



“Investing in Africa’s future”

COLLEGE OF BUSINESS PEACE LEADERSHIP GOVERNANCE (CBPLG)

**MAC302 /CIS 305: ACCOUNTING INFORMATION SYSTEMS &
COMPUTERISED ACCOUNTING**

END OF FIRST SEMESTER FINAL EXAMINATIONS

NOVEMBER 2019

LECTURER: IRENE CHIBANDA

DURATION: 3 HRS

INSTRUCTIONS

Answer all questions in Sections A, B and C

**Start each question on a new page in your answer
booklet for sections B and C**

**The marks allocated to each question are shown at
the end of each question.**

SECTION A (Each question carries 2 marks)

1. Assist your organisation in measures to minimise the risk of ghost employees in your payroll.
2. Why is an Accounting Information System heavily dependent on the use of codes?
3. Describe two considerations useful in the designing of accounting codes.
4. How does an organisation deal with an account code created in error?
5. What is the slicing or salami technique of fraud?
6. Explain a concept in accounting that contributes to the technique in question (6) above.
7. What are reasonableness checks? Where would you apply them?
8. Identify and explain two characteristics of a well designed chart of accounts.
9. What role is played by timely performance reports in your organisation's system of internal controls?
10. Identify two reasons why software vendors do not want to give the source code.
11. Explain two components of an AIS and their importance in your organisation.
12. Identify and explain two ways in which the aging analysis would aid your organisation in effective management of debtors.
13. Identify and explain any two categories of external threats that management should regularly assess in the organisation.
14. Identify two measures that can be applied to minimise theft associated with the use of Electronic Funds Transfer (EFT)
15. Why does an open batch not form part of the report?
16. As a recent graduate, what would you recommend to your organisation to minimise threats of kickbacks?
17. In evaluating software what issues would you consider under performance effectiveness?
18. Distinguish between inherent and detection risk in auditing.
19. A batch total guarantees accuracy. Comment on this statement.
20. One of the major tasks for external auditors is to identify fraud in your organisation. Comment.
21. Give two reasons why organisations should manage leave accrued.
22. Provide two recommendations to be implemented in your organisation so that you improve detection methods for fraud.

SECTION B (answer all questions) (16 marks)

You are required to match the description listed in the right column with the information characteristic listed in the left column.

- | | |
|-------------------|---|
| 1. Relevant | A. The report was carefully designed so that the data contained in the report became information to the reader. |
| 2. Reliable | B. The manager was working one weekend and needed to find some information about production requests for a certain customer. He was able to find the report on the company's network. |
| 3. Complete | C. The data in a report was checked by two members of staff working independently. |
| 4. Timely | D. An accounts receivable aging analysis report included all customer accounts. |
| 5. Understandable | E. A report was checked by three different people for accuracy. |
| 6. Verifiable | F. An accounts receivable aging analysis report is used in deciding to give customers credit terms or not. |
| 7. Accessible | G. An accounts receivable aging analysis report was received before the credit manager had to make a decision whether to extend credit to a customer. |

Comment briefly on whether organisations can do without characteristics of useful information.

SECTION C (Answer all questions)

1. "Ladies and gentlemen why do we not just get the source code and proceed with modifications of the canned software to suit our needs. " As a recent graduate you are required to provide advice to the manager who made these comments. (20 marks)

2. There was a heated debate about why employees perpetrate fraud. Your supervisor assigned several staff to help all staff understand this issue. You were asked to present on pressures that can lead to employee fraud. What would you include in your presentation (20 marks)

END OF EXAMINATION PAPER