



AFRICA
UNIVERSITY
A United Methodist-Related Institution

“Investing in Africa’s Future”

COLLEGE OF BUSINESS, PEACE, LEADERSHIP & GOVERNANCE

NMAC 413: ADVANCED AUDITING THEORY AND PRACTISE

END OF SECOND SEMESTER EXAMINATIONS

MAY 2021

LECTURER: Ms N.E CHIRIMA

TIME: 7 HOURS

Instructions

Answer **ALL** questions

The marks allocated to each question are shown at the end of the question

1. 'Who audits the auditor' became a topical issue in the 21st century. With reference to a 21st century scandal involving any one of the "top 5" (Arthur Anderson included), briefly outline the threats faced by the auditor and suggest the safeguards that could have been employed to ensure an appropriate audit opinion is issued. (You are allowed to base your answer on any downloaded case study. Do not submit the case study but reference your work and indicate the source of your case study)

600 - 1000 words 40 marks

2. Select any company listed on the Zimbabwe Stock Exchange. Assuming the last published financial reports are your opening balances, prepare, for the just starting audit engagement,
 - a. An audit strategy (specify any assumptions made) ***13 marks***
 - b. An audit plan (specify any assumptions made) ***12 marks***
3. The adoption of new accounting and financial reporting standard(s) poses a number of challenges for companies. Illustrate, referring to vivid examples, how these challenges in turn affect an audit being conducted in accordance with International Standards on Auditing (ISA)

600 - 1000 words 35 marks

END OF EXAMINATION