

COMMONWEALTH OF AUSTRALIA

Copyright Regulations 1969

Warning

This material has been reproduced and communicated to you by or on behalf of *The Charles Darwin University* pursuant to Part VB of the *Copyright Act 1968* (the Act). The material in this communication may be subject to copyright under the Act. Any further reproduction or communication of this material by you may be the subject of copyright protection under the Act.

Do not remove this notice



Family Name	
Given Names	
Student Number	
Teaching Period	Semester 1, 2016

FINAL EXAMINATION	DURATION				
ACT506 – Accounting Information Systems	<table border="1"> <tr> <td>Reading Time:</td> <td>10 minutes</td> </tr> <tr> <td>Writing Time:</td> <td>180 minutes</td> </tr> </table>	Reading Time:	10 minutes	Writing Time:	180 minutes
Reading Time:	10 minutes				
Writing Time:	180 minutes				

INSTRUCTIONS TO CANDIDATES

The examination has three sections

Section A: 30 marks

Suggested Time: 105 mins Multiple Choice Questions: Answer ALL (45) questions

Section B: 15 marks

Suggested Time: 55 mins Short Essay Question: This section consists of three questions that must be answered. Commence the answer to each question on a new page of the exam booklet. Additional exam booklets are available if needed.

Section C: 5 marks

Suggested Time: 20 mins System Analysis Question:

This section consists of one question that must be answered.

Total marks for this examination: 50

Commence the answer to the question on a new page of the exam booklet. Additional exam booklets are available if needed.

Section A must be answered on the Answer sheet provided and must be handed in with your answer booklet. Please ensure that your name and student number are clearly indicated on your Answer Sheet and at the top of this examination paper. Section B and Section C are to be answered in the separate booklet provided.

1.2 Read ALL questions carefully.

EXAM CONDITIONS

You may begin writing from the commencement of the examination session. The reading time indicated above is provided as a guide only.

This is a RESTRICTED OPEN BOOK examination

Any non-programmable calculator is permitted

No handwritten notes are permitted

Any hard copy, unannotated English dictionary is permitted

ADDITIONAL AUTHORISED MATERIALS	EXAMINATION MATERIALS TO BE SUPPLIED
No additional printed material is permitted	1 x 16 Page Book 1 x 4-Multiple Choice Answer Sheet 1 x Scrap Paper

SECTION A:

This section is made up of 45 multiple choice questions. Answer ALL (45) questions. Answers should be clearly marked in pen on the answer sheet provided with this paper by filling in the circle below the appropriate letter. . e.g.

A	B	C	D
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If a choice for a particular question is subsequently discarded and a new answer chosen, cross out the original answer and remark with the new answer as below. e.g.

A	B	C	D
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The answer sheets provided must be submitted with your examination booklet at the end of this examination for marking. Additional answer sheets may be provided where necessary. Clearly write your name and student number on the answer sheet(s) provided.

SECTION B:

This section consists of four short answer style questions that must be answered. Commence the answer to each question on a new page of the exam booklet. Additional exam booklets are available if needed.

QUESTION B (15 Marks - Suggested time approx. 55 minutes)

- B 1.** Some people feel that controls in small businesses (typically owner operated with less than 20 employees) are dysfunctional, in that they create resentment and loss of morale without producing much benefit. Employees generally feel that the owner lacks trust in them, the control activities impose additional work, and/or that control procedures result in inconvenient and inefficient work practices. Control procedures implemented in small businesses are generally ineffective and only belong (and only effective) in large organisations where management is separated from the operational activities of the organisation.

REQUIRED:

Do you feel this is a valid statement in respect to the implementation of controls in small businesses? Briefly support your position with reasons. If you feel that you agree with some parts of the statement but not others, briefly discuss the parts you agree and disagree with and provide reasons for your position.

Without limiting your discussion, you should include an explanation of what is meant by a system of internal control, the objectives of a system of internal control, the limitations of a system of internal control, and relate these issues to the question asked

(10 MARKS suggested time approx. 35 minutes)

- B 2.** What are the two main approaches (from a systems management/control perspective), to data management? Your answer should include a brief definition of each and the main differences in the approaches and the major advantages of the data base approach to data management over the file oriented approach to data processing.)

(3 MARKS suggested time approx. 12 minutes)

- B 3.** Discuss briefly the output necessary for effective and efficient custodial and financial control of fixed assets.

(2 MARKS suggested time approx. 8 minutes)

SECTION C: (5 Marks - Suggested time approx. 20 minutes)

This section consists of one systems analysis style question that must be answered.

Commence the answer to the question on a new page of the exam booklet.
Additional exam booklets are available if needed.

A flowchart on the page 6 is the systems/document flowchart for a Sales and Cash Receipts system. The flowchart is annotated with 15 points labelled A to O, that represent either a control plan that satisfies one or more control objectives of the system OR a point where a control plan to satisfy one or more control objectives of the system are missing

Whilst a Control Matrix Template is provided on page 7, to assist those students who wish to use it in the preparation of their answer to part C, **DO NOT** include the template as part of your answer.

