



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE
AND TECHNOLOGY**

UNIVERSITY EXAMINATION FOR THE DEGREE IN BUSINESS

ADMINISTRATION

YEAR3 SEMESTER 2 2018/2019 ACADEMIC YEAR

MAIN CAMPUS PART-TIME

COURSE CODE: ABA 317

COURSE TITLE: AUDITING 2

EXAM VENUE:

DATE:

DURATION: 2 Hours

INSTRUCTIONS

- 1. Answer QUESTION ONE and any other TWO questions**
- 2. Show all your workings.**
- 3. Do not write anything on the question paper**

QUESTION ONE

- a) Discuss the importance of professional independence of an auditor **(10 marks)**
- b) State the meaning of a qualified standards in respect to an audit report **(10 marks)**
- c) Explain the prescribed circumstances under which an auditor may qualify his report **(10 marks)**

QUESTION TWO

- a) State the procedures that a shareholder intending to remove the auditor must follow under the companies Act. **(10marks)**
- b) Explain the procedure a company has to follow when changing its auditors **(10 marks)**

QUESTION THREE

- a) Describe the legal requirements of an audit report **(10 marks)**
- b) Discuss audit procedure of a bank liabilities **(10 marks)**

QUESTION FOUR

- a) Evaluate the benefits of continuous Auditing in a Learning Institution **(10 marks)**
- b) Under what circumstances can an auditor be asked to step down **(10 marks)**

QUESTION FIVE

- a) Discuss the rights of an Auditor **(10 marks)**
- b) Explain The purpose of an engagement letter in Auditing **(10 marks)**