

Liverpool John Moores University

Title: AUDITING
Status: Definitive
Code: **6523CP** (103608)
Version Start Date: 01-08-2013

Owning School/Faculty: Arts, Professional and Social Studies
Teaching School/Faculty: Dublin Business School

Team	Leader
Alistair Beere	Y

Academic Level: FHEQ6
Credit Value: 24.00
Total Delivered Hours: 77.00
Total Learning Hours: 240
Private Study: 163

Delivery Options

Course typically offered: Standard Year Long

Component	Contact Hours
Lecture	50.000
Tutorial	25.000

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Essay	AS1	Group Assignment	30.0	
Exam	AS2	Examination	70.0	2.00

Aims

To familiarise learners with the nature, purpose and scope of an audit.
To develop in learners an understanding of the audit framework, both legal and professional.
To build learners' knowledge of practical audit applications including audit in a computerised environment.
To enable learners to consider all aspects of the audit approach including the issues involved in forming an audit opinion.

To give learners the knowledge to understand how audit techniques can be adapted to unconventional situations.

To enable learners understand the current and future issues facing the profession.

Learning Outcomes

After completing the module the student should be able to:

- 1 Explain the theoretical concepts and framework that underpins an audit including the rights and duties of auditors and directors.
- 2 Identify and apply audit concepts relating to audit risk in both manual and computerised accounting environments.
- 3 Design and apply the appropriate audit procedures to practical audit situations both statutory or non-statutory engagement
- 4 Display a detailed understanding of the different audit reports and modifications.
- 5 Critically discuss current and future issues facing the profession.

Learning Outcomes of Assessments

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

GROUP	1	2	3	4	5
ASSIGNMENT					
EXAM	1	2	3	4	5

Outline Syllabus

1. *Nature, Purpose and Scope of an Audit* The nature and purpose of the audit. Differentiate between the auditors and directors rights and duties The Auditing Profession and Recognised Supervisory Bodies
2. *Audit Regulation International Standards on Auditing (ISA's)* Ethical principles and Regulatory environment
3. *Corporate Governance* Understand the impact of Corporate Governance requirements of the audit.
4. *Internal Audit* Differentiate between internal and external audit The duties of internal audit and examples of assignments.
5. *Audit Planning*• Accepting an appointment as an auditor - The engagement letter• Audit planning & risk• Audit evidence• Audit sampling• Quality control and review procedures• Computer assisted auditing techniques
6. *Audit Performance* Ascertaining, documenting, testing and evaluating the Internal Control System Substantive tests of Income Statement and Statement of Financial Position items including: revenue, purchases, wages and salaries, inventory, receivables and prepayments, bank and cash, payables and accruals, non-current assets.
7. *Audit Considerations* Contingencies and subsequent events Going concern Analytical review Management representation letter Reliance on experts Accounting estimates
8. *Audit Review* Issues involved in forming an audit opinion. Use of analytical review.

9. *Reporting Main elements of an Audit Report. Circumstances where a modified Audit Report is required. Other reports and communications.*

10. *Current Issues. Current and future issues facing the profession. Discussion of topical and controversial audit related cases in the media.*

Nature, Purpose and Scope of an Audit.

The Regulatory Framework of Auditing.

The Beginning of the Audit Process.

The Performance of an Audit.

Audits in a Computer Environment.

Audit Review and Reporting.

Other Matters.

Learning Activities

Lectures and tutorials.

References

Course Material	Book
Author	Grey and Mason
Publishing Year	2011
Title	The Audit Process
Subtitle	Principles, Practices & Cases
Edition	5th
Publisher	Thompson Learning
ISBN	

Course Material	Book
Author	Millichamp, A
Publishing Year	2012
Title	Auditing
Subtitle	
Edition	10th
Publisher	Continuum Publishing, London
ISBN	

Course Material	Book
Author	Porter, B, Simon, J and Hatherly, D
Publishing Year	2008
Title	Principles of External Auditing
Subtitle	
Edition	3rd
Publisher	John Wiley & Sons, Chichester
ISBN	

Notes

This module provides the tools and techniques used to conduct an audit investigation whether on a statutory or other assurance basis. Learners will become familiar with the regulatory and ethical environment within which the audit must be conducted. The identification of and the appropriate response to key audit risks will also be applied to practical scenarios.