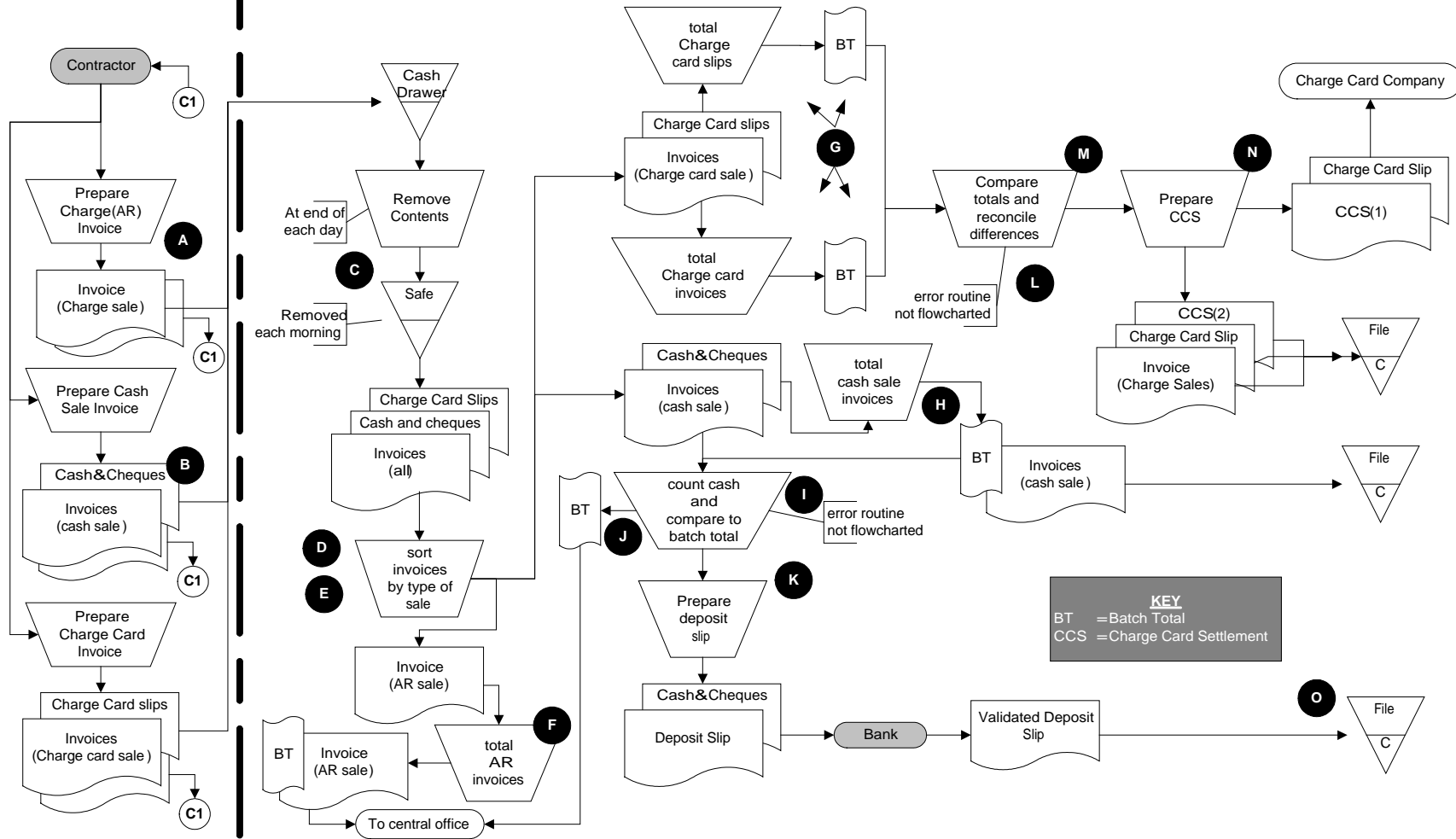
Required:

- C 1.** Identify **five** of the 15 annotated points provided that satisfy one or more control objectives of the system.
(1 MARK suggested time approx. 4 minutes)
- C 2.** For each of the 5 identified control plans indicate what control objectives of the system are satisfied.
(1 MARK suggested time approx. 4 minutes)
- C 3.** Identify **five** of the 15 annotated points provided that indicate **MISSING** control plans for this system.
(1 MARK suggested time approx. 4 minutes)
- C 4.** For each of the 5 identified MISSING control plans indicate what control objective is not being satisfied and speculate on a control plan that should/could be implemented for each MISSING element.
(2 MARKS suggested time approx. 8 minutes)

TOTAL (5 MARKS)

SALESMAN

STORE MANAGER



THIS CONTROL MATRIX TEMPLATE IS ONLY PROVIDED TO ASSIST THOSE STUDENTS WHO WISH TO USE IT IN THE PREPARATION OF THEIR ANSWER TO PART C. HOWEVER IT IS NOT NECESSARY TO COMPLETE THIS TEMPLATE IN ORDER TO ANSWER PART C

Control Matrix		Control Goals of the Operations System					Control goals for the Information system						
		Ensure effectiveness of operations by achieving the following system goals:					Ensure efficient employment of resources	Ensure security of resources	For input ensure:			For file ensure:	
Recommended Control Plans		A	B	C	D	E			IV	IC	IA	UC	UA
KEY:													
A	Details of operations control goals							IV	Input Validity				
B	Details of operations control goals							IC	Input Completeness				
C	Details of operations control goals							IA	Input Accuracy				
D	Details of operations control goals							UC	Update Completeness				
E	Details of operations control goals							UA	Update Accuracy				

THIS EXAMINATION PAPER AND SUPPLIED MATERIALS ARE NOT PERMITTED TO BE REMOVED FROM ANY EXAMINATION VENUE IN ANY CIRCUMSTANCE. THIS EXAMINATION IS PRINTED DOUBLE-SIDED.