



# **MURANGA UNIVERSITY COLLEGE**

(A constituent College of Jomo Kenyatta University of Agriculture & Technology)

**MAIN CAMPUS**

**ORDINARY UNIVERSITY EXAMINATIONS**

**2014/2015 ACADEMIC YEAR**

**SEMESTER EXAMINATIONS**

**FOR THE DIPLOMA OF COMMERCE**

**COURSE CODE:**

**COURSE TITLE: PRINCIPLES OF AUDITING**

**DATE: 23<sup>RD</sup> APRIL 2015**

**TIME: 2HOURS**

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## **INSTRUCTIONS TO CANDIDATES**

Question ONE (1) is compulsory  
Answer THREE (3) questions

MRUC observes ZERO tolerance to examination irregularities

SECTION A:

QUESTION ONE:

- a) What is an audit trial and how is it beneficial to the auditor discuss its objective? (15 marks)
- b) what should an auditor consider while determining whether an item is material or not? (15 marks)

SECTION B:

QUESTION TWO:

- a) Under which circumstances may a person or firm be disqualified as auditors? (20marks)

QUESTION THREE:

- a) Explain the duties of an auditor extensively? (20 marks)

QUESTION FOUR:

- a) When are interim auditors desirable? (3 marks)
- b) List and explain the benefits of interim audits? (10 marks)
- c) What are the advantages of continuous audits? (7 marks)