



UNIVERSITI TEKNOLOGI MARA

AUD721: SEMINAR IN AUDIT THEORY AND PRACTICE

Course Name (English)	SEMINAR IN AUDIT THEORY AND PRACTICE APPROVED
Course Code	AUD721
MQF Credit	3
Course Description	This course is designed to provide an overview of the development, implementation and current issues of auditing. It provides an understanding of the concepts and principles in auditing. Topics discussed include auditor's responsibility, audit planning, control issues, assurance services and impact of technology in audit process. It also examines the audit practice and methodology within the statutory and regulatory requirements and behavioral aspects of auditing.
Transferable Skills	Confident Ethically and Socially Sensitive Effective Communicator Resourceful and Responsible Reflective Learner
Teaching Methodologies	Lectures, Discussion, Presentation, Journal/Article Critique
CLO	CLO1 Demonstrate their ability to work within a professional and ethical framework. CLO2 Discuss the issues relating to auditing. CLO3 Apply and evaluate the requirements of Malaysian Approved Auditing Standards. CLO4 Identify and describe the work required to meet the objectives of audit. CLO5 Analyze findings, investigate inconsistencies and prepare appropriate reports on assignments.
Pre-Requisite Courses	No course recommendations
Topics	
1. THE ROLE OF AUDITING AND LEGAL LIABILITY 1.1) Demand for Auditing 1.2) Audit Profession 1.3) Professional and Ethical considerations 1.4) Auditor's responsibility in detecting fraud 1.5) Legal liability to client and third party	
2. AUDIT CONCEPTS AND PLANNING 2.1) Audit Risk 2.2) Determination of Materiality 2.3) Identifying sources of audit evidence and its applications to predetermined audit objectives 2.4) Terms of engagement 2.5) Understanding of entity's business 2.6) Developing audit plan and liaison with Audit Committee 2.7) Using the work of internal auditor 2.8) Reliance on the work of experts	
3. UNDERSTANDING INTERNAL CONTROL AND EVALUATION OF CONTROL RISK 3.1) Components of internal control 3.2) Understanding, documentation and evaluation of internal controls 3.3) Assessing Control Risk 3.4) Tests of Controls	

4. SUBSTANTIVE TESTS

- 4.1) Management assertions and audit objectives
- 4.2) Audit sampling and other selective testing procedures
- 4.3) Balance and transaction testing for financial statement
- 4.4) components (Inventory, account receivable, Investments, tangible and intangible non-current assets, provisions, contingent liabilities and deferred

5. COMPLETING THE AUDIT

- 5.1) Compliance with Accounting Standards and Companies Act 1965
- 5.2) Analytical Review
- 5.3) Going Concern Considerations
- 5.4) Review for subsequent Events, Contingencies and Commitments
- 5.5) Opening Balances and Comparatives Figures
- 5.6) Audit of Accounting Estimates
- 5.7) Management Representations
- 5.8) Related Parties Transactions

6. AUDIT IN COMPUTERIZED ENVIRONMENT

- 6.1) Effects of computerization on audit process
- 6.2) Internal controls in computerized system
- 6.3) Computer Assisted Audit Techniques (CAATs)

7. REPORTING

- 7.1) Formulation an Audit Opinion on Statutory Accounts
- 7.2) Unqualified and Modified Audit Reports

8. FORENSIC AUDIT

- 8.1) Introduction to Forensic Audit
- 8.2) Fraud Prevention and Detection
- 8.3) Fraud investigation
- 8.4) Forensic tools and kits

9. CURRENT ISSUES AND INTERNATIONAL DEVELOPMENTS

- 9.1) Professional ethics
- 9.2) Corporate governance
- 9.3) Fraud risk assessments
- 9.4) Environmental Audit

Assessment Breakdown	%
Continuous Assessment	60.00%
Final Assessment	40.00%

Details of Continuous Assessment	Assessment Type	Assessment Description	% of Total Mark	CLO
	Group Project	Based on current Issues which is given earlier.	20%	CLO5
	Individual Project	Base on any of the chapters in the syllabus	10%	CLO5
	Presentation	Presentation depend on chapters in the syllabus	10%	CLO5
	Test	Two questions are given base on the JSU,	20%	CLO3 , CLO4

Reading List	Recommended Text	<ul style="list-style-type: none"> • 1. Eilifsen A., Messier J. W. F., Glover S. M. Prawitt F. D, <i>Auditing and Assurance Services</i>, McGraw-Hill Education (UK) UK • Hopwood W. S., Leiner J. J. and Young G. R, <i>Forensic Accounting and Fraud Examination</i>, 2 Ed., McGraw-Hill International Edition UK
Article/Paper List	This Course does not have any article/paper resources	
Other References	This Course does not have any other resources	