

Integrated case study

Business



Evaluate audit findings, review of subsequent events, contingencies and commitments at the completion stage and evaluate the nature, timing and extent of the group audit procedures CO 5 Explain and distinguish between audit and audit related services other than financial statement audit such as audit procedures, due diligence review, review services and compilation.

Identify, classify, record, summarize economic events and prepare financial statements In accordance with applicable approved accounting standards for organizations and simple structured groups. POP 2

Provide, interpret and evaluate financial and non-financial information to help management make economic decisions.

POP 3 Apply Shari principles in accounting for financial transactions. POP 4 use and evaluate information technologies and systems for the attainment of organizational objectives. POP 5 Perform audits for business entities using appropriate technologies. POP 7 Think critically in the application of knowledge and suggest possible solutions to accounting issues. POP 8 Synthesis knowledge from other functional areas of business to solve organizational problems. POP 9 Work collaboratively in a management team.

O 10 Communicate effectively, both orally and in writing, with different stakeholders. POP 11 Demonstrate behavior consistent with professional ethics and social responsibility. IPPP Demonstrate a commitment to life-long learning and professional development. POE Demonstrate leadership and entrepreneurial skills. CO- pop (MOE) MATRIX: POI PEP PEP PEP PEP PEP PEP PEP PEP POI POI 1 IPPP a.

Able explain the importance of Professional Ethics, evaluate the professional conduct and ethics of an auditor, able to explain the auditors' liability, what is quality intro and know what is audit risk b.

Able to explain the significance of client's IT, its implication on business activities and audit process, role of Cats in audit work , the nature of internal audit and how internal audit can be used to evaluate performance c. Able to evaluate audit findings, review of subsequent events, contingencies and the group audit procedures; audit report and able to identify fraudulent financial reporting d. Able to explain and distinguish between audit and audit related services other than financial statement audit such as audit procedures, due diligence review, review revise and compilation; e.

Able to know and discuss the current issues facing the auditing profession. Overview of the course via lesson plan and syllabus contents.

Ability to: Understand the significance important of adopting OBEY for the course. Recognize FACT program educational objectives (Pesos). Recognize FACT program outcomes (POs). Recognize the course outcomes (Coos). Recognize the course topic outcomes (Toss). Sharing of materials and information

Entrance Survey Statutory and professional responsibilities Requirements of Companies Act 1965 AIM By-Law (on Professional Conducts and Ethics, Ethics and Practice) 6 Importance of Professional Ethics.

Part I General application of AIM By-Law Fundamental Principles Conceptual Framework Approach Integrity Objectivity professional competency and due

care confidentiality professional behavior Advertising, Marketing and Promotions Professional Accountants in public practice Introduction Threats and Safeguards Professional Appointment Client Acceptance- Engagement Acceptance

Changes in Professional Appointment Conflicts of Interest Second Opinions Fees and Other Types of Remuneration Fees Contingent Fees Referral Fees or Commissions Gifts and Hospitality Objectivity-All Services Independence – Audit and Review Engagement Financial Interests Loans and Guarantees Business Relationships Family and Personal Relationships Employment with an Audit Client Serving as a Director or Officer of an Audit Client Long Association of Senior Personnel (Including Partner Rotation) with an Audit Client Provision of Non-assurance Services to Audit Clients Management Responsibilities

Preparing Accounting Records and Financial Statements Fees-Relative Size Fees-overdue Part II Members in public practice Method of Practice Establishment and Registration of Member Firm Referrals Multiple Services provided by Audit Firms Internal Audit Accounting & Bookkeeping IT Services Taxation Management Services Others Understand the requirement of CA 1965.

Understand the importance of the AIM By-Laws Identify the concept of independence Identify and describe the situations that might affect auditors' independence Identify and discuss the various Sections of the AIM By-Laws Develop capabilities of future accountant to be hand on with the AIM By-

Laws Distinguish the different sections of the AIM By-Laws which applicable to all accountant or accountant in business or accountant in public practice.

Identify the threats that will affect auditors' Judgment Identify method of advertising that might not affect auditors' independence Identify fees that can be charged Identify gifts and hospitality that affect independence Identify conflict of interests Identify loans and Guarantee Identify relationship that might affect independence Identify non-assurance services to clients that impair independence Discuss referral

Lecture Tutorial 1 Own question Past Exam Case Study or written assignment
2 3 Liability of Auditors & Quality Control 4 Liability Under Statute Liability to Shareholders and Attitudes Liability under Common Law Liability to Third Parties Breach of contract and negligence Elements of Quality of Control and its importance Identify the different types of laws. Explain the auditors' liability under the Companies Act 1965 and the Common Law. Explain liability to third party Identify the situation in which the auditors' might breach of contract. Distinguish the different types of negligence

Explain the role Identify the elements of quality control and its importance
Tutorial 2 Rubrics Audit Risk, Materiality and Sampling Concepts of audit risk and materiality Materiality in accounting and auditing Control risk, inherent risk and detection risk Relationship of materiality and audit risk Standards and guidelines influencing determination of materiality Application of audit risk model to audit work Consideration of analytical review procedures Purpose of analytical procedures and application of such procedures in planning Sampling Introduction and types of sampling

Risks in sampling Application of sampling on audit tests Developing the audit plan Identify and describe the concept of risk and materiality Explain what is control risk, inherent risk and detection risk Discuss the relationship of materiality and audit risk Discuss the quantitative level and basis that can be used for valuing materiality Identify factors influencing determination of materiality Discuss the application of audit risk model to audit work Identify and explain sampling Tutorial Corporate Governance and External Auditor Fraud And Error Basic Principles of CGI

Outline good CGI requirements relating to directors responsibilities Audit committees/explain structure and role of AC Benefits and drawbacks of audit committee Definition and Characteristic of Fraud and Error Types of Fraud Assess the Risk of Fraud Specific Fraud Risk Factors Cases (Fraud Diamond) Responsibilities of Management and Auditor in relation to fraud and error Reporting Responsibilities Identify the basic principles of CGI and audit committee Discuss the importance of CGI Explain the structure and role of AC Identify the benefits and drawbacks of audit committee Identify types of fraud

Explain assessing the risk of fraud Discuss the fraud risk factors cases Identify the fraud diamond 5 Completing the Audit Compliance with the accounting standards and Companies Act 1965 Consideration of analytical review procedures in performing the overall review of the financial statements Going concern Indicators that the going concern may be in doubt and identifying any mitigating factors Assessment of the appropriateness of the going concern assumption Implication on the auditor's report where

there is doubt about the going concern assumption Post balance sheet events, contingencies and commitments