

UNIVERSITY OF SWAZILAND
INSTITUTE OF DEVELOPMENT EDUCATION
SUPPLEMENTARY EXAMINATION PAPER, JULY 2006

DEGREE/DIPLOMA AND YEAR STUDY : DIP. COM III

TITLE OF PAPER : PRINCIPLES OF TAXATION AND
AUDITING

COURSE CODE : AC 304-1 (S) 2006

TIME ALLOWED : TWO (2) HOURS

- INSTRUCTIONS**
1. TOTAL NUMBER OF QUESTIONS ON THIS PAPER: THREE (3)
 2. ANSWER ALL QUESTIONS
 3. THE MARKS AWARDED FOR A QUESTION/PART ARE INDICATED AT THE END OF EACH QUESTION/PART OF QUESTION.
 4. WHERE APPLICABLE, SUBMIT ALL WORKINGS AND CALCULATIONS.

NOTE: YOU ARE REMINDED THAT IN ASSESSING YOUR WORK, ACCOUNT WILL BE TAKEN OF ACCURACY OF THE LANGUAGE AND THE GENERAL QUALITY OF EXPRESSION, TOGETHER WITH THE LAYOUT AND PRESENTATION OF YOUR FINAL ANSWER.

SPECIAL REQUIREMENTS: NONE

THIS PAPER IS NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

QUESTION 1 :**REQUIRED :**

- A. In the conduct of audits of financial statements, it would be a serious breach of responsibility if the auditor did not thoroughly understand accounting. However, many competent accountants do not have an understanding of the auditing process.
What causes the difference between accounting and auditing? (25 marks)
- B. Why there is a need for an audit? (15 marks)

Total for the question (40 marks)

QUESTION 2 :**REQUIRED :**

- A. Explain the concept of auditing independence. (20 marks)
- B. How can it be defended? (10 marks)

Total for the question (30 marks)

QUESTION 3:**REQUIRED :**

:Describe the following

- A. Stewardship and Stewardship accounting (10 marks)
- B. Financial statements (5 marks)
- C. Parties to the financial statements (15 marks)

Total for the question (30 marks)

Total for the paper (100 marks)