Assurance and Attestation – Course Outline

1. Regulatory framework relating to public accountants and auditors
   - Singapore Accountants Act and Code of Professional Ethics
   - Role of Accounting & Corporate Regulatory Authority (ACRA)
   - Role of the Institute of Certified Public Accountants of Singapore (ICPAS)

2. Appointment of auditors for statutory audit
   - Companies Act – responsibilities of directors
   - Companies Act – responsibilities and rights of auditors
   - Objectives of audit
   - Code of Ethics - Professional clearance procedures
   - Engagement letter

3. Audit Planning
   - Obtaining an understanding of entity’s business and internal controls
   - Preliminary analytical procedures
   - Audit risk assessment
   - Materiality level and sampling
   - Computer assisted audit techniques
   - Audit strategy and approach
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4. Auditing revenue
   - Revenue business processes and accounting procedures
   - Risk of misstatements in revenue accounting
   - Audit procedures/tests on revenue
   - Test of controls
   - Substantive procedures –
     - Test of details (TOD)
     - Substantive analytical procedures

5. Auditing Purchases
   - Purchases business processes and accounting procedures
   - Risk of misstatements in purchases accounting
   - Audit procedures/tests on purchases
   - Test of controls
   - Substantive procedures - Test of details (TOD)

6. Auditing Payroll/Wages
   - Payroll business processes and accounting procedures
   - Risk of misstatements in payroll accounting
   - Audit procedures/tests on payroll
   - Test of controls
   - Substantive procedures - Test of details (TOD)
7. Auditing Receivable
   • Risk of misstatements in receivable accounting
   • Audit procedures/test on receivable
   • Direct confirmation/circularization as audit evidence
   • Subsequent receipts as audit evidence

8. Auditing Payable
   • Risk of misstatements in payable accounting
   • Audit procedures/test on payable
   • Search for unrecorded liabilities

9. Auditing Cash at Bank
   • Bank confirmation as audit evidence
   • Bank reconciliation audit

10. Auditing cash on hand
    • Cash count as audit evidence
    • Petty cash audit

11. Auditing Inventory
    • Stock count as audit evidence
    • NRV audit
    • Auditing perpetual inventory system
    • Relying on the work of internal auditors
12. Auditing property, plant and equipment
   • Risk of misstatements in property, plant and equipment
   • Acquisition cost audit
   • Depreciation audit
   • Property revaluation audit
   • Relying on work of experts

13. Auditing other areas
   • provision
   • events after year end
   • going concern

14. Audit closeout
   • Review of misstatements detected
   • Management representation as audit evidence

15. Audit reporting
   • Management letter
   • Audit report and audit opinion
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Assessment method:

- Final exam – 60%
- Project – 20%
- Class participation – 20%

Reading list:

- Principle of Auditing And Other Assurance Services – Whittington Pany – McGraw Hill
- Audit and Internal Review – Dr. Ernest Kan – CCH