

Course Title	Auditing II				
Course Code	ACF 322				
Course Type	Compulsory				
Level	Undergraduate				
Year / Semester	Year 3 / Semester 6				
Teacher's Name	PHANOS IACOVOU				
ECTS	6	Lectures / week	3	Laboratories / week	N/A
Course Purpose and Objectives	<p>The main objectives of the course are to:</p> <ul style="list-style-type: none"> • Explain the final review procedures. • Understand the principles on reporting, including the form and content of the independent auditor's report. <p>The syllabus for Auditing II, builds on the Auditing I and seeks to examine candidates' understanding of audit evidence, review and reporting. It also prepares candidates for more specialist capabilities which are covered in Auditing & Assurance I and II.</p>				
Learning Outcomes	<p>After completion of the course students are expected to be able to:</p> <p>A. Identify and describe the work and evidence obtained by the auditor and others required to meet the objectives of audit engagements and the application of the International Standards on Auditing (ISAs).</p> <p>B. Explain how consideration of subsequent events and the going concern principle can inform the conclusions from audit work and are reflected in different types of auditor's report, written representations and the final review and report.</p>				
Prerequisites	ACF 321	Required	NONE		
Course Content	<p>A. Audit evidence:</p> <p><u>Financial statement assertions and audit evidence</u></p> <ul style="list-style-type: none"> • The Assertions Explained • Using Assertions • Quality and Quantity of Evidence • The relevance and reliability of audit evidence <p><u>Audit procedures</u></p> <ul style="list-style-type: none"> • Procedures for obtaining evidence 				

- Analytical procedures
- Auditing Accounting Estimates
- Smaller Entity Evidence
- Control v Substantive Tests

Audit sampling and other means of testing

- Definition & need
- Statistical or non-statistical?
- Methods of Sampling
- Misstatement or deviation

The audit of specific items

- Receivables - The Assertions
- Receivables - Direct Confirmation
- Receivables - Other Evidence
- Receivables - Prepayments
- Revenues - Substantive procedures
- Inventory - and the Assertions
- Inventory - The Physical Count
- Inventory - Possible Count Weaknesses
- Inventory - Valuation
- Inventory - Cut-off
- Payables - Trade
- Payables - Accruals
- Payables - Provisions
- Payables - Non-current Liabilities
- Bank & Cash
- Non-current Assets - Tangible
- Non-current Assets - Intangible
- Share capital, reserves and directors' emoluments

Computer-assisted audit techniques

- Using CAATs

The work of others

- Why Rely on Experts?
- Why Rely on Internal Audit?
- Using service organisations

Not-for-profit organisations

- How is the Audit Different?

B. Review And Reporting:

Subsequent events

- Purpose of a Subsequent Events Review

	<ul style="list-style-type: none"> • Auditor responsibility for Subsequent Events • Adjusting Events • Adjusting Events – Diagram <p><u>Going concern</u></p> <ul style="list-style-type: none"> • Going Concern Responsibilities • The need for going concern reviews • Going Concern Review & Indicators • Going Concern Disclosures and Reporting <p><u>Written representations</u></p> <ul style="list-style-type: none"> • Management Representations <p><u>Audit finalisation and the final review</u></p> <ul style="list-style-type: none"> • Final Review • Evaluation of Misstatements <p><u>Independent Auditor’s report</u></p> <ul style="list-style-type: none"> • Structure of an Unmodified Audit Report • Audit Opinion • EOM and Other Matter Compared 						
Teaching Methodology	<ul style="list-style-type: none"> • Working on problem-solving scenarios. • Solving unstructured questions and case studies. • In-class discussions and participation. • Writing and reply on objective type questions. • Brief oral presentation before starting a new chapter and reply to queries from students. • Homework for revision purposes. • Interaction and collaborative learning. • Video Watching. 						
Bibliography	<p><u>Essential Reading:</u> ICAEW (2021). <u>Assurance Study Manual and Question Bank 2020.</u></p> <p><u>Recommended Reading:</u> Kaplan Publishing. <u>ACCA Audit and Assurance (AA) Study Text and Exam Kit.</u></p>						
Assessment	<table border="0"> <tr> <td>Participation</td> <td>10%</td> </tr> <tr> <td>Midterm Exam</td> <td>20%</td> </tr> <tr> <td>Assignment</td> <td>10%</td> </tr> </table>	Participation	10%	Midterm Exam	20%	Assignment	10%
Participation	10%						
Midterm Exam	20%						
Assignment	10%						

	Final Exam	60%
Language	English	