



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF ACCOUNTING & FINANCE

UNIVERSITY EXAMINATION FOR:

BAC 2211: AUDITING

SUPPLEMENTARY/SPEC. EXAMINATIONS

SERIES: JUNE, 2022

TIME: 2 HOURS

DATE: JUNE, 2022

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **FIVE** questions. Attempt question ONE (Compulsory) and any other TWO questions.

Do not write on the question paper.

Question ONE

With reference to the laws of Kenya:-

- (a) Who may be appointed an auditor of a limited company? **(10 marks)**
- (b) Who may not be appointed an auditor of a limited company? **(10 marks)**
- (c) Explain the factors that influence the extent of gathering audit evidence. **(10 marks)**

Question TWO

- (a) Explain the circumstances under which an auditor may qualify his report. **(10 marks)**
- (b) What forms of qualifications are available to auditors in drafting this report. **(10 marks)**

Question THREE

- (a) Explain the main and subsidiary objects of auditing. **(10 marks)**
- (b) Explain the following: -
 - i. Statutory audits **(5 marks)**
 - ii. Private audits **(5 marks)**

Question FOUR

Write explanation notes on the following: -

- (a) Letter of engagement **(5 marks)**
- (b) Management letter **(5 marks)**
- (c) Continuous audit **(5 marks)**
- (d) Interim audit **(5 marks)**

Question FIVE

- (a) Define an audit programme **(4 marks)**
- (b) Explain the advantages and disadvantages of audit programme **(16 marks)**