

## MODULE SPECIFICATION

**1. Title of the module**

Financial Assurance and Risk Management

**2. School or partner institution which will be responsible for management of the module**

Pearson College London

**3. The level of the module (e.g. Level 4, Level 5, Level 6 or Level 7)**

Level 5

**4. The number of credits and the ECTS value which the module represents**

15 credits (7.5 ECTS)

**5. Which term(s) the module is to be taught in (or other teaching pattern)**

This module can be run in any term: Autumn, Spring or Summer.

**6. Prerequisite and co-requisite modules**

None

**7. The programmes of study to which the module contributes**

- |  |                 |
|--|-----------------|
| • BA (Hons) Business Management                                      | - option module |
| • BA (Hons) Business Management with Finance                         | - core module   |
| • BA (Hons) Business Management with Global Industries               | - option module |
| • BA (Hons) Business Management with Law                             | - option module |
| • BA (Hons) Business Management with Marketing                       | - option module |
| • BSc (Hons) Professional Accounting in Business                     | - core module   |
| • Integrated Masters in Advanced Professional Accounting in Business | - core module   |

**8. The intended subject specific learning outcomes.**

On successfully completing the module students will be able to:

- 8.1 Demonstrate knowledge and critical understanding of the key concepts of assurance, and the reasons for assurance engagements being carried out by appropriately qualified professionals.
- 8.2 Discuss the process of an assurance engagement and discuss its application in the context of professional, legal and regulatory frameworks.
- 8.3 Select sufficient and appropriate methods of obtaining assurance evidence, including substantive procedures, and recognise when conclusions can be drawn from evidence obtained or where issues need to be referred to a senior colleague.
- 8.4 Identify and evaluate the effectiveness of an organisation's internal controls and systems, identifying weaknesses in specific internal controls and processes.

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- 8.5 Critically discuss the importance of ethical behaviour to assurance professionals and apply ethical frameworks.
- 8.6 Understand and apply risk management concepts in a business and use appropriate process techniques to evaluate operational risk.

### 9. The intended generic learning outcomes.

On successfully completing the module students will be able to:

- 9.1 Use a range of established techniques to critically analyse information and propose solutions to problems.
- 9.2 Analyse information and data to contemporary business contexts or issues and identify opportunities and challenges including any ethical issues.
- 9.3 Effectively communicate information, arguments and analysis in a variety of forms to specialist and non-specialist audiences.

### 10. A synopsis of the curriculum

#### Module Aims

The aim of this module is to facilitate learners developing a risk-based mind set towards conducting business, primarily in a financial and strategic context. Risk management is increasingly becoming a part of board-level thinking. By developing a risk-focused cognition, learners will be well placed to accelerate their careers.

In this module learners will develop a critical understanding of the role of assurance in business, both from an internal and external perspective. The module will also explore different approaches to risk management, which encompasses risk identification and measurement, and the design of appropriate controls and processes to help mitigate those identified.

#### Overview of syllabus

##### Assurance:

- The concept of assurance, the tri-partite arrangement, reasonable and limited assurance, and the value of assurance engagement
- External audits
- Corporate governance
- The expectations gap between providers and users of assurance
- The external assurance process: obtaining the engagement, continuous risk assessment, engagement acceptance, the scope of the engagement, planning the engagement, performing the engagement, financial statement assertions, obtaining evidence, sampling, specific balances, computer-assisted auditing techniques, evaluation of results of assurance work, concluding and reporting on the engagement, subsequent events and going concern, reporting to the engaging party, keeping records of the work performed
- Relying on the work of others

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- Internal audit and the differences between external audit and internal audit
- Professional Skepticism
- Fraud, laws and regulations

### Risk management and internal controls

- The role and value of risk management in an organisation
- The assurance risk equation
- The nature of risks including: speculative, operational, financial, political, regulatory, financial, and environmental.
- The five step process approach to risk management: assess control environment, identification, analysis and assessment, design controls, monitor controls
- The control environment and internal controls; preventative and detective controls
- Using fault trees and process diagrams to evaluate operational risk
- Effective control systems, including identifying the main areas of a business that need effective control systems
- The components of internal control in both manual and IT environments
- Internal audit

### 11. Reading List (Indicative list, current at time of publication. Reading lists will be published annually)

- ACCA F8 study text, Kaplan Publishing, 2017-18 edition
- Arens, Elder, Beasley, “Auditing & Assurance Services (an integrated approach)”, Pearson (latest edition)
- Auditing Standards 2016 – standards examinable in 2017-18
- IFRS Standards 2016 – standards examinable in 2017-18
- “International Journal of Auditing”, Wiley
- “Journal of Accounting, Auditing & Finance”, SAGE Journals
- Andrew Ferguson, A, Püdrich, G (2015),” Does Industry Specialist Assurance of Non- Financial Information Matter to Investors?” American Accounting Association.

Access to a comprehensive online database of journal articles and other relevant publications on the Online Learning Environment.

### 12. Learning and Teaching methods

For full details please see the teaching and learning strategy in the programme specification. Students can study this module in the interactive classes model or the mentored independent model. Those on the former will typically experience one lecture and one seminar each week.

<i>Scheduled Hours:</i>	35
<i>Independent Study Hours:</i>	115
<i>Total Study Hours:</i>	150

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### 13. Assessment methods.

#### 13.1 Main assessment methods

This module will be assessed as follows:

- A 15 minute oral coursework presentation (25% of overall grade);
- A 3 hour take-home exam to be completed over a 24 hour period (75% of overall grade).

A student must pass the examination assessment in order to pass the module.

#### 13.2 Reassessment methods

### 14. Map of Module Learning Outcomes (sections 8 & 9) to Learning and Teaching Methods (section 12) and methods of Assessment (section 13)

Module learning outcome		8.1	8.2	8.3	8.4	8.5	8.6	9.1	9.2	9.3
Learning/teaching method	Hours allocated									
Private Study	115	X	X	X	X	X	X			X
Lectures	10	X	X	X	X	X	X			
Seminars	25	X	X	X	X	X	X	X	X	X
Assessment method										
Oral presentation (15 minutes)						X	X	X		X
Take-home exam		X	X	X	X	X	X	X	X	X

### 15. Pearson College London recognises and has embedded the expectations of current disability equality legislation, and supports students with a declared disability or special educational need in its teaching.

Within this module we will make reasonable adjustments wherever necessary, including additional or substitute materials, teaching modes or assessment methods for students who have declared and discussed their learning support needs. Arrangements for students with declared disabilities will be made on an individual basis, in consultation with the College's Registry which oversees disability/dyslexia student support, and specialist support will be provided where needed.

## **MODULE SPECIFICATION**

**16. Campus(es) or Centre(s) where module will be delivered:**

Pearson College London

**17. Internationalisation**

Students taking this module will be expected to keep up to date with international developments and changes relevant to the accounting profession and in particular financial accounting and assurance. Students will be encouraged to think about how local and international contexts affect the decisions made by auditors when developing the audit approach and performing an audit.

**If the module is part of a programme in a Partner College or Validated Institution, please complete sections 18 and 19. If the module is not part of a programme in a Partner College or Validated Institution these sections can be deleted.**

**18. Partner College/Validated Institution:**

Pearson College London

**19. University School responsible for the programme:**

Kent Business School

## MODULE SPECIFICATION

### FACULTIES SUPPORT OFFICE USE ONLY

**Revision record – all revisions must be recorded in the grid and full details of the change retained in the appropriate committee records.**

Date approved	Major/minor revision	Start date of the delivery of revised version	Section revised	Impacts PLOs (Q6&7 cover sheet)