PAN AFRICA CHRISTIAN UNIVERSITY

END OF SEMESTER EXAMINATION FOR THE DEGREE OF

SEPTEMBER- DECEMBER 2024

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS

COURSE CODE: BUA4223

COURSE TITLE: COMOUTERISED ACCOUNTING

EXAM DATE:

TIME:

INSTRUCTIONS

- This examination script consists of **six (6)** questions.
- Answer question **ONE** and ANY other **four** Questions.
- Read all questions carefully before attempting.
- Write your **student number** on the answer booklet provided.

Question One **(Compulsory= 10 marks)**

You are an information systems consultant in Meru town, one of your clients a pharmacy shop with an annual turnover of shs. 10 million, with two branches in the same town and 10 full time employees requests you to help him setup a computerized accounting system. It is on 31st of December and he informs you that the current years set of accounts will be ready by 20th of January the following month, the business accounting year ends on 31st of December every year. Given your knowledge in setting up information processing systems. Write a formal response to your client advising him;

i. On the most suitable accounting software for his business and the available alternatives (5 marks)
ii. The advantages of a computerized accounting systems over a manual accounting system (5 marks)

Question Two **(10 Marks**

a. Describe the basic steps towards automating an existing manual accounting procedure. (5 marks)
b. Describe **five** telecommunication technology inventions that have enabled managers to transmit accounting information to the users more efficiently and effectively. (5 marks)

Question Three **(10 Marks)**

a. Describe how computer assisted audit tools and techniques enhance the capability of auditors in discharge of their duties (6 marks)
b. Describe **four** factors that an organization would consider in selecting an integrated computerized information processing system. (4 marks)

Question Four **(10 Marks)**

a. Explain **three** primary financial statements used in quick-books (3 marks)

b. Define the following terms:

i)Reconciliation (2 marks)

ii)Bills (2 marks)

iii)Reports (2 marks)

iv) Quick-books (1 mark)

<u>Question Five</u> **<u>(10 Marks)</u>**

a. Explain the **<u>three</u>** main ways you enter data in Quick-books (6 marks)

b. State examples of transactions in Quick books (4 marks)

<u>Question Six</u> **<u>(10 Marks)</u>**

a. Citing relevant examples, explain **<u>five</u>** comparisons between computerized accounting system and the manual system of accounting. (5 marks)
b. Discuss **<u>five</u>** challenges encountered during the transition from manual accounting systems to computerized systems. (5 marks)