



Exam FAU

Foundations in Audit

Pocket Notes

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Preface

These Pocket Notes contain everything you need to know for the exam, presented in a unique visual way that makes revision easy and effective.

Written by experienced lecturers and authors, these Pocket Notes break down content into manageable chunks to maximise your concentration.

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Introduction

In this chapter

- The exam.
- Exam technique.

The exam

The exam is made up of 2 sections. Section A comprises 15 compulsory multiple choice questions of 2 marks each. Section B comprises 8 compulsory questions; questions 1 and 2 are worth 15 marks, questions 3 and 4 are worth 10 marks and questions 5 – 8 are worth 5 marks each.

Read each question carefully and do as you are told. Often a question will have a requirement such as: 'Identify the five components of internal control and explain briefly the meaning of each' (10 marks). The mark allocation ties in with the requirement. You have to identify five components and explain each, so you will earn $5 \times 2 = 10$ marks, taking no more than 18 minutes to do so.

Be sure to write legibly so that the marker has every opportunity to reward you with marks. Write in short sentences and short paragraphs – the last thing the marker wants to see is long dense paragraphs of hard-to-read handwriting. Don't worry too much about spelling or punctuation: as long as the marker sees that you know what you are writing about, you will be given the marks.

Good luck!

Exam technique

- There are relatively easy marks (as well as difficult ones) in all questions. If you do not attempt a question, you exclude yourself from those easy marks. Therefore, effective time management is essential in order to pass this exam.
- There are always questions which take the format 'State four objectives of...' or 'Describe three matters which...' so learn the bulleted lists of key points as they will be useful in these cases. The examiner has confirmed that marks will be available for rote learning.
- There are always 'mini-case' type questions for you to apply your knowledge:
 - Make your answer relevant to the scenario in the question.
 - On the whole your answer should be based on the lists and theory

contained in your study text and summarised in these pocket notes.

- If you think you have to invent something from 'scratch', you may not have fully understood the question.
- Sometimes there are 'compare and contrast' type questions e.g. external v internal audit, directors' v auditors' responsibilities, etc. For these you usually have to take two lists from these pocket notes and understand the differences between them.
- The examiner has highlighted the following areas as key study areas:
 - audit planning
 - internal control
 - audit risk
 - audit techniques and procedures.

Question practice in these areas is essential in order to pass this exam.