CONFIDENTIAL

# UNIVERSITI KUALA LUMPUR
## BUSINESS SCHOOL

# FINAL EXAMINATION
## MARCH 2026 SEMESTER

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|---|---|---|
| COURSE CODE | : | EAB41103 |
| COURSE NAME | : | ACCOUNTING INFORMATION SYSTEM 2 |
| PROGRAMME NAME | : | BACHELOR IN ACCOUNTING (HONS) |
| DATE | : | 27 JUNE 2026 |
| 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 FIVE (5) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.**

(Total: 100 marks)

**INSTRUCTION: Answer ALL questions.**
**Please use the answer booklet provided**

**Question 1**

Mega Technology Industries is a manufacturer of electronic home appliances. The company purchases raw materials such as circuit boards, wiring sets, and plastic casings for its production process. The following describes Mega Technology Industries purchasing and payment procedures.

Aisyah, the inventory control clerk, monitors raw material stock levels using inventory records. When stock reaches the reorder point, she prepares a purchase requisition and forwards it to the Purchasing Department.

Farid, the purchasing officer, reviews the purchase requisition and prepares four copies of a purchase order. One copy is sent to the approved supplier. One copy is filed in the open purchase order file in the purchasing department. One copy is forwarded to the receiving department, and one copy is sent to the accounts payable department for temporary filing.

Everyday, the purchasing department records purchase order details in the purchases journal. At the end of every week, the purchasing clerk prepares a journal voucher based on the purchases journal and submits it to the general ledger department for posting.

Upon delivery of the materials, the receiving department clerk inspects the goods and prepares four copies of a receiving report. One copy is sent to the warehouse department along with the goods. One copy is sent to the accounts payable department. One copy is forwarded to the purchasing department to close the open purchase order file. The final copy is filed in the receiving department together with the supplier's packing slip.

Suppliers mail their invoices directly to the accounts payable department. The accounts payable clerk matches the purchase requisition, purchase order, receiving report, and supplier invoice before recording the liability in the accounts payable subsidiary ledger.

Hakim, the cash disbursements officer, receives the approved payment packet from accounts payable. After reviewing the supporting documents, he prepares and signs the cheques for payment to suppliers. Once the cheques are issued, the supporting documents are stamped "PAID" and returned to the accounts payable department for filing.

At the end of each week, Hakim prepares a cash disbursements journal voucher and forwards it to the general ledger department for posting.

**Required:**

(a) Based on the above situation, determine the cycle related and illustrate the Resource, Events and Agents (REA) model for Mega Technology Industries. Show all cardinalities and associations.

(16 marks)

(b) Competitive advantages from the Resources, Events and Agents (REA) approaches can be seen via value chain analysis. Discuss value chain analysis.

(4 marks)

**[20 marks]**

**Question 2**

The systems development process is a creation of an entity-wide information system involves significant financial transactions. It must be planned, authorized, scheduled, accounted for and controlled.

**Required:**

(a) Discuss **THREE (3)** participants involved in the System Development Life Cycle (SDLC).

(6 marks)

(b) Describe **FOUR (4)** factors will contribute to the growth of the commercial software market.

(8 marks)

(c) Steering Committee is a committee that decides on the priorities or order of business of an organization and manages the general course of its operations.

**Required:**

i. Discuss **FOUR (4)** responsibilities of steering committee in systems planning. (8 marks)

ii. Explain **FOUR (4)** examples of steering committee in system planning. (8 marks)

**[30 marks]**

**Question 3**

(a) In a data communication environment, data loss and data corruption may occur due to line errors caused by communication noise, transmission interruptions or equipment failure. These issues can affect the accuracy and completeness of data being transmitted between systems, particularly in electronic commerce transactions. To minimize such risks, organizations implement error detection and correction techniques such as echo check, where the receiver returns the message to the sender for verification, and parity check, where an additional bit is added to each byte of data to detect errors during transmission.

**Required:**

Discuss the objectives and techniques on how an auditor can verify the integrity of electronic commerce transactions in ensuring that controls are in place to detect and correct message loss due to equipment failure. In your answer, explain relevant error detection techniques and appropriate audit procedures.

(10 marks)

(b) An organization relies on both application controls and general Information Technology (IT) controls to ensure the reliability of its financial reporting system.

**Required:**

Discuss the relationship between application controls and general IT controls in ensuring the validity, completeness, and accuracy of financial statements.

(10 marks)

(c) In large computer-based Accounting Information Systems (AIS), application program modules are stored in source code format within a centralized repository known as the Source Program Library (SPL). The Source Program Library (SPL) plays a critical role in maintaining proper control over program development and changes by ensuring that only authorized personnel can access and modify the source code. This helps to preserve the integrity, security, and reliability of accounting applications, which are essential for accurate financial processing and reporting.

**Required:**

Discuss **FIVE (5)** control features of Source Program Library (SPL).

(10 marks)
**[30 marks]**

**Question 4**

Sugar Bite Sdn. Bhd. is a fast-growing food manufacturing company located in Shah Alam with annual sales of RM30 million. The company produces ready-to-eat meals and distributes them to supermarkets nationwide.

Sugar Bite relies on an automated inventory and production system to track raw materials, monitor expiry dates and manage distribution. Due to rapid expansion, the company recently moved its operations into a renovated warehouse. The Information Technology (IT) servers controlling inventory and production are placed in an open area near the food processing section, exposing them to heat, moisture and cleaning chemicals.

The company performs weekly backups every Sunday night, storing backup drives in a cabinet located in the same warehouse. No offsite or cloud backup is maintained. There is no formal disaster recovery plan and system recovery depends entirely on the IT technician's experience.

One day, a chemical spill during cleaning operations damaged the servers and backup drives. As a result, Sugar Bite lost all inventory records and production data, causing major disruption to operations.

**Required:**

(a) Describe **FIVE (5)** computer security weaknesses present at Sugar Bite Sdn. Bhd.

(10 marks)

(b) Explain **FIVE (5)** major internal control concerns that should be included in a disaster recovery plan.

(10 marks)

**NOTE: For answer (a) and (b), your answer should be presented in the table as below:**

| No. | (a) Weaknesses | (b) Internal control |
|---|---|---|

**[20 marks]**

**END OF QUESTION PAPER**