



# **MAASAI MARA UNIVERSITY**

**REGULAR UNIVERSITY EXAMINATION  
2022/2023 ACADEMIC YEAR  
SECOND YEAR SECOND SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS  
DEGREE IN BACHELOR OF COMMERCE**

**COURSE CODE: ECO 2209-1  
COURSE TITLE: AUDITING AND CONTROL**

**DATE: 19/4/2023**

**TIME: 0830-1030 HRS**

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**INSTRUCTIONS TO CANDIDATES**

1. Answer question **ONE** and any other **THREE** questions
2. Do not forget to write your registration number

*This paper consists of 5 printed pages. Please turn over*

## QUESTION ONE

- a) Discuss four reasons why an auditor might be removed from office by a company. **(8 marks)**
- b) In undertaking an audit assignment the auditor checks the specific evidences of the items appearing in the financial statement and renders an opinion about the overall evidence they signify  
**Required:** Explain any five specific evidence that the auditor checks for **(10 marks)**

## QUESTION TWO

During the audit of maasaimara ltd you suspect that there might have been some irregularities in the procurement department based on the discussion you had with some of the staff members.

**Required:** Explain six steps you would undertake to help you arrive at an appropriate audit opinion. **(15 marks)**

## QUESTION THREE

In relation to enterprise risk management explain the following:

- a) Four roles of risk management committee **(8 Marks)**
- b) Three factors necessary for the implementation of an enterprise risk management programme. **(7 marks)**

## QUESTION FOUR

- a) Explain four purpose of audit program **(8 marks)**
- b) Discuss three disclosure requirement that should be made in an audit report as specified in the companies act **(7 marks)**

## QUESTION FIVE

- a) Describe five financial factors that could indicate doubt in the ability of an entity to continue as a going concern **(10 marks)**
- b) Outline five safeguards that an auditing firm could implement to address potential conflict of interest when auditing two competing companies **(5 marks)**

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