



MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

**FIRST YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR
DIP IN ACCOUNTANCY**

DACC 111: COMPANY LAW

DATE: 25/7/2019

TIME: 11:00 – 1:00 PM

INSTRUCTIONS

Answer Question One and Any Other Two Questions

QUESTION ONE

- a) For the purpose of the company act cap 486 what is included in a company? (5 marks)
- b) Discuss the types of companies in Kenya (10 marks)
- c) What is a private company as defined by sec 30 companies act cap 486 (5 marks)
- d) Explain the characteristics of a company. (10 marks)

QUESTION TWO

- a) Analyze the effects of legal status that distinguish a company from a partnership (10 marks)
- b) Identify clauses contained in the memorandum of association (10 marks)

QUESTION THREE

- a) Discuss the disadvantages of incorporation (10 marks)
- b) Winding up of a company by court is called compulsory winding up Explain circumstances when this happens. (10 marks)

QUESTION FOUR

- a) Elaborate the steps involved in promotion of a company (10 marks)
- b) Who can petition for compulsory winding up of a company (10 marks)

QUESTION FIVE

- a) Indicate the importance and the purpose of the memorandum of association (10 marks)
- b) Discuss the liabilities of a member (10 marks)