

# IB3F0-12 Auditing, Governance & Accountability

20/21

**Department**

Warwick Business School

**Level**

Undergraduate Level 3

**Module leader**

Lisa Weaver

**Credit value**

12

**Module duration**

9 weeks

**Assessment**

30% coursework, 70% exam

**Study location**

University of Warwick main campus, Coventry

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## Description

### Introductory description

N/A.

[Module web page](#)

### Module aims

The aim of the module is to enable students to understand: the social and economic importance of audit, the nature and objectives of the audit process and the current issues facing the auditing profession.

### Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

The module covers the following:

- The context for auditing activity, including the regulatory framework in which the audit

profession operates, and the societal and economic impacts of the profession.

- Themes which underpin audit quality, including the application of professional ethics.
- The audit process including planning an external audit, risk assessment, obtaining audit evidence and reporting audit findings, addressing a range of practical and theoretical issues.
- The relationship between external and internal functions and the role of audit in corporate governance.
- Auditor behaviour and attributes, including the use of professional scepticism and professional judgement.
- Assurance engagements provided by audit firms, such as due diligence and reviews of forecast financial information.
- Audits in different contexts, such as public sector and charity audits.
- Current issues in audit, for example auditor liability, the expectation gap, the impact of developments in information technology.

## **Learning outcomes**

By the end of the module, students should be able to:

- Critically evaluate the relevance of external audit for wider processes of accountability and governance.
- Discuss the relationship between the audit firm and those charged with governance of the audited entity.
- Analyse the regulatory environment in which auditing operates.
- Explain the matters to be considered and the procedures that should be carried out before accepting an audit client.
- Plan elements of an audit engagement, perform risk assessment, analytical review and determine an audit strategy.
- Evaluate the importance of internal controls to the audit process.
- Identify and evaluate the sources and nature of evidence to be gathered in an audit process.
- Evaluate whether going concern issues are present and recommend an appropriate auditor response.
- Recommend the form and nature of an audit report for given scenarios, critically evaluate the audit report.
- Analyse scenarios to determine if ethical problems exist, and recommend appropriate actions for the audit firm.
- Assess whether an audit engagement has been planned and performed in accordance with professional standards and whether reports issued are appropriate in the circumstances.
- Discuss the application of professional judgement and professional scepticism in an audit.
- Discuss current developments in auditing including the need for new and revised standards and evaluate potential impacts on the conduct of audits.
- Recognise topical issues relating to the audit function in particular discussions around corporate governance, accountability and auditor's role.
- Demonstrate the ability to evaluate critically the auditing issues discussed.

## **Indicative reading list**

Much of the reading for this module will be focused on the regulations which apply to the external

audit process. These are issued by the Financial Reporting Council in the UK. International Standards on Auditing (ISAs), the Ethical Standard applicable to auditors in the UK and the Corporate Governance Code are all available from the Financial Reporting Council website:

Audit and Assurance [www.frc.org.uk](http://www.frc.org.uk)

I will post links to relevant readings each week - some weeks this may be reading a particular piece of regulation (ethical code, audit standard etc), other weeks' reading could include press articles, extracts from professional body reports or company audit reports.

There are also some textbooks which provide useful insight to the external audit process and governance issues. The following texts are referred to most frequently:

Millichamp, A. and Taylor, J. (2018), Auditing, 11th Edition, Cengage Learning - essential text.

Gray I., Manson S. and Crawford, L., (2015). The Audit Process; Principles , practice and cases, 6th Edition ,South Western Cengage Learning - recommended text.

Collings, S. (2011), Interpretation and Application of International Standards on Auditing, 1st Edition, Wiley. - recommended text.

Collings, S. (2014), Frequently Asked Questions on International Standards on Auditing, 1st Edition, Wiley. - recommended text.

Solomon, J. (2013), Corporate Governance and Accountability (2013), 4th Edition, Wiley - recommended text.

## Subject specific skills

- Review relevant literature within the field of auditing.
- Manage own learning and contribute to group discussions.
- Apply knowledge to practical business scenarios.
- Construct arguments that use appropriate theory and techniques and synthesise all sides of an argument to reach a conclusion.
- Justify relevant recommendations in a range of business scenarios.
- Develop professional scepticism and question information provided when appropriate.

## Transferable skills

- Demonstrate oral and written communication skills.
- Reflect critically on the learning process throughout the module.

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## Study

### Study time

Type	Required
Lectures	9 sessions of 2 hours (15%)
Seminars	9 sessions of 1 hour (8%)
Total	120 hours

<b>Type</b>	<b>Required</b>
Private study	37 hours (31%)
Assessment	56 hours (47%)
Total	120 hours

## Private study description

Private Study.

