



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS**  
**SCHOOL OF MANAGEMENT SCIENCES**  
**OCTOBER 2013 EXAMINATION**

**COURSE CODE: HCM 436**

**CREDIT UNITS: 2**

**COURSE TITLE: Internal Control in Hospitality Administration**

**TIME ALLOWED: 2hrs**

**INSTRUCTIONS: 1. Attempt question one (1) and any other two (2) questions**

**2. Question number 1 is compulsory and carries 30 marks while**

**the other 2 questions carry 20 marks each**

**3. Present all your points in coherent and orderly manner**

**QUESTION ONE**

A. Define:

i. Internal control

5mks

ii. Internal check

3mks

iii. Internal audit

5mks

B. Outline 5 advantages of Internal Control Evaluation Questionnaire (ICEQ)

over Internal Control Questionnaire (ICQ).

5mks

C. Explain briefly the credit control procedures to be put in place for the underlisted:

i. Guests from airlines .

4mks

ii. Guests paying by credit card .

4mks

iii. Guests checking in with tour groups.

4mks

**QUESTION TWO**

- A. Explain the importance of internal control  
12mks
- B. Outline the meaning of PAPAMOSS  
8mks

### **QUESTION THREE**

State:

- i. 5 functions of internal audit  
5mks
- ii. 5 examples of control questionnaire on purchases  
5mks
- iii. 5 features of internal control  
10mks

### **QUESTION FOUR**

- A. Describe 5 factors to be considered in evaluating internal audit functions  
  
20mks

### **QUESTION FIVE**

- A. Discuss 10 contents of audit working papers  
10mks
- B. State 5 components of internal control by management  
5mks
- C. Analyse the 5 basic areas that internal auditors operate in  
5mks