

Course Title	Advanced Audit and Internal Review				
Course Code	AEF225				
Course Type	Compulsory				
Level	Bachelor (1 st Cycle)				
Year / Semester	2 nd Year / 4 th Semester				
Teacher's Name	TBA				
ECTS	6	Lectures / week	3 Hours / 14 weeks	Laboratories / week	None
Course Purpose and Objectives	An advanced auditing course focusing in the areas of controls, sampling methods and planning audit engagements for debtors, stock, liabilities, capital, cash and fixed assets. Students will be exposed to the methods and techniques used for the audit engagements.				
Learning Outcomes	<p>Upon successful completion of this course students should be able to:</p> <ul style="list-style-type: none"> • Associate the nature, purpose and scope of auditing and internal review, including the role of external audit and its regulatory framework, and the role of internal audit in providing assurance on risk management and on the control framework of an organization. • Identify the risks and procedures undertaken in the planning process, plan work to meet the objectives of the audit or review assignment and draft the content of plans. • Examine and evaluate accounting and internal control systems and identify and communicate control risks, potential consequences and recommendations. • Explain and evaluate sources of evidence, describe the nature, timing, and extent of tests on transactions and account balances (including sampling and analytical procedures) and design programs for audit and review assignments. • Evaluate findings, investigate inconsistencies, modify the work program as necessary, review subsequent events, and justify and prepare appropriate reports for users within and external to the organization, including recommendations to enhance business performance. • Discuss and apply the requirements of relevant International Standards on Auditing 				
Prerequisites	AEF205	Co-requisites	None		

Course Content	<p>1. Internal Control</p> <ul style="list-style-type: none"> √ Internal control systems √ The use of internal control systems by auditors √ Transaction cycles √ Tests of controls √ The evaluation of internal control components √ Communication on internal control √ Audit procedures <p>2. Test of Control</p> <p>Explain, analyse and provide examples of internal control procedures and control activities. Explain and tabulate tests of control suitable for inclusion in audit working papers</p> <p>3. Audit procedures and sampling</p> <p>Discuss and provide examples of how analytical procedures are used as substantive procedures. Discuss the problems associated with the audit and review of accounting estimates. Define audit sampling and explain the need for sampling. Identify and discuss the differences between statistical and non-statistical sampling. Discuss and provide relevant examples of the application of the basic principles of statistical sampling and other selective testing procedures. Discuss the results of statistical sampling, including consideration of whether additional testing is required. Explain the use of computer-assisted audit techniques in the context of an audit. Discuss and provide relevant examples of the use of test data and audit software for the transaction cycles and balances mentioned in sub-capability. Discuss the use of computers in relation to the administration of the audit. Discuss the extent to which auditors are able to rely on the work of experts of internal audit. Discuss the audit considerations relating to entities using service organisations. Discuss why auditors rely on the work of others and explain the extent to which reference to the work of others can be made in audit reports</p> <p>4. Audit Evidence and Non-Current Assets</p> <p>In reference to the audit of non-current assets explain the purpose of substantive procedures in relation to financial statement assertions. Explain the substantive procedures used in auditing each balance. Tabulate those substantive procedures in a work program</p> <p>5. Audit Evidence and inventory</p> <p>In reference to the audit of inventory explain the purpose of substantive procedures in relation to financial statement assertions. Explain the substantive procedures used in auditing each balance. Tabulate those substantive procedures in a work program</p> <p>6. Audit Evidence and Receivables</p>
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In reference to the audit of receivable explain the purpose of substantive procedures in relation to financial statement assertions. Explain the substantive procedures used in auditing each balance. Tabulate those substantive procedures in a work program

7. Audit Evidence and Bank and Cash

In reference to the audit of bank and cash explain the purpose of substantive procedures in relation to financial statement assertions. Explain the substantive procedures used in auditing each balance. Tabulate those substantive procedures in a work program

8. Audit of Liabilities and Capital

In reference to the audit of liabilities and capital explain the purpose of substantive procedures in relation to financial statement assertions. Explain the substantive procedures used in auditing each balance. Tabulate those substantive procedures in a work program

9. Audit for Not-for-profit organisations

Apply audit techniques to small not-for-profit organisations. Explain how the audit of small not-for-profit organisations differs from the audit of for-profit organisations.

10. Audit Review and Finalization

Explain the purpose of a subsequent events review. Discuss the procedures to be undertaken in performing a subsequent events review. Define and discuss the significance of the concept of going concern. Explain the importance of and the need for going concern reviews and the respective responsibilities of auditors and management regarding going concern. Discuss the procedures to be applied in performing going concern reviews and the disclosure requirements in relation to going concern issues. Discuss the reporting implications of the findings of going concern reviews. Explain the purpose of and procedure for obtaining management representations. Discuss the quality and reliability of management representations as audit evidence and the circumstances where management representations are necessary and the matters on which representations are commonly obtained. Discuss the importance of the overall review of evidence obtained and explain the significance of unadjusted differences

11. Audit reports

Describe and analyse the format and content of unmodified audit reports. Describe and analyse the format and content of modified audit reports. Identify and analyse internal control and system weaknesses and their potential effects and make appropriate recommendations to management

Recent developments and contemporary issues pertaining to the subject matter of the course.

Teaching Methodology	Face to face		
Bibliography	<p>BPP Notes for F8-ACCA, Latest Edition.</p> <p>Howard, L.R.: AUDITING, (latest edition)</p> <p>Stettler, H.F.: AUDITING PRINCIPLES, (latest edition).</p> <p>Arens A.A., R.J. Elder & M.S. Beasley: Auditing And Assurance Services: An Integrated Approach, (Latest edition), Prentice Hall.</p> <p>Eilifsen, A., Messier, W., Glover, S., Prawitt, D.: Auditing and Assurance Services: International Edition (latest edition). McGraw Hill Education.</p> <p>William F. Messier: Auditing and Assurance Services: A systematic approach, McGraw Hill</p> <p>Kelly L., Advanced Auditing and Assurance, Latest Edition.</p> <p>Schemmann M., External & Internal Auditing: The International Standards - A practical professional guide, Latest Edition.</p> <p>Additional Readings (Journals)</p> <p>Montika Intan Kirana and Wayan Ramantha, (2020),” The Effect of Auditor Rotation, Time Pressure, and Audit Tenure on Audit Quality with Auditor Specialization as Moderation Variable“, International Research Journal of Management, IT & Social Sciences, Vol6, No3, ISSN: 2395-7492.</p> <p>Relevant teaching material from the following organizations:</p> <p>ACCA - http://www.accaglobal.com/students</p> <p>BPP - http://www.bpp.com/acca/papers/f8/</p> <p>http://financial.kaplan.co.uk/TrainingandQuals/Accountancy/ACCA/Pages/default.aspx</p>		
Assessment	<p>Examinations</p> <p>Class Participation and Attendance</p> <p>Assignments</p>	<p>80%</p> <p>10%</p> <p>10%</p> <p>100%</p>	
Language	English		