

The
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CERTIFICATE UNIVERSITY EXAMINATIONS
SCHOOL OF SCIENCE AND TECHNOLOGY (SST)
CERTIFICATE IN BUSINESS INFORMATION
COMMUNICATION TECHNOLOGY

**CBT 103: INTRODUCTION TO BUSINESS INFORMATION
SYSTEMS**

DATE: 29TH JULY 2026

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **FOUR** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **10 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

SIMPLIFYING BOOKSHOP OPERATIONS AT READMORE BOOKSTORE

ReadMore Bookstore, a small shop in a local town, used to manage all its sales using a paper receipt book and track inventory in a notebook. This often led to mistakes in counting stock and calculating daily sales. The owner, Mrs. Atieno, decided to buy and install a simple Sales and Inventory System.

This new computer system uses a barcode scanner for all books. When a book is sold, the system automatically updates the inventory count and records the sale. At the end of each day, the system can print a report showing total sales and which books are running low. This has helped Mrs. Atieno order new stock on time and understands which books are most popular.

Required:

- a) State and explain FOUR advantages ReadMore Bookstore has gained by using the new system.

(8 marks)

- b) Explain the FIVE main components of an Information System. **(5 marks)**

- c) The new system at ReadMore Bookstore is an example of a Transaction Processing System (TPS). State THREE other types of Information Systems.

(3 marks)

- d) The IT consultant warned ReadMore Bookstore about cyber risks. She then asked: can you state and explain four common security threats their new system might face?

(8 marks)

- e) Explain THREE factors Mrs. Atieno should have considered before buying the new system.

(6 marks)

QUESTION TWO

- a) Define the following terms:

i. Data **(2 Marks)**

ii. Information **(2 Marks)**

- b) State and explain **THREE** qualities of good information. **(6 marks)**

QUESTION THREE

- a) What is the difference between an Input Device and an Output Device? Give ONE example of each.

(4 marks)

- b) At a business seminar, James grew curious. His mentor challenged him. Organizations rely on many systems can you identify four distinct types of Information Systems they often depend on daily?

(4 marks)

- c) What is the main purpose of a Database? **(2 marks)**

QUESTION FOUR

- a) A growing company needed new software. The manager wondered: instead of building their own system, what two reasons might make it wiser to buy one directly from a developer?

(4 marks)

b) Elaborate FOUR benefits of using Information Systems in a business.

(4 marks)

c) What does ERP stand for and its function? **(2 marks)**

QUESTION FIVE

a) Define the term Computer Virus. **(2 marks)**

b) Outline FOUR security features that can be used to protect a database.

(4 marks)

c) State and explain TWO health concerns related to prolonged computer use.

(4 marks)

QUESTION SIX

a) What is a Proxy Server? **(2 marks)**

b) Elaborate TWO reasons why a company would use a proxy server. **(4 marks)**

c) Ali managed a busy cybercafé. Worried about hackers, he wondered: what two effective ways could he use to prevent unauthorized access to his computer system and protect customer information?

(4 marks)