## Costs

No further costs have been identified for this module.

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## Assessment

You do not need to pass all assessment components to pass the module.

### Assessment group D2

	<b>Weighting</b>	<b>Study time</b>
Individual Assignment (12 CATS)	30%	17 hours
Online Examination	70%	39 hours
Exam		
~Platforms - AEP		

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- Students may use a calculator

## Feedback on assessment

In-class and on my.wbs

[Past exam papers for IB3F0](#)

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## Availability

### Pre-requisites

To take this module, you must have passed:

- All of

- All of
  - IB233-12 Financial Reporting 1
  - [IB234-12 Financial Reporting 2](#)

## Courses

This module is Optional for:

- Year 3 of UESA-HN11 BSc Engineering and Business Studies
- UIBA-MN34 Law and Business Four Year (Qualifying Degree)
  - Year 3 of MN34 Law and Business Studies Four Year (Qualifying Degree)
  - Year 4 of MN34 Law and Business Studies Four Year (Qualifying Degree)
- UIBA-N211 Undergraduate Information Systems Management and Innovation
  - Year 3 of N211 Information Systems Management and Innovation
  - Year 3 of N211 Information Systems Management and Innovation
- UIBA-N214 Undergraduate Information Systems Management and Innovation (with Intercalated Year)
  - Year 4 of N214 Information Systems Management and Innovation (with Intercalated Year)
  - Year 4 of N214 Information Systems Management and Innovation (with Intercalated Year)
- Year 4 of UIBA-N140 Undergraduate International Business
- Year 4 of UIBA-N1R1 Undergraduate International Business with French
- Year 4 of UIBA-N1R2 Undergraduate International Business with German
- Year 4 of UIBA-N1R3 Undergraduate International Business with Italian
- Year 4 of UIBA-N1R4 Undergraduate International Business with Spanish
- Year 3 of UIBA-MN31 Undergraduate Law and Business Studies
- UIBA-MN32 Undergraduate Law and Business Studies
  - Year 3 of MN32 Law and Business Studies (Four-Year)
  - Year 4 of MN32 Law and Business Studies (Four-Year)
- UIBA-MN37 Undergraduate Law and Business Studies (Qualifying Degree) with Intercalated Year
  - Year 4 of MN37 Law and Business Studies (Qualifying Degree) with Intercalated Year
  - Year 5 of MN37 Law and Business Studies (Qualifying Degree) with Intercalated Year
- UIBA-MN35 Undergraduate Law and Business Studies with Intercalated Year (3+1)
  - Year 3 of MN35 Law and Business Studies with Intercalated Year (3+1)
  - Year 4 of MN35 Law and Business Studies with Intercalated Year (3+1)
- UIBA-MN36 Undergraduate Law and Business Studies with Intercalated Year (4+1)
  - Year 4 of MN36 Law and Business Studies with Intercalated Year (4+1)
  - Year 5 of MN36 Law and Business Studies with Intercalated Year (4+1)
- Year 3 of UMAA-G1NC Undergraduate Mathematics and Business Studies
- Year 4 of UMAA-G1N2 Undergraduate Mathematics and Business Studies (with Intercalated Year)
- Year 3 of UPXA-F3N1 Undergraduate Physics and Business Studies

This module is Option list A for:

- UIBA-N203 BSc in International Management
  - Year 4 of N203 International Management
  - Year 4 of N203 International Management
- Year 3 of UIBA-N201 BSc in Management
- Year 4 of UIBA-N202 BSc in Management (with Intercalated Year/UPP)
- Year 3 of UIBA-NN35 Undergraduate Accounting and Finance
- UIBA-NN36 Undergraduate Accounting and Finance (with Intercalated Year/Undergraduate Partnership Programme)
  - Year 4 of NN36 Accounting and Finance (Intercalated)
  - Year 4 of NN37 Accounting and Finance (Undergraduate Partnership Programme)
- Year 4 of UPXA-F3ND Undergraduate Physics and Business Studies (with Intercalated Year)

This module is Option list B for:

- UIBA-N201 BSc in Management
  - Year 3 of N230 Management with Finance
  - Year 3 of N250 Management with Marketing
- UIBA-N202 BSc in Management (with Intercalated Year/UPP)
  - Year 4 of N231 Management with Finance (with Intercalated Year)
  - Year 4 of N251 Management with Marketing (with Intercalated Year)
- Year 4 of USTA-Y603 Undergraduate Mathematics,Operational Research,Statistics,Economics (with Intercalated Year)