BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID   :

Student Name   :

Course Code & Name   :   **ACC2133 ACCOUNTING INFORMATION SYSTEMS**
Trimester & Year   :   January – April 2018
Lecturer/Examiner   :   Noreen Kong Ching Ching
Duration   :   3 Hours

INSTRUCTIONS TO CANDIDATES

1.   **This question paper consists of 2 parts:**
     PART A (30 marks)   :   THIRTY (30) multiple choice questions. Answers are to be written in the Multiple Choice Answer Sheet provided.
     PART B (70 marks)   :   THREE (3) structural questions. Answers are to be written in the Answer Booklet provided.
2.   **Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.**
3.   **This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.**
4.   **Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.**

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 8 (Including the cover page)

PART B : STRUCTURAL QUESTIONS (70 MARKS)

INSTRUCTION(S) : Answer all **THREE (3)** questions. Write your answers in the Answer Booklet(s) provided.

QUESTION 1

Jose Fantasy Berhad is a manufacturer of specialize machinery with eight sales office nationwide and one manufacturing plant in Kuala Selangor. Jose Fantasy focuses on the production of high quality machinery for resale by retailer. Melinda, the consultant of Jose Fantasy has established policies and procedures to guide the clerical staff and purchasing agents in daily department to follows this purchasing procedures:

Purchasing

The purchasing clerk monitors the stock once a week. When the inventory drop to a predetermined reorder level, a pre-number purchase order is processed, with the original sent to the supplier and copies to the receiving and account payable department. One copy is filed in the open-purchase file.

Receiving

When equipment is received, that copy of the purchase order from purchasing department is stamped with the date and, if applicable, any differences between the quantity ordered and the quantity received are noted in red ink. The receiving clerk then forwards the stamped purchased order and equipment to the stores. Receiving clerk verbally notifies the purchasing department that the goods were received.

Account Payable

Upon receipt of a purchase order, the account payable clerk files it in the open purchase order file. When a vendor invoice received, it is matched with the applicable purchase order. Unpaid invoice are filed by due date. Then the clerk posts the liability to the purchase journal and voucher register. A copy journal voucher is send to general ledger.

General Ledger

Upon receipt journal voucher, the general clerk will posts to the inventory and AP control account.

Required:

a) Identify and discuss **FOUR (4)** areas where Jose Fantasy Berhad may be exposed to fraud or embezzlement due to weaknesses in the procedures described.
   (8 marks)

b) According to SAS 78, which internal control is not carried out in according to the answer form part (a) above?
   (4 marks)

c) Suggest a control procedure that should be added to overcome the weakness identified in part (a).
   (8 marks)

d) Prepare a document flow chart for the purchase system.   (14 marks)

e) Data flow diagram is one of the documentation techniques. Explain what a DFD shows and what is the symbol used to draw a DFD.   (6 marks)

(Total: 40 marks)

QUESTION 2

Accounting Information Systems (AIS) subsystems process financial transaction and non-financial transactions that directly affect the processing of financial transactions. Transaction Processing System (TPS) is one of the major subsystems of AIS.

a) Explain the term TPS .   (2 marks)
b) Name and explain the three transaction cycles of TPS.   (16 marks)

(Total 18 marks)

QUESTION 3

The management functions of planning and control have a profound effect on the management reporting system. The planning function is concerned with making decisions about the future activities of the organization while the control function ensures that the activities of the firm conform to the plan.

Planning and control decisions are frequently classified into four categories: strategic planning decisions, tactical planning decisions, management control decisions, and operational control decisions. Discuss the **FOUR (4)** categories on the type of decisions made and the characteristic of each category.

(Total 12 marks)

END OF EXAM PAPER