

UNIVERSITY OF BOLTON

OFF CAMPUS DIVISION

BOTSWANA - IDM

BA (HONS) ACCOUNTANCY

SEMESTER 2 EXAMINATION 2018/2019

PROFESSIONALS IN PRACTICE

MODULE NO: ACC 5005

Date: 25th May 2019

Time: 3hrs

INSTRUCTIONS TO CANDIDATES:

There are 4 questions in this examination
Section A - Answer ALL questions
This is a closed book examination.
You must hand in this exam paper with your
answer booklet.

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Section A - Answer ALL questions

Coles & Kofi Ltd

Aladdin and Helen run a successful partnership. In 2009, they incorporate their business (Coles & Kofi Ltd) and 500 shares are issued. Aladdin and Helen each take 100 shares, 200 shares are taken by Sanjay and the remaining 100 shares are taken by Dominic.

The company's accounts are audited by Honda. It is apparent that Honda has been negligently auditing the company's accounts and Aladdin, Helen, Sanjay and Dominic all believe that Honda should be removed before his period of office has expired. Aladdin is aware of the consensus and so writes a letter to Honda informing him that his office is terminated and he is no longer the company's auditor.

Sanjay and Dominic rarely attend meetings and Aladdin shows little interest in attending board and general meetings. Helen therefore tends to run the business by herself, and the other members appoint her to act as their proxy. She uses this power to alter the articles and to change the company's name to Kofi Ltd.

1. Advise Aladdin, Sanjay and Dominic on their general duties as directors

(25 marks)

2. Advise Helen on the following:

- a) Duty to avoid conflict of interest (12 marks)
- b) Duty to declare interests (10 marks)
- c) Duty to act in accordance with the company's constitution (3 marks)

3. Explain the procedure for changing a company's name (25 marks)
4. Discuss the procedure for removing an auditor from office (25 marks)

END OF QUESTIONS