

301 Assurance

This module will enable students to understand the assurance process and fundamental principles of ethics. It will prepare students with the necessary knowledge and skills to be able to contribute to the assessment of internal controls and gathering of evidence on an assurance engagement.

On completion of this module students will be able to explain the concept of assurance, why assurance is required and the reasons for assurance engagements being carried out by appropriately qualified professionals. Students will be able to explain the nature of internal controls and why they are important, document an organisation's internal controls and identify weaknesses in internal control systems.

Students will develop the skills and competencies to critically select sufficient and appropriate methods of obtaining assurance evidence and recognise when conclusions can be drawn from evidence obtained or where issues need to be referred to a senior colleague. Students will also develop a critical understanding of the importance of ethical behaviour and be able to assess issues relating to integrity, objectivity, conflicts of interest, conflicts of loyalty, and confidentiality and independence.

Intended module learning outcomes

On completion of this module, the student should be able to:

1. Critically evaluate the concept of assurance, why assurance is required and the reasons for assurance engagements being carried out by appropriately qualified professionals.
2. Explain the nature of internal controls and evaluate their importance, document an organisation's internal controls and identify weaknesses in internal control systems.
3. Critically select sufficient and appropriate methods for obtaining assurance evidence and recognised when conclusions can be drawn from evidence obtained or where issues need to be referred to a senior colleague.
4. Critically evaluate the importance of ethical behaviour and identify issues relating to integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and independence.
5. Apply relevant UK (ISA) standards and (IAASB) standards to given scenarios.

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Indicative content

1. Coverage of the concept of assurance, the function and responsibilities of parties involved in assurance engagements, the levels of assurance and the expectation of users of assurance reports.
2. An understanding of the main issues for professional accountants to consider before accepting engagements.
3. Knowledge and understanding of audit strategy including planning, analytical procedures, audit risk and materiality and the influence of international standards on auditing, the international standards on review engagements and the international standards on assurance engagements.
4. An understanding of the assurance process and the production of the audit report, written representations from management and other reports.
5. The role of internal control in organisations and how the professional accountant and the auditor access and record the system of internal control and mitigation of risks.

Required reading

ICAEW (2018) *Assurance, study manual*. 12th ed., London: ICAEW.

Recommended reading

Eilifsen, A., Messier, W., Glover, S. & Prawitt, D. (2014) *Auditing and assurance services*. 3rd international ed., New York: McGraw-Hill Higher Education.

Millichamp, A., & Taylor, J. (2018) *Auditing*. 11th ed., Andover: Cengage Learning EMEA.

The International Auditing and Assurance Standards Board. The IAASB is an independent standard-setting body that serves the public interest by setting high-quality international standards for auditing, assurance, and other related areas, and by facilitating their adoption and implementation.

Scheme of work

Once you have registered and paid for a module you will receive the scheme of work detailing the weekly schedule study plan.

Assessment

The learning outcomes for this module will be assessed as follows:

1¹/₂ hour's multiple choice time-constrained closed-book test.

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