UNIVERSITI POLY-TECH MALAYSIA
UPTM

FINAL EXAMINATION

BACHELOR OF ACCOUNTANCY (HONOURS)

COURSE	:	**ACCOUNTING INFORMATION SYSTEM**
COURSE CODE	:	**AIS3043**
DURATION	:	**3 HOURS**

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **FIVE (5)** questions.
2. Answer **ALL** questions in the answer booklet provided.
3. Please check to make sure that this examination pack consists of:
   i. The Question Paper
   ii. An Answer Booklet
4. Do not bring any material into the examination hall.
5. Please write your answer using permanent ink.

MYKAD/ PASSPORT NO : ____________________

ID. NO. : ____________________

LECTURER : ____________________

SECTION : ____________________

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of 6 printed pages including the front page

QUESTION 1

a. A manufacturing company recently replaced its manual accounting procedures with a fully computerized Accounting Information System (AIS). Although processing efficiency has increased, management has become concerned about potential risks introduced by system automation. The company now wants to understand the risks associated with the new computerized environment.

Required:

Analyse **FIVE (5)** risks associated with the implementation of a computerized Accounting Information Systems (AIS).

(10 marks)

b. An organisation depends on its Accounting Information Systems (AIS) to process sales, purchases, and payroll transactions every day. Employees from different departments enter and update data directly into the system. A recent review identified weaknesses in transaction processing and approval procedures within the AIS. Management plans to strengthen controls to reduce automation-related risks.

Required:

Explain **FIVE (5)** internal controls that should be incorporated into Accounting Information Systems (AIS) to mitigate risks arising from system automation.

(10 marks)

(Total: 20 marks)

QUESTION 2

a. Apex Precision Manufacturing Sdn. Bhd. has implemented strict access restrictions within its Accounting Information Systems (AIS). However, management is concerned that unauthorized activities may still occur without being detected. The company wants better mechanisms to identify suspicious transactions and errors.

Required:

Examine **FIVE (5)** detective controls used in Accounting Information Systems (AIS) to identify errors, fraud, or unauthorized system activities.

(10 marks)

b. Logistics Bhd. employees have legitimate access to sensitive accounting information through the Accounting Information Systems (AIS). The system is used daily to record shipments, billing transactions, and vendor payments across multiple branches. Management recognizes that this access could be misused intentionally or unintentionally if proper controls are not in place. The company therefore seeks ways to minimize risks arising from insider threats.

Required:

Analyse **TWO (2)** control measures that can be implemented within AIS to reduce the risk of insider threats and data misuse.

(10 marks)

(Total: 20 marks)

QUESTION 3

a. Wave Telecommunications Berhad processes high-volume customer billing and revenue transactions through its Accounting Information Systems (AIS). The system operates continuously to record usage charges and generate invoices for customers nationwide. Recently, a system outage caused several journal entries to remain incomplete and delayed financial reporting. Management is now concerned about maintaining system availability and operational continuity.

Required:

Examine how system redundancy and automated recovery mechanisms support availability and continuity in Accounting Information Systems (AIS).

(10 marks)

b. Retail Group consolidates sales and inventory data from multiple outlets into a centralized Accounting Information Systems (AIS). The company relies on integrated systems to update financial records and monitor performance across branches. However, integration issues have resulted in inconsistent accounting records and concerns about unauthorized system usage. Management wants stronger controls to safeguard sensitive information and improve system reliability.

Required:

Evaluate **THREE (3)** biometric authentication and **TWO (2)** periodic access review controls enhance confidentiality and accountability within Accounting Information Systems (AIS).

(10 marks)

(Total: 20 marks)

QUESTION 4

a. Rose-Mart Sdn. Bhd. operates an online sales system that processes hundreds of transactions daily. Management is concerned about processing errors that could result in incorrect sales records.

Required:

Determine **FIVE (5)** processing integrity controls that can be implemented to ensure transactions are processed accurately and completely. Give **ONE (1)** example for each control.

(10 marks)

b. Ana-Mart Sdn. Bhd. experienced several system outages during peak sales periods, affecting order processing and customer satisfaction.

Required:

Evaluate **FIVE (5)** controls that can be implemented to minimise system downtime and ensure continuous operations.

(10 marks)

(Total: 20 marks)

QUESTION 5

Roastery Brew Sdn. Bhd. is a coffee roasting and supply company located in Shah Alam, Selangor. The company supplies custom coffee blends to cafés and receives customer payments mainly by cheque. The company's existing cash receipts system is described below.

All customer mail is received and processed in the mail room. The mail clerk opens the remittance envelopes and checks the cheques and remittance advices received from customers. The clerk then prepares three copies of a remittance list.

The first copy of the remittance list, together with the cheque, is sent to the cash receipts department. The clerk reconciles the cheque with the remittance list and records the payment in the cash receipts journal using the computer system. The clerk then prepares two copies of the bank deposit slip, and the cheque and deposit slip are sent to the bank.

The second copy of the remittance list, together with the remittance advice, is sent to the billing department. The billing clerk reconciles the documents and updates the accounts receivable subsidiary ledger to record the payment received.

The third copy of the remittance list is sent to the general ledger department. This copy is used to update the general ledger based on payment information received from the billing department.

Required:

a. Illustrate a flowchart for the Cash Receipts System of Roastery Brew Sdn. Bhd.
(10 marks)

b. Explain **FIVE (5)** controls to improve cash receipts system at Roastery Brew Sdn. Bhd.
(10 marks)

(Total: 20 marks)

(TOTAL: 100 MARKS)

END OF QUESTION PAPER