



## UNIVERSITI TEKNOLOGI MARA

### AUD858: AUDIT & ASSURANCE

<b>Course Name (English)</b>	AUDIT & ASSURANCE <b>APPROVED</b>
<b>Course Code</b>	AUD858
<b>MQF Credit</b>	10
<b>Course Description</b>	<p>The Audit and Assurance syllabus is essentially divided into five areas. The syllabus starts with the nature, purpose and scope of assurance engagements both internal and external, including the statutory audit, its regulatory environment, and introduces governance and professional ethics relating to audit and assurance. It then leads into planning and risk assessment audit. The syllabus then covers a range of areas relating to an audit of financial statements including the scope of internal control. These include, evaluating internal controls, audit evidence, and a review of the financial statements. In addition to final review procedures, the final section concentrates on reporting, including the form and content of the statutory audit report.</p>
<b>Transferable Skills</b>	<p>A) Explain the concept of audit and assurance and the functions of audit, corporate governance, including ethics and professional conduct.</p> <p>B) Demonstrate how the auditor obtains and accepts audit engagements, obtains an understanding of the entity and its environment, assesses the risk of material misstatement (whether arising from fraud or other irregularities) and plans an audit of financial statements.</p> <p>C) Describe and evaluate internal controls, techniques and audit tests, including IT systems to identify and communicate control risks and their potential consequences, making appropriate recommendations. Describe the scope, role and function of internal audit.</p> <p>D) Identify and describe the work and evidence obtained by the auditor and others required to meet the objectives of audit engagements and the application of the International Standards on Auditing (ISAs).</p> <p>E) Explain how consideration of subsequent events and the going concern principle can inform the conclusions from audit work and are reflected in different types of auditor's report, written representations and the final review and report.</p>
<b>Teaching Methodologies</b>	Lectures, Blended Learning, Case Study, Tutorial
<b>CLO</b>	<p>CLO1 A) Explain the concept of audit and assurance and the functions of audit, corporate governance, including ethics and professional conduct, describing the scope and distinguishing between the functions of internal and external audit</p> <p>CLO2 B) Demonstrate how the auditor obtains and accepts audit engagements obtains an understanding of the entity and its environment, assesses the risk of material misstatement (whether arising from fraud or other irregularities) and plans an audit of financial statements</p> <p>CLO3 C) Describe and evaluate internal controls, techniques and audit tests, including IT systems to identify and communicate control risks and their potential consequences, making appropriate recommendations.</p> <p>CLO4 D) Identify and describe the work and evidence obtained by the auditor and others required to meet the objectives of audit engagements and the application of the International Standards on Auditing.</p> <p>CLO5 E) Explain how consideration of subsequent events and the going concern principle can inform the conclusions from audit work and are reflected in different types of audit report, written representations and the final review and report.</p>

<b>Pre-Requisite Courses</b>	No course recommendations
<b>Topics</b>	
<b>1. A: AUDIT FRAMEWORK AND REGULATION</b>	
<ul style="list-style-type: none"> <li>1.1) The concept of audit and other assurance</li> <li>1.2) Statutory audit regulation audits</li> <li>1.3) Corporate governance</li> <li>1.4) Professional ethics and ACCA's Code of Ethics and Conduct</li> <li>1.5) Internal audit and governance and the differences between external audit and internal audit</li> <li>1.6) The scope of the internal audit function, outsourcing and internal audit assignments</li> </ul>	
<b>2. B: PLANNING AND RISK ASSESSMENT</b>	
<ul style="list-style-type: none"> <li>2.1) Obtaining and accepting audit engagements</li> <li>2.2) Objective and general principles</li> <li>2.3) Assessing audit risks</li> <li>2.4) Understanding the entity and its environment</li> <li>2.5) Fraud, laws and regulations</li> <li>2.6) Audit planning and documentation</li> </ul>	
<b>3. C: INTERNAL CONTROL</b>	
<ul style="list-style-type: none"> <li>3.1) Internal control systems</li> <li>3.2) The use and evaluation of internal control systems by auditors</li> <li>3.3) Internal controls on a computerized environment</li> <li>3.4) Tests of control –</li> <li>3.5) a) Purchases system</li> <li>3.6) b) sales system</li> <li>3.7) c) payroll system</li> <li>3.8) d) Inventory system,</li> <li>3.9) e) cash system</li> <li>3.10) f) non-current assets</li> <li>3.11) Communication on internal control</li> </ul>	
<b>4. D. AUDIT EVIDENCE</b>	
<ul style="list-style-type: none"> <li>4.1) Financial Statement assertions and audit evidence</li> <li>4.2) Audit procedures</li> <li>4.3) Audit procedures and sampling</li> <li>4.4) The audit of specific items</li> <li>4.5) a) NCA</li> <li>4.6) b) Receivables</li> <li>4.7) c) inventory</li> <li>4.8) d) payables and accruals, provisions and contingencies</li> <li>4.9) e) bank and cash</li> <li>4.10) f) liabilities, capital, and directors' emoluments</li> <li>4.11) Not for profit organization</li> </ul>	
<b>5. E: REVIEW AND REPORTING</b>	
<ul style="list-style-type: none"> <li>5.1) Subsequent events</li> <li>5.2) Going concern</li> <li>5.3) Written representations</li> <li>5.4) Audit finalisation and the final review</li> <li>5.5) The Independent Auditor's Reports</li> </ul>	

Assessment Breakdown		%		
Final Assessment		100.00%		
Details of Continuous Assessment				
	Assessment Type	Assessment Description	% of Total Mark	CLO
Reading List	Recommended Text	BPP Learning Media 2019, <i>ACCA Study Text Audit and Assurance (AA)</i> , 2019 Ed., 19, BPP Learning Media London [ISBN: 9781509724079]		
Article/Paper List	Recommended Article/Paper Resources	AA Examining Team 2019, ACCA Technical Articles		
Other References	<ul style="list-style-type: none"> <li>Website ACCA 2019, <i>ACCA Education Hub</i>, ACCA Education Hub <a href="http://educationhub.accaglobal">http://educationhub.accaglobal</a></li> </ul>			