the \$10,000 prize to support yourselves as you start your company.

a) Identify the key decisions you need to make to be successful entrepreneurs, the information you need to make them, and the business processes you will need to engage in. **[5 marks]**

b) Your company will need to exchange information with various external parties. Identify the external parties, and specify the information received from and sent to each of them **[5 marks]**

SECTION B (Answer Any Three (3) Questions)

QUESTION TWO

IT is changing the nature of accounting and the role of accountants. Write a one-page report describing what you think will be the nature and the value of the accounting function in a large company in the future. **[10 Marks]**

QUESTION THREE

Some individuals argue that accountants should focus on producing financial statements and leave the design and production of managerial reports to information systems specialists.

a) State **TWO** advantages and disadvantages of following this advice. **[5 Marks]**

b) Explain the extent which accountants should be involved in producing reports that include more than just financial measures of performance. **[5 Marks]**

QUESTION FOUR

Discuss the guidelines for a better coding system. Explain why these guidelines are important, and what would happen if they are not met.

[10 Marks]

QUESTION FIVE

a) Discuss reasons why you agree that high penalty, such as reducing salaries or retirement benefits, is the most effective way to reduce employee fraud because the cost of dishonesty is excessive.

[5 Marks]

b) Discuss the following statement: "For every foolproof system, there is a method for beating it." Do you believe a completely secure computer system is possible? Explain if internal controls are less than 100% effective, why should they be employed at all.

[5 Marks]

QUESTION SIX

a) Identify five important guidelines for drawing a flowchart. Which one would be the most important guideline to consider when preparing a flowchart? Support your choice with an example.

Marks]

[5

b) Discuss the ways in which information professionals interact with documentation tools and the various levels of understanding.

Marks]

[5