

Course Code:	BCOM E3072
Title:	Audit & Assurance
Type/Status:	Core
Aims:	This course unit is designed to provide the student with a basic understanding of all aspects of auditing to analyze the situations to determine the key evidential issues to construct the appropriate audit report to be communicated to the stake holders based on the guidelines established by the Sri Lanka Auditing Standards.

Learning Outcome :

By the end of the course unit, students will be able to:

- identify the requirements for auditing of Company's financial statements under the Sri Lanka Accounting & Auditing Standards act no. 15 of 1995 and the Companies Act no 07 of 2007
- define the framework of Auditing & Assurance engagements and identify the importance of qualified professionals for carrying out the assurance engagements
- describe and apply the basic principles and essential procedures of auditing (audit engagement, quality control, communication with previous auditors etc)
- identify the external and internal audit procedures separately under planning, knowledge gathering, applicable laws and regulations, materiality, obtaining evidences and documentation

Course Content:

Introduction to Auditing; Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 and Companies Act no 07 Of 2007 (Sections 154 to 165). Sri Lanka Framework for Assurance engagements. Sri Lanka Standards on Quality control. Objective and general principles governing an audit of financial statements. Terms of audit engagements. Planning of an audit. Understanding the entity and its Environment. Audit evidence.

Documentation. Fraud and error. Audit materiality. Risk assessment and internal control. Consideration of laws and regulations.

Method of Teaching & Learning:

Seminar & self learning

Scheme of Evaluation:

End year examination

Recommended Readings:

Milichamp A.H. (2002). *Auditing, an Instructional Manual for Accounting Students*. London: D.P. Publications. *Sri Lanka Auditing Standards & Sri Lanka Standards on Quality control* (2011). The Institute of Chartered Accountants of Sri Lanka.

Sri Lanka Accounting Standards (2011).The Institute of Chartered Accountants of Sri Lanka.

Companies Act No. 7 of 2007.

Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995.