

ACCA Award in Audit (RQF Level 4)

FAU

Foundations in Audit

EXAM KIT

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INTRODUCTION

The exam kit for 2022 has been updated and is packed with exam-type questions. This book will help you to successfully prepare for your exam.

- Questions are grouped by syllabus topics and provide extensive coverage of all syllabus areas.
- Many questions are of exam standard and format – this enables you to master the exam techniques.

EXAM ENHANCEMENTS

We have added the following enhancements to the answers in this exam kit:



Key answer tips

Some answers include key answer tips to help your understanding of each question.



Tutorial note

Some answers include tutorial notes to explain some of the technical points in more detail.

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SYLLABUS AND REVISION GUIDANCE

SYLLABUS CONTENT

The FAU exam requires knowledge and understanding of FAB (Accountant in Business), FMA (Management Accounting) and FFA (Financial Accounting).

SYLLABUS

A BUSINESS ENVIRONMENT AND AUDIT FRAMEWORK (Chapters 1, 2, 3, 4, 17)

- (1) The purpose and scope of an audit
- (2) The legal duties of auditors
- (3) Professional ethics and the ACCA's Code of Ethics and Conduct
- (4) Auditor engagement and liability
- (5) Audit regulation
- (6) Internal audit

B AUDIT PLANNING AND RISK ASSESSMENT (Chapter 5)

- (1) Audit risk
- (2) Understanding the entity, its environment and the applicable financial reporting framework
- (3) Audit strategy and the audit plan
- (4) Audit documentation

C INTERNAL CONTROL (Chapters 6, 7)

- (1) General principles of internal control
- (2) Techniques to understand, record and evaluate accounting systems
- (3) Tests of controls
- (4) Communicating control deficiencies

D AUDIT EVIDENCE AND PROCEDURES (Chapters 8 – 14)

- (1) Audit evidence
- (2) Audit procedures and assertions
- (3) Substantive procedures
- (4) Audit sampling
- (5) Automated tools and techniques