

## Liverpool John Moores University

Title: AUDITING: THEORY AND ETHICS  
Status: Definitive but changes made  
Code: **6010BUSAF** (117756)  
Version Start Date: 01-08-2011

Owning School/Faculty: Liverpool Business School  
Teaching School/Faculty: Liverpool Business School

Team	Leader
Brendan Quirke	Y

**Academic Level:** FHEQ6  
**Credit Value:** 12.00  
**Total Delivered Hours:** 28.00  
**Total Learning Hours:** 120  
**Private Study:** 92

### Delivery Options

Course typically offered: Semester 2

Component	Contact Hours
Lecture	13.000
Tutorial	13.000

**Grading Basis:** 40 %

### Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	AS1	Exam	75.0	2.00
Essay	AS2	Coursework	25.0	

### Aims

*To develop knowledge and understanding of the risk based approach to auditing and the importance of the ethical dimension of audit independence as well as the difficulties of fighting transnational fraud in the European Union.*

### Learning Outcomes

After completing the module the student should be able to:

- 1 Assess the role of audit in the fight against fraud
- 2 Describe and evaluate the importance of the ethical dimension of auditor independence
- 3 Appraise the relationship between audit theory and audit practice
- 4 Evaluate the role of audit
- 5 Critical assessment of the importance of the ethical dimension of auditor independence
- 6 Evaluation and appraisal of the relationship between audit theory and audit practice

## Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

EXAM	1	2	3
CW	4	5	6

## Outline Syllabus

*The philosophy of auditing*

*The regulatory framework and the theoretical framework*

*Risk and the auditor*

*Statistical sampling techniques*

*The ethical responsibilities of the auditor*

*Independence and the auditor*

*Fighting fraud in transnational organizations – the case of the EU*

*Corporate Governance and Auditing*

*The role of Internal Audit*

*Current Issues in Auditing*

## Learning Activities

Weekly one-hour lecture and one-hour tutorials

## References

<b>Course Material</b>	Book
<b>Author</b>	Gray, I and Manson, S
<b>Publishing Year</b>	2005
<b>Title</b>	The Audit Process
<b>Subtitle</b>	
<b>Edition</b>	
<b>Publisher</b>	Thomson
<b>ISBN</b>	978861529466

<b>Course Material</b>	Book
<b>Author</b>	Millichamp, AH & Taylor, J
<b>Publishing Year</b>	2008
<b>Title</b>	Auditing
<b>Subtitle</b>	
<b>Edition</b>	9th ed.
<b>Publisher</b>	Thomson Learning
<b>ISBN</b>	9781844809400

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### Notes

The module examines how theory underpins practice and whether a practical subject like auditing can have a philosophy. The issues of ethics and independence and the risk based approach used by practicing auditors are also considered in some detail.