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**FACULTY OF
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Assessment Details and Submission Guidelines	
Trimester	T2 2019
Unit Code	HA2042
Unit Title	Accounting Information Systems
Assessment Type	Individual assignment
Assessment Title	Case Study – Adam & Co
Purpose of the assessment (with ULO Mapping)	Students are required to: • Understand and explain the place of an accounting information system in the context of the organisational structure and operating practices. (ULO 2) • Identify, analyse and compare different types of accounting information systems. (ULO 3) • Use different methodologies to evaluate various accounting information systems. (ULO 4)
Weight	20% of the total assessments
Total Marks	20
Word limit	Not more than 2,000 words
Due Date	Week 10, Friday 5:00 pm (AEST)
Submission Guidelines	• All work must be submitted on Blackboard by the due date along with a completed Assignment Cover Page. • The assignment must be in MS Word format, no spacing, 12-pt Arial font and 2 cm margins on all four sides of your page with appropriate section headings and page numbers. • Reference sources must be cited in the text of the report, and listed appropriately at the end in a reference list using Harvard referencing style.

Assignment Specifications

Background

You are recently employed as a business analyst at Adam & Co, a Perth-based wholesaler of industrial supplies. Adam & Co sources its inventories from manufacturers in China, Thailand and Vietnam. The company has a centralised accounting system with networked terminals at different locations. Adam & Co's expenditure cycle procedures are described as follow:

Purchases System

The process begins when the purchasing clerk checks the inventory subsidiary ledger at his/her computer terminal each morning. When the quantity of an item is deemed to be too low, the clerk selects a vendor from the valid vendor file and prepares a digital purchase order. The clerk prints two hard copies: one copy is sent to the vendor, and the other is filed in the purchasing department. Digital purchase order record is added to the purchase order file.

When the goods arrive in the receiving department, the receiving clerk inspects them and reconciles the items against the information in the digital purchase order and the packing slip. The clerk then manually prepares two hard copies of the receiving reports. One of these accompanies the goods to the inventory warehouse, where the clerks shelves the goods and updates the inventory subsidiary ledger from his/her computer terminal. The clerk then files the receiving report in the department. The other copy of the receiving report is sent to the accounts payable department, where the accounts payable clerk files it until the supplier's invoice arrives. When the accounts payable clerk receives the invoice he pull the receiving report from the temporary file, prints a hard copy of the digital purchase order, and reconciles the three documents. At this time, the clerk updates the digital accounts payable subsidiary ledger, the accounts payable control account and the inventory control account in the general ledger from his terminal. The clerk then sends the invoice, receiving report, and the purchase order copy to the cash disbursement department.

Cash Disbursements System

Upon the receipt of the documents from the accounts payable department, the cash disbursements clerk files the documents until their payment due date. On the due date, the clerk prepares a cheque for the invoiced account, when is sent to the treasurer who sign it and mail the cheque to the vendor.

The cash disbursements clerk then updates the cheque register, accounts payable subsidiary ledger, and the accounts payable control account from his/her computer terminal. Finally, the receiving clerk files the invoice, purchase order copy, receiving report, and cheque copy in the department.

Payroll System

Adam & Co's employees record their hours worked on time cards every day. Their supervisors review the time cards for correctness and submit them to the payroll department at the end of each week. Using a computer terminal connected to the central payroll system, which is located in the data processing department, the payroll clerk inputs the time card data, prints hard copies of the pay cheques, print two copies of the payroll register, and posts to digital employee records. The payroll clerk files the time cards in the payroll department and sends the employee pay cheques to the various supervisors for review and distribution to their respective department employees. The payroll clerk then sends one copy of the payroll register to the accounts payable department, and files the other with the time cards in the payroll department.

The accounts payable clerk reviews the payroll register and manually prepares a disbursement voucher. The clerk sends the voucher and the payroll register to the general ledger department. The accounts payable clerk then writes a cheque for the entire payroll and deposits it in the imprest account at the bank. Finally the clerk files a copy of the cheque in the accounts payable department.

Once the general ledger clerk receives the voucher and payroll register, the clerk posts to the general ledger from the department computer terminal and files the voucher and payroll register in the department.

