

Accounting Information Systems (QNO1 / PQNO) Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

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Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	5
Answers	8
Explanations	10
Next Steps	16

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which information system component is commonly used to produce external financial statements?**
 - A. General ledger system (GLS)**
 - B. Financial reporting system (FRS)**
 - C. Management information system (MIS)**
 - D. Transaction processing system (TPS)**

- 2. How is the digital audit trail like the paper audit trail?**
 - A. The digital audit trail is unable to contact customers for verification.**
 - B. The digital audit trail uses only hard copies.**
 - C. The digital audit trail allows transaction tracing.**
 - D. The digital audit trail is unable to find errors.**

- 3. Which document contains details on the acquisition of a fixed asset?**
 - A. Inventory report**
 - B. Journal voucher report**
 - C. Payroll report**
 - D. Depreciation report**

- 4. What is the primary purpose of internal controls within an organization?**
 - A. They compromise the integrity of an organization.**
 - B. They conclude that employees that steal from a job can go undetected.**
 - C. They are designed for accounting departments only.**
 - D. They protect an organization from risk, and therefore, physical controls and IT controls are used.**

- 5. If an organization wants to increase office staff productivity, which type of commercial system should it choose?**
 - A. Enterprise resource planning (ERP) system**
 - B. Office automation system**
 - C. Special-purpose system**
 - D. In-house system**

- 6. Which type of control is specifically designed to ensure the accuracy and completeness of financial transaction data within an application?**
- A. General controls**
 - B. IT controls**
 - C. Application controls**
 - D. Segregation-of-duties controls**
- 7. In the development lifecycle, which group is considered the end users?**
- A. Systems professionals**
 - B. End users**
 - C. Management**
 - D. Stakeholders**
- 8. Which file type stores data that serve as standards used in processing?**
- A. Master file**
 - B. Transaction file**
 - C. Archive file**
 - D. Reference file**
- 9. Which risk is associated with automating general ledger postings?**
- A. Numerous automated transactions need more time to process and update financial data.**
 - B. Real-time transaction processing requires reconciliation and review of journal vouchers.**
 - C. Having no human intervention means the company could have errors in the data.**
 - D. Batched transactions need complex application logic to process.**
- 10. In a three-way matching control, which reconciliation is tested to ensure consistency across documents?**
- A. Quantities ordered with quantities received**
 - B. Invoice amount with invoice sales price**
 - C. Quantities ordered with quantities requested**
 - D. Invoice amount with requisitioned price**

Answers

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1. B
2. C
3. D
4. D
5. B
6. C
7. B
8. D
9. C
10. A

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Explanations

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1. Which information system component is commonly used to produce external financial statements?

- A. General ledger system (GLS)**
- B. Financial reporting system (FRS)**
- C. Management information system (MIS)**
- D. Transaction processing system (TPS)**

External financial statements require a component that can compile, format, and disclose data in standards like GAAP or IFRS for outside users. The financial reporting system is built for this purpose: it pulls data from the general ledger and other subledgers, performs any necessary consolidation, applies the applicable reporting standards, creates the notes and disclosures, and distributes the final statements to regulators, investors, and lenders. While the general ledger provides the underlying numbers, and transaction processing handles day-to-day entries, and management information systems support internal decision making, the financial reporting system is the part specifically designed to produce externally-facing financial statements.

2. How is the digital audit trail like the paper audit trail?

- A. The digital audit trail is unable to contact customers for verification.**
- B. The digital audit trail uses only hard copies.**
- C. The digital audit trail allows transaction tracing.**
- D. The digital audit trail is unable to find errors.**

Both digital and paper audit trails serve to capture the sequence of actions that affect a transaction, so you can trace what happened, when, and by whom. The digital version does this by keeping an electronic, timestamped log with user IDs and system events, which makes it easy to follow the flow of a transaction across multiple steps and systems. This tracing ability mirrors what a paper trail provides, but in a format that's typically faster to search, easier to compile into a reconstruction, and often more secure against tampering when properly protected. That core function—enabling you to trace a transaction from start to finish—is why this option is the best. The other statements don't describe what's truly similar: they either mischaracterize digital trails as restricted to hard copies or suggest they can't help find errors, which isn't accurate, since tracing is exactly what audit trails are for.

3. Which document contains details on the acquisition of a fixed asset?

- A. Inventory report**
- B. Journal voucher report**
- C. Payroll report**
- D. Depreciation report**

The main idea here is that depreciation relies on the asset's initial purchase information. To calculate depreciation, you need the asset's cost and the date of acquisition, along with its useful life and depreciation method. A depreciation report brings all of that together for each fixed asset, showing the purchase cost (acquisition details), date of acquisition, and how depreciation is being recorded over time, which then feeds into the current book value and accumulated depreciation. The other documents serve different purposes: an inventory report tracks stock items, a journal voucher report records individual postings (including asset purchases) but doesn't present a consolidated view of each asset's acquisition details, and a payroll report covers employee costs. So the depreciation report is the document that naturally contains the acquisition details needed for depreciation and asset tracking.

