



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
OCTOBER 2025 SEMESTER**

COURSE CODE : ACCOUNTING INFORMATION SYSTEM 2
COURSE NAME : EAB41103
PROGRAMME NAME : BACHELOR IN ACCOUNTING (HONS)
DATE : 30 JANUARY 2026
TIME : 03:00PM – 06:00PM
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 FIVE (5) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

(Total: 100 marks)

INSTRUCTION: Answer ALL questions.

Please use the answer booklet provided

Question 1

Juara Niaga Corporation is a manufacturer of automotive components. The company purchases raw materials such as coil rolls and child-part components for its conversion cycle. The following describes Juara Niaga Corporation's purchases and payment procedures.

Nana, the Purchasing Department clerk, keeps track of the inventory levels of raw materials and creates a purchase request as necessary. The purchasing agent generates five copies of a purchase order. One copy is sent directly to the vendor. One is placed in an open purchase order file in the Purchasing Department and one is used to post the purchases journal. Each week, the Purchasing Department clerk prepares a journal voucher from the purchases journal and sends it to the General Ledger Department for posting. A copy of the purchase order is also given to the Receiving Department and the Accounts Payable Departments, who also file it temporarily.

The Receiving Department clerk makes five copies of the receiving report after receiving the raw materials. One copy is sent to the raw materials warehouse, and one copy is sent to the Accounts Payable Department. Two copies are sent to the Purchasing Department, where one is filed, and one is used to update the inventory records. The final copy, along with the purchase order and packing slip, is filed in the Receiving Department. Vendors send their invoices to the Accounts Payable subsidiary ledger.

Zaki receives information from the Accounts Payable Department including the purchase order, receiving report, invoice, and purchase request for the Cash Disbursements Department. He then prepares and signs the cheques for the suppliers. After preparation of the cheques, the supporting documents are sent back to the Accounts Payable Department. Zaki prepares a journal voucher each week and sends it to the General Ledger Department for posting.

Required:

- (a) Illustrate the Resource, Events and Agents (REA) model of the purchase cash payments process for Juara Niaga Corporation. Show the cardinalities for all the associations.

(15 marks)

- (b) Define what is duality and state **THREE (3)** cycles related with duality concept.

(5 marks)

[20 marks]**Question 2**

Mr. Jojo is considering whether to buy a Ready – Made Software which is available in the market or Software ABC. He provides the following estimated cost and benefit for the e-Beauty system at Cantik Manis Enterprise.

Year	Ready – Made Software		Software ABC	
	Cost (RM)	Benefits (RM)	Cost (RM)	Benefits (RM)
0	5,500	-	7,000	-
1	2,500	5,600	6,000	6,000
2	2,600	6,200	3,500	6,300
3	3,100	6,500	3,500	6,500
4	3,500	7,000	3,500	7,000

Required:

- (a) Discuss **FOUR (4)** roles of an accountant in the System Development Life Cycle (SDLC).

(8 marks)

- (b) Using payback period method, advice Mr. Jojo whether to purchase the Ready-Made System or Software ABC. Show your workings.

(13 marks)

- (c) List **THREE (3)** types of tangible costs that Cantik Manis Enterprise should incur based on your answer at (b).

(3 marks)

- (d) The objective of system strategy is to link individual system projects to the strategic objectives of the firm. Briefly explain **THREE (3)** preliminary project feasibility study.

(6 marks)

[30 marks]

Question 3

Auditing Information Technology (IT) Control is a process of evaluating an organization's information technology system and controls to ensure they protect assets, maintain data integrity and align with business goals. This involves examining general IT control (like access and change management) and application controls (specific to a business system) to identify weaknesses, mitigate risks and ensure compliance with laws and standards.

Required:

- (a) Discuss the structure of an audit.

(10 marks)

- (b) Explain **THREE (3)** types of audit risks.

(6 marks)

- (c) Computer fraud is an illegal use of a computer to deceive individuals, businesses or governments for illicit gain involving activities like identity theft, stealing money or accessing confidential information. Identify **FIVE (5)** examples of computer fraud in the context of Information Technology (IT).

(10 marks)

- (d) Explain **TWO (2)** classes of data processing fraud.

(4 marks)

[30 marks]

Question 4

Adam is a computer and Information Technology (IT) expert who possesses a computer science degree and a widely-recognized professional certificate in his field. Despite his qualifications, he worked as a night-shift security guard in Ali Baba Sdn. Bhd. For all support staff (i.e., janitors, security guards etc), the human resource department did not undergo any formal recruitment process such as interviews and thorough background checks.

During his night patrols, Adam was able to enter into the office and took the opportunity to search through both physical and electronic files for confidential information related to systems operations, internal controls and financial limits that would trigger special reviews by upper-level managers. He also observed passwords entered by several staff who worked after the usual office hours and managed to install a Trojan horse virus onto the system to steal their staff IDs and passwords.

After several months of careful sneaks and steals, Adam was able to impersonate as a supplier, a customer and most importantly as a system administrator, using the stolen IDs and passwords. These roles collectively gave him access to the majority of Ali Baba Sdn. Bhd's accounting information system's functions.

By playing the role of a customer, Adam ordered some inventory which was couriered to an empty house in the same neighbourhoods where he lived, and he later sold the inventory and received the money. As a system administrator, he created and approved fake credit sales orders and falsified the cash payment records which made the transactions to be among the fully settled debts. Besides, he also created fake purchase orders, receiving reports, supplier invoices and cash payments records which resulted in the checks being issued to himself.

Since Adam was aware of the financial threshold set by the company before the transactions triggered a special review, he ensured that all the fake transactions were below the materiality threshold. His activities allowed him to collect RM100,000 a month. After two years of being undetected, his significant change of lifestyles had prompted the company's internal auditor to initiate an investigation which led to the exposure of his cunning activities. He was then arrested and charged with computer fraud.

Required:

(a) Identify **FIVE (5)** weaknesses in the above situation which make Adam's activities went undetected.

(10 marks)

(b) For each of the weakness identified in (a), suggest any **FIVE (5)** suitable controls to mitigate the fraud from happening.

(10 marks)

[20 marks]

NOTE: Your answer should be in the table as below:

No.	(a) Weaknesses	(b) Relevant control
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END OF QUESTION PAPER