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FACULTY OF BUSINESS, COMPUTER SCIENCE AND COMMUNICATION STUDIES
MAY-AUGUST 2021/2022 SEMESTER
CSC 3140: INFORMATION SYSTEMS AUDIT

DATE: AUGUST, 2022

TIME: 2 Hours

INSTRUCTIONS: ANSWERS ALL QUESTIONS IN SECTION A AND ANY OTHER TWO IN SECTION B.

SECTION A (30 MARKS)

- a) There are numerous factors that a system auditor ought to put into consideration when undertaking their duties. Discuss any FIVE (5 Marks)
- b) Identify any four benefits of an organization having an information auditor (4 Marks)
- c) An information system auditor encounters several computer forensic scenarios in the course of his work. Discuss FIVE common scenarios in the field (5 Marks)
- d) Describe FIVE objectives of ISA. (5 marks)
- e) Several organizations have given practical and useful information on Information System Audit. Identify any FIVE (5 Marks)
- f) Discuss three functions and facilities built-in to well designed computer systems to make the systems auditors job easier. [6 Marks]

SECTION : ANSWER ANY TWO QUESTIONS

QUESTION TWO

- a) You are the senior auditor in charge of the audit of the receivables balance for Delphic Company. For the first time, you have decided to use the audit software to assist with the audit of sales and purchases balance. Computer staff at Delphic Company are happy to help the auditor, although they cannot confirm completeness of the systems documentation, and warns that the systems have very old operating systems in place, limiting file compatibility with modern programs. All information is stored in Delphic computer systems although previous audits have tended to adopt an 'audit around the computer approach'. The change in audit approach has been taken mainly to fully understand Delphic computer systems prior to new internet modules being added next year. To limit the possibility of damage to Delphic computer files, copy files will be provided by Delphic computer staff for the auditor to use their own audit software.

Required:

- a) Explain the audit procedures that should be carried out using audit software on the sales and purchases balance at Delphic Company. For each procedure, explain the reason for that procedure. (6 Marks)
- b) Explain FIVE potential problems of using audit software at Delphic Company. (5 Marks)
- c) Explain the concept of 'auditing around the computer' and discuss THREE ways this increases audit risk for the auditor (6 Marks)
- d) Discuss THREE effects if the company adopted 'auditing through the computer' approach (3 Marks)

QUESTION THREE

- a) Computer-Assisted Audit Techniques are used to assist an auditor in the collection of audit evidence from computerized systems explain FOUR advantages of CAATs (8 Marks)
- b) A certain company would like to roll out an information system to solve some persistent problems that it has been going through for along period of time. Describe the stages it would have to go through in its system development cycle (12 Marks)

QUESTION FOUR

- a) The selected risk assessment techniques are used by the Information Systems Auditor in developing the overall audit plan and in planning specific audits. Discuss THREE types of risks an IS auditor should consider to determine their overall level (6 Marks)
- b) The COBIT framework was created by ISACA to bridge the crucial gap between technical issues, business risks and control requirements.

Required:

- i) COBIT is based on five key principles for IT enterprise governance. Discuss the FIVE basic COBIT principles (5 Marks)
- ii) Highlight FIVE benefits of implementing COBIT as a governance framework. (5 Marks)
- c) Once you have identified the system it is useful to consider whether you need to add in further control objectives to those you identified at the start of the audit. Illustrate FOUR risk categories (4 Marks)

QUESTION FIVE

- a) The use of computer-assisted audit techniques (CAATs) serves as an important tool for the Information System Auditor to evaluate the control environment in an efficient and effective manner. Describe FOUR types of CAATs available in the market (8 Marks)
- b) Although Audit Planning, as discussed earlier, covers all the major areas, following activities need to be reviewed and finalized before the actual audit. Discuss the FIVE Pre-Audit activities. (10 Marks)
- c) You are appointed to audit the Information Systems of XYZ Limited. Enlighten the management Two categories of Information Systems Audits (2 Marks)