



MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY

P.O. Box 972-60200 – Meru-Kenya.
Tel: +254(0) 799 529 958, +254(0) 799 529 959, +254 (0)712 524 293
Website: www.must.ac.ke Email: info@mucst.ac.ke

UNIVERSITY EXAMINATIONS 2024/2025

FOURTH YEAR FIRST SEMESTER EXAMINATION FOR DEGREE OF BACHELOR
OF BUSINESS ADMINISTRATION

BFC 3430: FINANCIAL INFORMATION SYSTEMS

DATE: JANUARY 2025

TIME: 2 HOURS

INSTRUCTIONS: Answer Question ONE and any other TWO questions.

QUESTION ONE (30 MARKS)

- a) Describe the different information needed by different levels of management (8marks)
- b) Explain various functions of an information system (6marks)
- c) How can you debug a loan amortization schedule model? (6marks)
- d) What are the distinguish features of a transaction information system and a management information system (10marks)

QUESTION TWO (20 MARKS)

- a) Explain possible errors that may occur when coming up with a financial model in Ms. Excel (10marks)
- b) Why is documentation so important when formulating a financial model (10marks)

QUESTION THREE (20 MARKS)

- a) What features would you incorporate in your model (12marks)
- b) What should a creator of a model document (8marks)

QUESTION FOUR (20 MARKS)

Describe various errors that one may encounter when creating a financial model. For each error. Explain how on can detect and correct such an error (20marks)



QUESTION FIVE(20MARKS)

- a) Explain various steps one must take when creating a financial model (10marks)
- b) Assume a manager of a fast growing business wishes to have a financial model to show his performance on a daily monthly and annual basis. Identify which independent, dependent and parameters in such kind of a model (10marks)

