



"الريادة والأبداع في الأعمال"
"Entrepreneurship and
Innovation in Business"

جامعة الزيتونة الأردنية
Al-Zaytoonah University of Jordan
كلية الأعمال
Faculty of Business



"عراقة وجودة"
Tradition and
"Quality"

Detailed Course Description - Course Plan Development and Updating Procedures/ Accounting Department | QF05/0408-3.0E

Faculty	Business	Department	Accounting
Course number	0502436	Course title	Auditing (2)
Number of credit hours	3	Pre-requisite/co-requisite	Auditing (1)

Brief course description

This course is a continuation of (Auditing 1). This course concentrates on the application side of the audit process. Emphasis will be given to the impact of information technology on the audit process, statistical and non-statistical sampling techniques, the application of the audit process on sales and collection cycle, acquisition and payment cycle, payroll cycle, inventory cycle and sales cycle, current assets, long term assets. Current liabilities, long term liabilities and owners' equity

Course goals and learning outcomes	
Goal 1	Understands the litigious environment in which CPAs practice.
Learning outcomes	1.1 The student will be able to demonstrate knowledge and understanding in ethical, regulatory, and social responsibility in accounting issues 1.2 Explain why the failure of financial statement users to differentiate among business failure, audit failure, and audit risk has resulted in lawsuits.
Goal 2	Describe what the profession and the individual CPA can do to reduce the threat of litigation
Learning outcomes	2.1 The student will be able to demonstrate knowledge and understanding in ethical, regulatory, and social responsibility in accounting issues 2.2 The student will be able to communicate effectively, both oral and written in accounting topics and research 2.3 Describe auditors' liability to clients and related defenses. 2.4 Describe auditors' liability to third parties under common law and related defenses.
Goal 3	Knowledge why adequate audit planning is essential.
Learning outcomes	3.1 The student will be able to demonstrate knowledge and understanding in accounting areas 3.2 The student will be able to demonstrate understanding and skills of being part of a team in accounting situations 3.3 Make decisions and perform initial audit planning.
Goal 4	Gain an understand client business and industry.
Learning outcomes	4.1 Know the process prepared by auditor to accept clients
Goal 5	Describe how IT improves internal control
Learning outcomes	5.1 The student will be able to determine information needs and demonstrate knowledge and skills about information technology needed to accomplish specific purposes in Accounting 5.2 Identify risks to accounting systems specific to IT.
Goal 6	Explain how general control and application control reduce IT risks.
Learning outcomes	6.1 The student will be able to determine information needs and demonstrate knowledge and skills about information technology needed to accomplish specific purposes in Accounting



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	6.2 How general controls affect the auditor's testing of application controls.
Goal 7	Describe audit sampling for auditing treatment
Learning outcomes	7.1 The student will apply critical thinking skills by solving problems requiring quantitative and/or qualitative analysis 7.2 Explain the concept of representative sampling 7.3 Distinguish between statistical and nonstatistical sampling and between probabilistic and nonprobabilistic sample selection
Goal 8	Knowledge about the other assurance services that auditor must use in audit treatment.
Learning outcomes	8.1 Understand the level of assurance and evidence requirements for review and compilation services.
Textbook	Arens, Alvin, Elder, Randal J. , Beasley, mark S., 2017 - Auditing and Assurance services 14th edition - International, Edition, Pearson Education International New Jersey USA.
Supplementary references	1- IAASB, (2016), Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements, Part 1, www.ifac.org/ April. 2- IAASB, (2016), Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements Part 2, www.ifac.org/ April. 3- IAASB, (2010), Handbook of The Code of Ethics for Professional Accountant, www.ifac.org/ April 4- IASB, (2011), International Financial Reporting Standards www.iasb.org/UK Jan. 5- Steven Collings (2011), Interpretation and Application of International Standards on Auditing- Wiley Publications. 6- Ray Whittington (2008), Principles of auditing and other assurance services, New York Irwin, McGraw-Hill

Course timeline				
Week	Number of hours	Course topics	Pages (textbook)	Notes
01	1 1 1	Understand the litigation environment in CPAs practice, explain why the failure of FS user to differential among business failure, audit failure and audit risk	73-106	1
02	1 1 1	Describe accountant liability to client and related parties, describe accountant liability to third party under common law, and describe accountant civil liability.	73-106	1+2
03	3	Discuss why adequate audit planning is essential, make client decision and perform initial audit planning.	193-229	3
04	3	Gain an understand client business and industry, assess client business risk, perform preliminary analytical procedures.	193-229	4
05	3	Select the most appropriate analytical procedure from among the five major types, compute financial ratios.	193-229	4
06	3	FIRST EXAM		
07	1 1 1	Objectives of conducting an audit of F.S, Management responsibilities, Auditor responsibilities, F.S cycle, Transaction related audit objectives, Balance related audit	345-373	5



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		objectives, and How audit objectives are met?		
08	3	Nature of evidence, Audit evidence Decisions, persuasiveness of evidence, Types of audit evidence, Audit documentation.	161-192	3+4
09	3	Types of fraud, Conditions for fraud, Assessing the risk of fraud.	313-343	3+4
10	1 1 1	Corporate Governance oversight to reduce fraud risks, Responding to the risk of fraud, Responsibilities when fraud is suspected.	313-343	4
11	1 1 1	How information technologies enhance internal control, Assessing risks of information technology, internal control specific to information technology. Impact of information technology on the audit process.	345-374	4
12	3	SECOND EXAM		
13	1 1 1	Business function in the cycle and related documents and records, Parts of the audit on inventory, Audit of cost accounting, Analytical procedures.	637-664	5
14	1 1 1	Methodology of designing test of details of balances, Physical observation of inventory, Audit of pricing and completion, Integration of the tests	637-664	5
15	1 1 1	Review for contingent liabilities and commitments, Review for subsequent events, Final evidence accumulation, evaluate results, Issue the audit report.	711-739	5
16	3	FINAL EXAM		

Theoretical course evaluation methods and weight	Participation = 10% First exam 20% Second exam 20% Final exam 50%	Practical (clinical) course evaluation methods	Semester students' work = 50% (Reports, research, quizzes, etc.) Final exam = 50%
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Approved by head of department | Dr. Abdallah Atieh | **Date of approval** | 30/8/2017

Extra information (to be updated every semester by corresponding faculty member)

Name of teacher		Office Number	
Phone number (extension)		Email	_____@zuj.edu.jo
Office hours			

Dr. Ahmad Adel