4. What is the primary purpose of internal controls within an organization?

- A. They compromise the integrity of an organization.**
- B. They conclude that employees that steal from a job can go undetected.**
- C. They are designed for accounting departments only.**
- D. They protect an organization from risk, and therefore, physical controls and IT controls are used.**

Internal controls are put in place to reduce risk across the organization by safeguarding assets, ensuring reliable financial information, and promoting compliance with laws and policies. The primary purpose is to protect the organization from risk through a mix of physical controls (such as securing access to cash, inventory, and facilities) and IT controls (like user authentication, appropriate access rights, audit logs, data backups, and change management). These controls help prevent errors and fraud, detect problems when they occur, and provide a mechanism to correct them, not just within the accounting function but across operations. Separation of duties and defined approvals further limit opportunities for misuse and improve information accuracy. In short, internal controls are about protecting the organization and its information systems from risk, rather than enabling theft, being limited to accounting, or existing only for the accounting department.

5. If an organization wants to increase office staff productivity, which type of commercial system should it choose?

A. Enterprise resource planning (ERP) system

B. Office automation system

C. Special-purpose system

D. In-house system

Office automation systems focus on the everyday tools office staff use—word processing, spreadsheets, email, scheduling, and document management—so they directly speed up routine tasks, reduce manual data entry, and improve accuracy. By streamlining these common activities, they boost productivity for administrative personnel without the heavier complexity of broader systems. In contrast, enterprise resource planning integrates many core business processes across the organization and can be expensive and complex, not primarily aimed at daily office task efficiency. Special-purpose or in-house systems might address a narrow need or be customized, but they don't offer the broad, ready-to-use office productivity gains that off-the-shelf office automation software provides.

6. Which type of control is specifically designed to ensure the accuracy and completeness of financial transaction data within an application?

A. General controls

B. IT controls

C. Application controls

D. Segregation-of-duties controls

The main concept is that to ensure the accuracy and completeness of financial transaction data within an application, you need controls that are built into the software itself. These are application controls, designed to validate data at the point of entry, during processing, and before reporting. They include input validation (ensuring data types, formats, and required fields are correct), completeness checks (making sure all necessary fields are filled and batch totals align with source data), reasonableness checks (verifying values fall within expected ranges), processing controls (ensuring calculations are performed correctly), and reconciliation steps that compare outputs back to source or ledger data. Because these controls travel with the application and directly govern how data is captured and processed, they are precisely aimed at preserving data accuracy and completeness within that system. General controls work at a broader level, like access management and change control, which support the environment but don't target data integrity inside the application itself. Segregation-of-duties helps prevent fraud by distributing responsibilities, but it isn't specifically about ensuring the data's accuracy and completeness inside the application.

7. In the development lifecycle, which group is considered the end users?

- A. Systems professionals**
- B. End users**
- C. Management**
- D. Stakeholders**

End users are the people who will actually use the system to perform daily tasks. In the development lifecycle, involving them ensures the system supports real work, is usable, and delivers the needed business value. They shape requirements from a user perspective, provide feedback during design about how tasks will be done in the interface, and test to verify the solution fits actual workflows. Their focus is on how information flows, data entry, reports, and overall usability in routine operations. Systems professionals are the builders and maintainers of the technical solution, management provides sponsorship and governance, and stakeholders include other parties with an interest in the project. Since end users are the ones who will rely on the system in practice, they are the group described as the end users in the development lifecycle.

8. Which file type stores data that serve as standards used in processing?

- A. Master file**
- B. Transaction file**
- C. Archive file**
- D. Reference file**

Reference data are data stored to serve as standards used during processing. These values remain relatively stable and are used repeatedly to validate, classify, or calculate across many transactions—think currency exchange rates, tax tables, unit conversions, or approved product classifications. Keeping these as a separate reference file ensures consistency in processing and makes it easy to update standards without touching transactional or master data. By contrast, master files hold core descriptions of entities the system tracks (like customers or products) and are updated as those entities change. Transaction files capture individual business events. Archive files store older data for long-term retention.

9. Which risk is associated with automating general ledger postings?

- A. Numerous automated transactions need more time to process and update financial data.**
- B. Real-time transaction processing requires reconciliation and review of journal vouchers.**
- C. Having no human intervention means the company could have errors in the data.**
- D. Batched transactions need complex application logic to process.**

Automating general ledger postings concentrates the posting logic in the system, so any data errors or misconfigurations in the automated rules can be posted across the ledger without a human review step. If there is no human intervention, bad data, incorrect journal templates, or erroneous mappings may go unnoticed and still affect financial statements. Automation speeds processes, but this speed can become a risk if automatic postings aren't paired with strong data validation, automated reconciliations, clear audit trails, and proper change controls.

10. In a three-way matching control, which reconciliation is tested to ensure consistency across documents?

- A. Quantities ordered with quantities received**
- B. Invoice amount with invoice sales price**
- C. Quantities ordered with quantities requested**
- D. Invoice amount with requisitioned price**

Three-way matching focuses on ensuring consistency among the purchase order, the receiving document, and the vendor invoice to prevent paying for goods that weren't ordered or delivered, and to confirm the terms (quantity and price) are correct across documents. The reconciliation that compares quantities ordered with quantities received is the key test here because it directly verifies that what was requested actually arrived. If the received quantity differs from the ordered quantity, it signals issues like partial deliveries, extra items, or data entry errors that need resolution before payment. Prices and totals are also checked in a three-way match (invoice price against the purchase order price, and the total invoice amount against expected cost), but the specific cross-document quantity verification is the one that ensures consistency across the documents in terms of how much was supposed to be delivered versus how much was actually received.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://acctginfosysqno1pqno.examzify.com>

We wish you the very best on your exam journey. You've got this!

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