



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
MARCH 2024 SEMESTER**

COURSE CODE : EAB41103
COURSE NAME : ACCOUNTING INFORMATION SYSTEM 2
PROGRAMME NAME : BACHELOR IN ACCOUNTING (HONS)
DATE : 4 JULY 2024
TIME : 9.00 AM – 12.00 PM
DURATION : 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please **CAREFULLY** read the instructions given in the question paper.
2. This question paper has information printed on both sides of the paper.
3. This question paper consists of **FOUR (4)** questions.
4. Answer **ALL** questions.
5. Please write your answers on the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. **This question paper must not be removed from the examination hall.**

THERE ARE FOUR (4) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

(Total: 100 marks)

INSTRUCTION: Answer ALL questions.

Please use the answer booklet provided

Question 1

Harvest Equipment Sdn. Bhd. is a manufacturer of high-quality prefinished wood flooring. Their customer base comprises private consumers, building and supply retailers, and construction companies. The company purchases unfinished exotic woods, stains, and finishes from numerous suppliers.

When the quantity on hand of a particular product falls to a low level, the warehouse clerk selects a vendor and manually prepares two hard copies of a purchase order. The clerk sends one copy of the purchase order to the vendor and the other to the receiving department. When the goods arrive from the vendor, the receiving clerk matches the packing slip in the shipment to the purchase order the warehouse clerk previously sent. If everything is in order, the receiving clerk signs the purchase order and sends it to the accounting department. The clerk then manually prepares a hard-copy receiving report, which he sends with the goods to the warehouse. Then, the warehouse clerk uses the receiving report to update the inventory subsidiary ledger to reflect the receipt of the goods.

Next, the account payable (AP) clerk receives the supplier's invoice, which she matches and reconciles to the previously received purchase order from the receiving clerk. The AP clerk then updates the digital AP subsidiary ledger to reflect the new liability and records the event in the digital purchases journal. The AP clerk reviews the liabilities due by searching the AP subsidiary ledger. The clerk then prints out a hard-copy cash disbursement voucher for each item due for payment. The clerk then sends a cash disbursement voucher to the cash disbursements department for payment.

The clerk prints a hard-copy AP summary and sends it to the general ledger department. The cash department clerk uses the cash disbursement voucher to record the payment in the digital cheque register and then prints a three-part cheque. The clerk signs the negotiable portion of the cheque and sends it to the vendor. One cheque copy is filed in the department, and the clerk sends the second copy, along with the original cash disbursement voucher, to the AP department. The clerk prints a hard-copy summary of the cheque register and sends it to the general ledger department.

- (a) i. Prepare the resources, events and agents (REA) model for Harvest Equipment Sdn. Bhd. database. Show the cardinalities for all associations. (16 marks)
- ii. From an organisational perspective, explain **THREE (3)** advantages of REA modeling that can enhance competitive advantage by enabling management to concentrate on the value-added activities of the company's operations. (6 marks)
- (b) Today, the trend in information systems is towards implementing highly integrated, enterprise-oriented systems. The enterprise resource planning (ERP) system best meets their business requirements. This means an organisation may need to change how it conducts business to take full advantage of the ERP. These are not custom packages designed for a specific organisation. Instead, they are generalised systems that incorporate the best business practices.
- i. Define what is ERP. (2 marks)
- ii. Explain **THREE (3)** purposes of an ERP system in an organisation. (6 marks)
- [30 marks]**

Question 2

- (a) i. Discuss the **THREE (3)** levels of internet business models. (6 marks)
- ii. Electronic partnering of business enterprises forms a dynamic virtual organisation that benefits all parties involved. With the aid of diagram and example, briefly explain the concept of dynamic virtual organisation. (12 marks)
- (b) i. Distinguish between system professionals, end users, and stakeholders. Give **ONE (1)** example each. (6 marks)
- [24 marks]**

Question 3

Consider the following dialogue between a systems professional, Airil, and a manager of a department targeted for a new information system, Fahmi.

Airil: The way to go about the analysis is to examine the old system by reviewing key documents and observing the workers perform their tasks. Then, we can determine which aspects are working well and which should be preserved.

Fahmi: We have been through these types of projects before, and what always ends up happening is that we do not get the new system we are promised; we get a modified version of the old system.

Airil: Well, I can assure you that it will not happen this time. We want a thorough understanding of what works well and what does not.

Fahmi: I would be more comfortable if we started with a list of our requirements. We should spend time up-front determining exactly what we want the system to do for my department. Then, your systems people can determine what portions to salvage. Just don't constrain us to the new system!.

- (a) i. The modified system was implemented without proper analysis, neglecting the importance of a survey step to understand the current system. Give your opinion on the importance of conducting a survey before modifying the system to a new one. (6 marks)
- ii. Based on the above situation, explain why Fahmi should perform strategic system planning to ensure his project will be completed as promised. (6 marks)
- iii. Explain **TWO (2)** purposes of the systems project proposal. (4 marks)
- [16 marks]**

Question 4

Sage Sdn. Bhd. is switching from its legacy centralised system to a fully distributed system. Under the new model, all employees will work from personal computers (PCs) connected to a local area network.

- (a) i. Describe **FIVE (5)** actions to ensure proper controls over hardware, software, data, people, procedures, and documentation. (10 marks)
- ii. Discuss **THREE (3)** risks Sage Sdn. Bhd. may face if the devised plan is not implemented. (6 marks)
- (b) i. Explain the **THREE (3)** objectives of auditors in auditing data management. (6 marks)
- ii. Discuss the importance of the source program library (SPL). (8 marks)
- [30 marks]**

END OF EXAMINATION PAPER