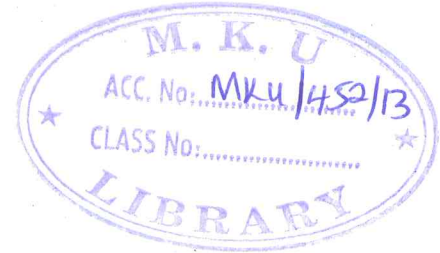


FACTORS AFFECTING AUDITING SERVICE DELIVERY IN

DECLARATION **KENYA: A CASE OF DELLOITE COMPANY**

Declaration by:

Mount Kenya University
NAIROBI CAMPUS LIBRARY



BY

IBRAHIM ADAN MAALIM

BCOM/NRP/103/0022

**A RESEARCH PROJECT SUBMITTED TO MOUNT KENYA
UNIVERSITY IN PARTIAL FULFILMENT FOR THE
REQUIREMENTS OF THE AWARD OF A DEGREE IN BACHELOR
OF COMMERCE (ACCOUNTING OPTION).**

AUGUST 2013

ABSTARCT

The study examines the factors affecting auditing service delivery with a special focus on Kenyan firms. It has been established by numerous studies that auditing firms are affected by several factors which greatly alters the efficiency of their services. In the study the researcher sought to unearth these factors and propose remedies for the challenges they come with. The factors were many and in the study researcher narrowed down on specific factors which thought have the greatest effect on auditing services. In the study the researcher had; corporate leadership, auditors independence and audit quality.

Furthermore the study assessed the work of other researchers to review the literature. In the study the researcher used descriptive research design, where 20% of target population of 300 responses was taken using Simple random sampling technique. Questionnaires were used to collect the data, which was analyzed both quantitatively and qualitatively.

It was established that 68% respondents said mechanism of corporate leadership affect Auditing services in private firms while 71% respondents said measurement of auditing quality affect Auditing services in private firms. It was established that 77% respondents said auditor independence affect auditing services in private firms in private sector.

The study recommended that continuous evaluation of auditing services for effectiveness will go a long way in improving the audit services. Further there is need for guaranteed auditor independence by way of proper remuneration. The study reveals that there is need for Positive associations between audit fees and board independence, expertise and diligence.

If the auditors sacrifice some of their independence when facing the clients they have been working with for a long time or the ex-colleagues from their former audit firms, this will be reflected by a reduced professional skepticism or a soft behavior in audit conflict situation, leading to a lower propensity to issue a qualified audit opinion. The trade-off helps to shed light on auditor independence in appearance, through which any situation that threatens the credibility of an auditor's findings in an investigation is viewed as a threattoauditors' independence.