



UNIVERSITI TEKNOLOGI MARA

AUD339: AUDITING

Course Name (English)	AUDITING APPROVED
Course Code	AUD339
MQF Credit	3
Course Description	This course is an introductory course in auditing. It introduces to students the importance, concept and principles of auditing. It emphasizes the financial statements audit which is a statutory auditing. The course also covers the legal and professional frameworks that affect auditing and auditors. The course further elaborates on the audit process which includes audit planning, audit procedures, audit evidence, audit documentation and preparation of audit report. The students are then exposed to the internal control systems, the audit of financial statements cycles and the verification of the certain financial statements items.
Transferable Skills	communication skills, problem-solving and scientific skills, learning skills
Teaching Methodologies	Lectures, Case Study, Tutorial, Presentation
CLO	CLO1 To explain the fundamental of auditing and the concept of pre-planning in auditing process and auditing of financial statement of non-complex entities CLO2 To evaluate the auditing process and the implementation of internal control system in organization. CLO3 To present the latest contemporary issues and developments in auditing.
Pre-Requisite Courses	No course recommendations
Topics	
1. Introduction 1.1) 1.1 Definition of auditing 1.2) 1.2 Objective of financial statements audit 1.3) 1.3 Distinction between auditing and accounting 1.4) 1.4 Management and auditor's responsibilities 1.5) 1.5 Demand for auditing 1.6) 1.6 Types of audits and auditors 1.7) 1.7 Auditing Profession	
2. Audit Regulation 2.1) 2.1 Companies Act 2016 2.2) 2.2 MIA By-Laws (On Professional Ethics, Conduct and Practice) 2.3) 2.3 Standards on auditing 2.4) 2.4 Audit Oversight Board (AOB)	
3. Audit Planning and Fieldwork 3.1) 3.1 Pre-plan: client's acceptance 3.2) 3.2 Scope of financial statements audit 3.3) 3.3 Knowledge of client's business and industries 3.4) 3.4 Client business risk 3.5) 3.5 Internal Control System 3.6) 3.6 Preliminary analytical procedures 3.7) 3.7 Materiality, Audit Risks and Sampling 3.8) 3.8 Audit procedures 3.9) 3.9 Audit evidence 3.10) 3.10 Audit documentation	
4. Audit of Financial Statement Cycles 4.1) 4.1 Types of financial statement cycles 4.2) 4.2 Component in financial statements cycles 4.3) 4.3 Audit procedures for financial statement cycles	

5. Audit of Statements of Financial Position and Comprehensive Income

- 5.1) 5.1 Audit procedures for statement of financial position – account balances and disclosures
- 5.2) 5.2 Audit procedures for statement of profit or loss and other comprehensive income

6. Audit Report

- 6.1) 6.1 Elements of audit report
- 6.2) 6.2 Types of audit report and opinion
- 6.3) 6.3 Key audit matters

7. Contemporary Issues and Developments in Auditing.

- 7.1) 7.1 Industry Revolution 4.0 and its impact on auditing profession
- 7.2) 7.2 Transnational audit
- 7.3) 7.3 Other issues

Assessment Breakdown	%
Continuous Assessment	40.00%
Final Assessment	60.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Group Project	Case Study Presentation/Group Presentation/Assignment	10%	CLO3
	Test	Test 1	15%	CLO1
	Test	Test 2	15%	CLO1

Reading List	Recommended Text	Reference Book Resources
	<ul style="list-style-type: none"> Arens, A.A., Elder, R.J., Beasley, M.S., Adapted by Noor Afza A., Faudziah Hanim, Nor Zailina, Mohamad Naimi & Rohami. 2014, <i>Auditing and Assurance Services in Malaysia: An Integrated Approach</i>, 3rd Ed., Pearson Malaysia [ISBN: 9789673493432] Ayoib Che Ahmad, Hasnah Haron, Mazrah Malik, Zalailah Salleh, Hillwani Hariri, Norziation Ismail Khan, Sherliza Puat Nelson 2017, <i>Fundamentals of Auditing</i>, 1 Ed., 24, Oxford Malaysia [ISBN: 9789834723842] 	<ul style="list-style-type: none"> Ferdinand A. Gul, Nurmazilah Mahzan 2015, <i>Auditing</i>, 3 Ed., 20, CCH (M) Sdn Bhd Malaysia [ISBN: 9789814359870] Grant & Simnett Gay (Roger), Grant E. Gay, Roger Simnett 2012, <i>Auditing and Assurance Services in Australia</i> [ISBN: 9780071013109]

Article/Paper List	This Course does not have any article/paper resources
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Other References	<ul style="list-style-type: none"> Regulation <i>Companies Act 2016</i> Regulation <i>MIA By-Laws (On Professional Ethics, Conduct and Practice)</i> , Malaysia Institute of Accountant Regulation <i>Malaysian Approved Standard on Auditing</i>
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