**PRINCIPLES OF AUDITING (EXERCISES ON FLOW CHARTS)**

**QUESTION 1**

1. Take the following case of university exams administration at the Laikipia University College

* The lecturer in charge sets a draft exam.
* The exam is sent to the chair of the department for checking. If satisfied, the chair signs the draft exams, otherwise he/ she returns the draft to the lecturer for amendments.
* The draft exam is then forwarded to the external examiner who again, checks the exam. If satisfied, the external examiner signs the draft exam. If not satisfied, the exam may be referred back to the lecturer of the department for appropriate changes through the office of the chair.
* Exam draft is forwarded to the exams department for typesetting, and the first official rough draft of the exam is produced. The draft is checked by the lecturer. If satisfied, the he/ she signs the exams, otherwise, he fills a form indicating corrections to be made by the exams department.
* Final exam draft is printed and filed ready for administration.

**REQUIRED**

1. A flow chart with appropriate notes for the process.
2. In your opinion, are there any gaps in the process that could be improved? Point them out and suggest any improvements/ changes. If you believe that there are enough checks, please explain your reasoning.

**QUESTION 2**

The following information relates to the order of goods by the procurement department

1. A purchase order is placed.
2. The purchase order is filed temporarily, awaiting delivery of goods.
3. Once the order is received, the goods are checked by Joan who then signs a delivery note when satisfied that the supply is proper. A goods received note is issued to the supplier by Jane, who also receives the invoice.
4. A copy of the order documents is filed in the procurement office.
5. A copy of the order documents is sent to the finance office for the processing of payments.