

Course Unit Title	Auditing Theory and Practice I		
Course Unit Code	ABSA408		
Type of course unit:	Elective		
Level of course unit:	Bachelor (1st Cycle)		
Year of study:	3		
Semester when the unit is delivered:	5 (Fall)		
Number of ECTS credits allocated:	6		
Name of lecturer(s):	Dr. Michalis Makrominas		
Learning Outcomes of the course unit	<p>By the end of the course, the students should be able to:</p> <ol style="list-style-type: none"> <li>1. Identify and discuss the nature, purpose and scope of an audit.</li> <li>2. Compare and contrast the characteristics of an internal and external audit</li> <li>3. Appraise the statutory and professional duties of an audit.</li> <li>4. Examine the true and fair view and its significance to the audit.</li> <li>5. Design an audit plan when given a mini-case scenario.</li> <li>6. Discuss the procedures for auditor removal or resignation.</li> <li>7. Discuss principles of good corporate governance and relate the practice of external and internal audit in forging corporate governance systems.</li> </ol>		
Mode of Delivery	Face-to-face		
Prerequisites	ABSA203	Co-requisites	NONE
Recommended optional program components	NONE		
Course Contents	<p><b>The nature and purpose of an audit:</b> Audit objectives. The role of auditors. The expectation gap. The changing role of an audit. Internal versus external audits.</p> <p><b>Professional and legal regulation:</b> The auditor's duties and responsibilities concerning the statutory audit. The law concerning the removal, appointment and resignation of auditors. Rules of professional ethics. Auditor independence.</p> <p><b>Fundamental principles and the framework of an audit:</b> True and fair concept. Materiality. Evaluating compliance of financial statements with accounting requirements.</p> <p><b>An overview of the auditing process:</b> Audit planning. Audit evidence – collection and analysis. Evaluation of internal controls and procedures. The balance sheet audit and the audit report.</p> <p><b>Review of financial statements and audit reports:</b> Explain and understand the role of the review of the financial statements to the audit process. Tasks to be carried out in the review. Different types of audit reports that may be issued. Analyze the contents of an audit report. Small and medium sized companies and the audit.</p> <p><b>Introduction to the internal audit:</b> Internal audit versus external audit.</p> <p><b>Corporate Governance:</b> Discuss principles of good corporate governance and</p>		

	relate the practice of external and internal audit in forging corporate governance systems.
Recommended and/or required reading:	
Textbooks	BPP, Study Text, F8 Audit and Assurance, 2016-2017 Edition, BPP Learning Materials, 2016.
References	<ol style="list-style-type: none"> <li>1. Kaplan Publishing, <u>Paper F8 INT: Audit and Assurance: Study Text</u>, Kaplan Publishing, 2015.</li> <li>2. Alan Millichamp and John Taylor, <u>Auditing</u>, Cengage Learning, 10<sup>th</sup> Edition, 2012.</li> <li>3. Iain Gray and Stuart Manson, <u>The Audit Process: Principles, Practice and Cases</u>, Sixth Edition, Thomson Learning, 2015.</li> <li>4. Graham Cosserat and Neil Rodda, <u>Modern Auditing</u>, 4<sup>th</sup> Edition, John Wiley, 2016.</li> </ol>
Planned learning activities and teaching methods	The taught part of course is delivered to the students by means of lectures. Lecture notes and presentations are available through the web for students to use in combination with the textbooks. Lectures are supplemented with class exercises carried out in class and via homework. The students will be asked to complete an assignment during the course.
Assessment methods and criteria	<b>Assignments</b> 20% <b>Tests</b> 20% <b>Final Exam</b> 60%
Language of instruction	English
Work placement(s)	NO