



**ACC217**  
**Accounting Information Systems**

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**Group-based Assignment**

**January 2018 Presentation**

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## GROUP-BASED ASSIGNMENT

This assignment is worth 30% of the final mark for ACC217 Accounting Information Systems.

The cut-off date for this assignment is **11 April 2018, 2355 hrs.**

This is a group-based assignment. You should form a group of **4 members** from your seminar group. Each group is required to upload a single report to Canvas via your respective seminar group. Please elect a group leader. The responsibility of the group leader is to upload the report on behalf of the group.

It is important for each group member to contribute substantially to the final submitted work. All group members are equally responsible for the entire submitted assignment. If you feel that the work distribution is inequitable to either yourself or your group mates, please highlight this to your instructor as soon as possible. Your instructor will then investigate and decide on any action that needs to be taken. It is not necessary for all group members to be awarded the same mark.

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**Take note of the following format and writing requirements. Marks will be penalised for failure to follow requirements.**

### Format requirements:

- A properly formatted cover page: To include course code, course title, assessment title, student name(s), student PI Number(s).
- For text, Font style: Times New Roman; Font size: 12; Line spacing: 1.5 lines.
- Include the page number on each page.
- Reference or bibliography at the end (use APA referencing guidelines).

### Writing requirements:

- Develop your points in a clear, logical and succinct manner.
- Be mindful of the target audience/reader. Use language appropriate to the reader's expected level of knowledge.
- Free from grammatical and typographical errors.
- Provide in-text citations when referencing (use APA referencing guidelines).
- Include less relevant details as an appendix if necessary.
- Good overall presentation of the report.

### Question 1

Best Auto Pte Ltd, a company that specialises in supplying auto spare parts has its HQ in Tampines but has since opened branches in Jurong and Yishun.

For new customers to Best Auto, they will need to fill in an application form (in tri-plicate) that will capture their company registration no, address, financial information and shareholders' details. These can be submitted via the branches, to its HQ or via post. Applications submitted via the branches will be batched and delivered to HQ. All applications will only be processed by the HQ Sales Department Representative (Sales Rep).

For each application, the Sales Rep will verify the completeness of the application. Once verified, the Sales Rep will check if the customer has been registered before via their Customers' excel files. If not, a new customer account number will be allocated and will be updated into the Customer's excel file, the 1<sup>st</sup> copy will be kept by Sales department, the 2<sup>nd</sup> copy will go to the Accounts department while the 3<sup>rd</sup> copy will go to the Warehousing department. Each department will then maintain the account number and their relevant details required for their respective departments.

The Accounts Department Representative (Accounts Rep) will review the customer's revenue and allocate the credit limit basis on the band of revenue ranges. Revenue that are above the maximum or below minimum range will be sent to the Accounts Manager for review. The Accounts Manager will review the application form and then decide on the credit limit to provide. The limit will be written on the form and sign off by the Accounts Manager. Once the limit is confirmed, the Account Rep will enter the details into an excel file and the form will be filed away by customer account number.

The Warehouse department, upon receiving the application form, will create an entry in their delivery system with the registered address of the company for delivery scheduling purposes. The form will then be filed away by customer account number.

#### Required:

- (a) Analyse the above and prepare the flowchart for the processes above. State all assumptions made.  
(25 marks)
- (b) Identify *three (3)* potential weaknesses in Best Auto's process based on the information from the above description. Describe the threats that arise from each weakness and provide solution(s) to deal with each respective weakness.

(All weaknesses, threats and solutions must be based on Best Auto's processes)  
(15 marks)

## Question 2

Best Auto's customers can place orders for parts using their account number by raising a purchase order (tri-plicate) and submitting them to the Sales Department Rep and indicate either self-collection or delivery. For self-collection, the parts can be collected from any branches (provided stocks are available) while deliveries will always be from head office.

Sales Department Rep will verify the order and approve it. Sales department will keep the 1<sup>st</sup> copy while the 2<sup>nd</sup> copy goes to the Accounts department and the 3<sup>rd</sup> copy goes to the Warehouse department.

Warehouse department will prepare the parts and then based on the delivery type, despatched the parts either to the branches or await collection.

Upon successful delivery to customer or successful self-collection, the Warehouse department will make a copy of the delivery order and send them to Accounts department for invoicing.

Accounts department, upon receiving the delivery order, will update the credit limit available and will match the delivery order with the purchase order. Accounts department will then raise an invoice to the customer. Customer can either pay via cheque, cash or through bank transfer. For each type of payment, customer must indicate the invoice number on the payment and inform the Accounts department accordingly. Until payment has been fully made will the credit limit be revised.

### Required:

- (a) Review the processes in this question and explain to Best Auto if the processes are effective. Highlight the issues and whether there are needs for their system to be revamped.  
(16 marks)
- (b) Explain the principles of Business Process Reengineering and how these principles will apply to Best Auto's industry in the revamp of their system.  
(14 marks)

## Question 3

- (a) Compare and contrast the COBIT and the COSO Enterprise Risk Management Frameworks.  
(15 marks)
- (b) Using the COSO Enterprise Risk Management Frameworks, identify *five (5)* components of the framework and indicate how this can be applied to the new systems recommended for Best Auto.  
(15 marks)

---- END OF ASSIGNMENT ----