

KASNEB

CS PART III SECTION 6

GOVERNANCE AND SECRETARIAL AUDIT

FRIDAY: 27 May 2016.

Time Allowed: 3 hours.

Answer ALL questions. Marks allocated to each question are shown at the end of the question.

QUESTION ONE

- (a) Explain the role of the corporation secretary in relation to governance. (6 marks)
- (b) Discuss six significant governance deficiencies that might be identified in a governance audit. (10 marks)
- (c) Explain the importance of a governance audit engagement letter. (4 marks)

(Total: 20 marks)

QUESTION TWO

- (a) Explain the measures that the board should ensure are put in place in order to manage risks in the organisation. (10 marks)
- (b) Analyse five elements of fraud in relation to governance. (10 marks)

(Total: 20 marks)

QUESTION THREE

- (a) Explain five types of disclosure that a company should make when carrying out a governance audit. (10 marks)
- (b) Discuss the role of a central depository agent in relation to an investor. (3 marks)
- (c) Summarise the records that should be maintained by a depository agent. (4 marks)
- (d) Explain the main objectives of carrying out a forensic audit. (3 marks)

(Total: 20 marks)

QUESTION FOUR

- (a) Discuss the importance of a secretarial audit to an organisation. (5 marks)
- (b) Describe five stakeholders of a company stating how the stakeholders could benefit from a secretarial audit. (10 marks)
- (c) Analyse the areas that a secretarial auditor should focus on to ensure compliance. (5 marks)

(Total: 20 marks)

QUESTION FIVE

Discuss the functions of a company secretary in relation to professional practice.

(20 marks)

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