Required

Prepare a report to the Managing Director to evaluate the processes, risks and internal controls for its expenditure cycle. In your report, you need to include the following items:
- System flowchart of purchases system
- System flowchart of cash disbursements system
- System flowchart of payroll system
- Description of internal control weakness in each system and risks associated with the identified weakness

Assignment Structure

The report should include the following components:
- Assignment cover page clearly stating your name and student number
- A table of contents, executive summary
- A brief introduction or overview of what the report is about.
- Body of the report with sections to answer the above issues and with appropriate section headings
- Conclusion
- List of references

The report should be grounded on relevant literature and all references must be properly cited and included in the reference list.

Marking criteria

Marking criteria	Weighting
System flowchart of purchases system	4%
System flowchart of cash disbursements system	4%
System flowchart of payroll system	4%
Description of internal control weakness in each system and risks associated with the identified weakness	4%
Presentation	2%
Research quality	2%
TOTAL Weight	**20%**

Marking Rubric

	Excellent	Very Good	Good	Satisfactory	Unsatisfactory
System flowchart of purchases system /4	Present a system flowchart that correctly depict the whole purchases system.	Present a system flowchart that correctly depict the whole purchases system with minor errors.	Present a system flowchart that depict the purchases system with some errors and/or omissions.	Present a system flowchart that depict the purchases system with errors and/or omissions throughout the diagram.	Present a system flowchart that does not properly represent the purchases system.
System flowchart of cash disbursements system /4	Present a system flowchart that correctly depict the whole cash disbursements system.	Present a system flowchart that correctly depict the whole cash disbursements system with minor errors.	Present a system flowchart that depict the cash disbursements system with some errors and/or omissions.	Present a system flowchart that depict the cash disbursements system with errors and/or omissions throughout the diagram.	Present a system flowchart that does not properly represent the cash disbursements system.
System flowchart of payroll system /4	Present a system flowchart that correctly depict the whole payroll system.	Present a system flowchart that correctly depict the whole payroll system with minor errors.	Present a system flowchart that depict the payroll system with some errors and/or omissions.	Present a system flowchart that depict the payroll system with errors and/or omissions throughout the diagram.	Present a system flowchart that does not properly represent the payroll system.
Description of internal control weakness in each system and risks associated with the identified weakness /4	Present an excellent discussion of internal control weakness in each system and risks associated with the identified weakness.	Present a very good discussion of internal control weakness in each system and risks associated with the identified weakness.	Present a good discussion of internal control weakness in each system and risks associated with the identified weakness with minor errors and/or omissions.	Present a reasonable discussion of internal control weakness in each system and risks associated with the identified weakness with errors and omissions.	Present a weak or inadequate discussion of internal control weakness in each system and risks associated with the identified weakness.

Presentation /2	Report included all elements and was very well presented. Writing flowed clearly and sections were linked very effectively. Referencing was exemplary. English was used very effectively and was error-free.	Report included all elements and was well presented. Writing flowed clearly and sections were linked effectively. Referencing was of a high standard. English was used effectively with very few errors present.	Report included all elements and was generally presented appropriately. Writing mostly flowed well and sections were linked. Referencing was in accordance with guidelines. English was used effectively with few errors present.	Report included most elements and was adequately presented. Writing sometimes did not flow clearly leaving the paper to seem disjointed in areas. Referencing was somewhat in accordance with guidelines. Basic English was used with some errors present.	Report lacked some elements and was poorly presented. Writing often did not flow clearly leaving the paper to seem somewhat disjointed. Referencing was not entirely in accordance with relevant guidelines. Basic English was used with errors present.
Research Quality /2	An extensive amount of high-quality evidence from peer-reviewed journal articles and other sources was included and used effectively to support discussion.	A broad range of quality peer-reviewed journal references and other sources was included and used effectively to support discussion.	An adequate range of peer-reviewed journal references was included and used to support discussion.	An adequate range of peer-reviewed journal references was included and used to a basic extent to support discussion.	Little or no peer-reviewed journal references were included and these were rarely used to support discussion effectively.