



**MASINDE MULIRO UNIVERSITY OF
SCIENCE AND TECHNOLOGY
(MMUST)**

MAIN/BUNGOMA/ WEBUYE CAMPUS

**UNIVERSITY EXAMINATIONS
2022/2023 ACADEMIC YEAR**

THIRD YEAR SEMESTER ONE EXAMINATIONS

**FOR THE DEGREE
OF
BACHELOR OF COMMERCE/ BSC ACCOUNTING**

COURSE CODE: BCA 348

COURSE TITLE: ACCOUNTING INFORMATION SYSTEMS

DATE: Monday 19th December 2022

TIME: 12.00-2.00pm

INSTRUCTIONS TO CANDIDATES

Question ONE (1) is compulsory
Answer THREE (3) questions

TIME: 2 Hours

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over. ►

QUESTION ONE (30 MARKS)

- (a) Briefly explain the role played by accounting information system in an organization's value chain. (6 marks)
- (b) An organization's accounting information system may be purely manual or highly automated or an in between mixture of the two. Explain the differences between the two extremes and outline the benefits of infusing information technology in the accounting information system (6 marks)
- (c) An accounting information system is constituted by the basic elements namely: End Users, Data Sources, Data Collection, Data Processing, Data-Base Management, and Information Generation. Briefly explain the role of each of these elements in an accounting information system(10 marks)
- (d) Although an Accounting information system may to a large extent involve information technology the role played by accounting professionals cannot be overlooked. Briefly state and explain the role played by accountants and the IT professionals. (8 marks)

QUESTION TWO (20 MARKS)

The overall function of the TPS subsystem of AIS is to identify the transactions and events that enter the accounting information system and where any occurs to document, record in the system data base, and avail this information to line managers who control business operations.

Required

- i. Briefly explain the significance of data sources and data collection elements of AIS to the TPS
- ii. (6 marks)
- iii. Transaction documentation may take paper or electronic form but serves the same purpose. Briefly explain. (4 marks)
- iv. Transactions are first recorded in in a transactions' file then to a master file in a database. Briefly explain how this process takes place in an electronic AIS environment. (3 marks)
- v. An examination of transactions in a generic TPS reveal three broad classes. Briefly identify and describe these classes. (7 marks)

QUESTION THREE (20 MARKS)

- (a) Data coding is essential in electronic AIS to ensuring processing accuracy. Identify three data coding methods and explain how each work. (6 marks)
- (b) In an electronic accounting information system, just like in manual system, a series of internal controls need to be implemented. Broadly distinguish between applications controls and general controls. identify and briefly explain two such controls in each category.(14 marks)

QUESTION FOUR (20 MARKS)

- (a) In cloud computing a firm may use either public cloud or private cloud.
- (i) Briefly explain cloud computing and the difference between private and public clouds (4 marks)
 - (ii) Outline the advantages and disadvantages of cloud computing (6 marks)
- (b) An organization which allows telecommuting must apply sufficient safeguards against potential threats.
- (i) Explain telecommuting (3 marks)
 - (ii) List and explain three threats and possible safeguards.. (7 marks)