



UNIVERSITY EXAMINATION 2023/2024

SCHOOL OF COMPUTING AND INFORMATICS
DEPARTMENT OF INFORMATION TECHNOLOGY/ENTERPRISE COMPUTING

BACHELOR OF BUSINESS INFORMATION TECHNOLOGY/BACHELOR OF SCIENCE IN
INFORMATION TECHNOLOGY
VIRTUAL VARSITY

UNIT CODE: BIT2117

UNIT TITLE: ACCOUNTING INFORMATION SYSTEMS

DATE: TUE 16TH APRIL, 2024

8.00AM

MAIN EXAM

TIME: 2 HOURS

INSTRUCTIONS: ANSWER ALL QUESTIONS IN SECTION A AND ANY OTHER TWO FROM SECTION B

SECTION A - (COMPULSORY)

QUESTION ONE

- a) In the context of Accounting Information Systems (AIS), discuss the role of accounting methods in achieving the objectives of accurate financial reporting and analysis. (8 Marks)
- b) Elaborate on the Accounting Cycles, emphasizing their relevance in capturing and processing various business activities. (8 Marks)
- c) Examine the transaction cycles in AIS and illustrate how these cycles contribute to the overall functioning of an organization. (6 Marks)
- d) Explain why the accounting information system's scope must comply with generally accepted accounting principles (GAAP). (4 Marks)
- e) You are a consultant specializing in accounting information systems (AIS), and you have been engaged by a medium-sized retail company to enhance their existing AIS to meet the demands of the current era. Develop a comprehensive plan outlining specific improvements and technological advancements that can be implemented to modernize the company's AIS. (4 Marks)

QUESTION TWO

- a) Discuss the qualities that contribute to a successful Accounting Information System, highlighting their importance. (8 Marks)
- b) Explore the working area of QuickBooks. (8 Marks)
- c) How does a transaction differ from an event? (4 Marks)

QUESTION THREE

- a) As a consultant specializing in accounting information systems (AIS), you have been tasked with advising a multinational corporation on the development of their AIS.
 - i) Outline Three different approaches that can be used in developing accounting information systems, considering the organization's specific needs and objectives. (3 Marks)
 - ii) Utilize your expertise in AIS design and implementation to outline EACH approach, key characteristics. (8 Marks)
 - iii) Identify two advantages, and one potential challenge for each of the approach. (9 Marks)

QUESTION FOUR

- a) You are invited to a board meeting in your company one of the agendas is to be discussed in the implementation of an accounting information system. You are tasked to convince the board on some of the functions of an accounting information system will have in the organization. Identify and briefly describe the main functions of AIS. (5 Marks)
- b) Discuss the tracking of credit card transactions, managing asset and liability accounts, and their implications for effective financial management in QuickBooks. (5 Marks)
- c) Explore the role of Access Control mechanisms in both Accounting Information Systems and Cybersecurity. (5 Marks)
- d) Discuss their importance in ensuring the confidentiality and integrity of financial data. (5 Marks)

QUESTION FIVE

- a) Investigate the setup of sales tax rates and agencies in QuickBooks, addressing the grouping of single taxes, determining tax applicability, and calculating and paying tax agencies. (6 Marks)

- b) Discuss the payroll features in QuickBooks. (8 Marks)
- c) Examine the functionality of QuickBooks in estimating and progress invoicing. (6 Marks)

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