



PAN AFRICA CHRISTIAN UNIVERSITY

BACHELORS OF COMMERCE

END OF TERM EXAMINATION

DEPARTMENT: BUSINESS

COURSE CODE: CFN403

COURSE TITLE: FINANCIAL INFORMATION SYSTEMS

EXAM DATE: FRIDAY

TIME: 8.00AM – 11.00AM

INSTRUCTIONS

- This examination script consists of **six(6)** questions.
- Answer question ONE and ANY other three Questions.
- Show all your workings
- Read all questions carefully before attempting.

Write your **student number** on the answer booklet provided.

QUESTION ONE

- a) Distinguish between the following terms:
 - i) A computerized system and a manual system (2marks)
 - ii) A financial model and financial modeling (2marks)
- b) Using relevant examples, explain any three benefits of financial models (6marks)

QUESTION TWO

- a) Using relevant examples, explain any two functions of financial information system (4marks)
- b) Discuss any three features/qualities of a good financial information system (6marks)

QUESTION THREE

- a) Explain any two application of financial models (4marks)
- b) Distinguish between the three types of financial information systems (6marks)

QUESTION FOUR

- a) Using relevant examples, distinguish between sensitivity analysis and scenario analysis (4marks)
- b) Explain any three forecasting methods in financial information systems (6marks)

QUESTION FIVE

- a) Identify one financial model that you know (1Marks)
- b) Describe how the model identified in part a) is applied in financial Information Systems (9marks)

QUESTION SIX

The following data has been provided:

	Sh '000'
Sales	230
Cost of sales	(122)
Gross Profits	108
Expenses	(118)
Net Loss	(10)

Required

- a) Enter the above data into the excel spreadsheet (4marks)
- b) Determine the net profit/loss if sales increased by 12%, cost of sales increased by 10% and expenses decreased by 8% during the following financial year (6marks)

