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Family Name					
Given Name/s					
Student Number					
Teaching Period	Semester 2, 2017				

ACT506 – Accounting Information Systems	DURATION	
	Reading Time:	10 minutes
	Writing Time:	180 minutes
INSTRUCTIONS TO CANDIDATES		
<p>The examination has three sections</p> <p>Section A: 30 marks - Marks for each question are of equal value ($\frac{2}{3}$ marks each Suggested Time: 105 mins Multiple Choice Questions: Answer ALL (45) questions. 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.</p> <p>Section B: 15 marks Suggested Time: 55 mins Short Essay Question: Answer ALL (3) questions</p> <p>Section C: 5 marks Suggested Time: 20 mins System Analysis Question: This section consists of one question that must be answered.</p> <p>Total marks for this examination: 50</p>		
EXAM CONDITIONS		
<p><u>You may begin writing from the commencement of the examination session.</u> The reading time indicated above is provided as a guide only.</p>		
This is a RESTRICTED OPEN BOOK examination		
Any non-programmable calculator is permitted		
No handwritten notes are permitted		
Hard copy, unannotated English translation dictionary only		
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	

**THIS EXAMINATION IS PRINTED
DOUBLE-SIDED.**

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LEFT BLANK.**

SECTION A:

Multiple Choice Questions

Total No of Marks for this section: 30

This section should be answered on the Answer Sheet provided. Please ensure that your name and student number have been written on the Answer sheet and place in the completed answer Booklet.

Marks for each question are of equal value ($\frac{2}{3}$ marks each).

Suggested Time allocation for Section A: 105 mins

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"/>

SECTION B:

This section consists of three essay style question that must be answered. Commence the answer of 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. Provide an explanation of what is meant by a system of internal control. In your explanation discuss:
 - a. the objectives of a system of internal control and
 - b. the limitations of a system of internal control(5 MARKS suggested time approx. 18 minutes)

- B 2. What is meant by the term “segregation of duties control” (sometimes referred to as the “separation of duties control”). Discuss fully. In your explanation discuss the “how”, “when”, “where” and “why” of the segregation of duties control, and some of the limitations or disadvantages of this type of control. You can provide examples to illustrate your explanation. (5 MARKS suggested time approx. 18 minutes)

- B 3. The four events-processing functions that constitute the segregation of duties control plan are:
 - A. Authorizing events
 - B. Executing events
 - C. Recording events
 - D. Safeguarding resources

Required:

Below is a list of twelve events-processing activities, five relating to the cycle of activities involved in processing a sales event and seven relating to the cycle for a purchase event (the last two i.e. 11 and 12 are provided as examples). Draw up a table in your answer booklet similar to the example provided below. Classify each of the ten activities (numbered 1 to 10) into one of the four functional categories listed above by placing the letter A, B, C, or D against each number. (See the examples for items 11 and 12 below). You should use only one letter for each of the answers.

Do not waste time repeating/rewriting the activity, simply identify the item number and the corresponding function by it’s letter.

EXAMPLE OF FORMAT TO BE USED IN YOUR ANSWER BOOKLET

Event-Processing

<u>Activity</u>	<u>Answer</u>
....	..
....	..
11	D
12	C

Continued over....

EVENT-PROCESSING ACTIVITIES
(For a sales event)

1. The order entry department instructs the shipping department to ship goods to a customer by sending an approved document to the shipping department.
2. The shipping department keeps inventory items in a locked storeroom.
3. The billing department prepares and mails a bill to the customer.
4. The invoice in item 3 is added to the customer balance in the accounts receivable master data.
5. The general ledger bookkeeper enters a sales event in a data file.

(For a purchase event)

6. The purchasing department order goods.
7. The inventory control department signs a document requesting that goods be purchased.
8. The purchasing department manager reviews and signs all purchase order documents in excess of \$100.
9. The receiving department processes goods received from the vendor.
10. The receiving department completes the receiving report.

Used as examples for answer booklet format

11. *After being received goods are placed into the locked inventory storeroom.*
12. *A payable is recognized by updating the accounts payable master data.*

(5 MARKS suggested time approx. 18 minutes)

SECTION C:

(5 Marks - Suggested time approx. 18 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 page 7 of this paper is the systems/document flowchart of a Sales System (and associated systems). The flowchart is annotated with 12 points labelled 1 to 12, 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.

Required:

For 10 of the 12 identified control points indicate what control objectives of the system are satisfied or missing. In addition, for each of the MISSING control plans speculate on a control plan that should/could be implemented for each MISSING element.

(5 MARKS)

