**EGERTON UNIVERSITY**

**AUDITING II SIT IN CAT 1 (4.11.11)**

**NAKURU TOWN CAMPUS COLLEGE**

1. Auditors and especially internal auditors are frequently attacked for being bottlenecks in organizations, interrupting the smooth flow of operations by, for example, refusing to endorse payments.

* In your opinion, should organizations have internal auditors in the first place? Provide your reason(s). 3 mks
* Discuss the scope of the internal audit department. 8 mks
* Highlight ways to improve the independence of the internal audit function. 2 mks

1. Setting up an effective audit committee has generally been accepted as a good corporate governance practice.
   * What is an audit committee? Discuss the composition of the committee. 4 mks
   * What value does an audit committee add to an organization? 8 mks