SECTION A (60 Marks)

1. (a) Explain briefly the following concepts:
   (i) cost accounting system.                    (2 Marks)
   (ii) charts of account.                      (2 Marks)
   (iii) accounting cycle.                     (2 Marks)

   (b) Prepare a computer hardware configuration for the following components:
   (i) a central CPU                               (2 Marks)
   (ii) a teleprinter terminal and a CRT terminal located at the CPU.   (2 Marks)
   (iii) three remote CRT terminals.              (2 Marks)
   (iv) communication lines linking a printer to a CPU located in another state. (3 Marks)

2. How do AISs (accounting information systems) provide information to management for coping with the three planning and control activities of organizations: strategic planning, management control, and operational control? Explain briefly how data and information for the various levels mentioned can be obtained.         (15 Marks)
3. Explain the differences among system flowcharts, document flowcharts, and program flowchart? Draw an example of each flowchart and explain clearly where each flowchart can be used most effectively. State down the weakness(es), if any, in using flowcharts.

(15 Marks)

4. Under what conditions will an online G/L system be better for a business firm than the batched GL system? What are the purposes of the G/L system?

(15 Marks)

5. What is the integrated financial planning and control system? What is a chart of accounts necessary to the G/L?

(15 Marks)

6. "The security of an accounting information system is only as good as the honesty of the people that run it." Comment.

(15 Marks)
7. Business organizations are required to modify or replace portions or all their financial information systems in order to keep pace with their growth and to take advantage of improved information technology. The process involved in modifying or replacing an information system, especially if computer equipment is involved, requires a substantial commitment of time and resources. When an organization undertakes a charge in its information systems, a series of steps or phrases is taken. The phrases included in a systems study are

i) Survey of an existing system.
ii) Analysis of information collected in the survey and development of recommendations for corrective action.
iii) General design of a new or modified system.
iv) Detailed design (Equipment study and acquisition.)
v) Implementation of a new or modified system.

These phrases tend to overlap rather than to be separate and distinct. In addition, the effort required in each step or phase varies from one system charge to another, depending on such factors as extend of the changes or the need for different equipment.

Question

a) Explain the purpose and reasons for surveying an organization's existing system during a systems study.

(10 Marks)

b) The system survey and systems analysis phases of a financial information systems study often are carried out by a project team composed of a systems analyst, a management accountant, and other persons in the company who would be knowledgeable and helpful in the systems study. What would be the role of the management accountant in these phases of a financial information systems study?

(10 Marks)

c) Identify and explain the general activities and techniques that are commonly used during the systems survey and analysis phases of a systems study conducted for a financial information system.

(10 Marks)

d) Why should users participate in systems analysis and design?

(10 Marks)