

Capital University of Economics and Business

Overseas Chinese College

Course Syllabus

Year and Semester	Spring semester, 2026					
Course Name	Audit and Assurance					
Course Code	FA203					
Course Type	<input type="checkbox"/> General Education (Required)		<input type="checkbox"/> General Education (Elective)			
	<input type="checkbox"/> Basic Disciplinary Course		<input checked="" type="checkbox"/> Professional Course (Required)			
	<input type="checkbox"/> Professional Course (Elective)		<input type="checkbox"/> Professional Course (Expanded)			
	<input type="checkbox"/> Professional Course (Advanced)					
Course Credits	4					
Course Hours	Total Class Hours	64	Lecture Hours	64	Experiment (Computer) Hours	0
Applicable object	<input type="checkbox"/> Freshman <input checked="" type="checkbox"/> Sophomore <input type="checkbox"/> Junior <input type="checkbox"/> Senior					
	<input checked="" type="checkbox"/> Business Administration (Accounting)					
	<input type="checkbox"/> Information Management and Information Systems (Finance)					
Prerequisites	FA102 Financial Accounting					
Instructor	Yuanyuan LYU					
Contact Information	Office room: Qizhu Gongwen C203					
	Telephone: 83951130					
	Email: lvyuanyuan@cueb.edu.cn					
Office Hour	Mon & Wed 8:00-9:35, Wed & Fri 11:35-12:20					
Learning Centre	Tue 9:55-11:30, 18:00-20:00					
Grade/Section	2024 BA1 & BA2					
Course Time/Place	2024 BA1: Wed 9:55-11:30, Shensi 409; Fri 9:55-11:30, Qizhu Gongwen A201 2024 BA2: Tue & Fri 8:00-9:35, Qizhu Gongwen A109					
Textbook	Alvin A. Arens, Randal J. Elder, Mark S. Beasley, Chris E. Hogan. <i>Auditing and Assurance Services: An Integrated Approach, 16th Edition</i> . China Renmin University Press, Beijing, ISBN 978-7-300-29209-0.					

Reference Book

O. R. Whittington, K. Pany. *Principles of Auditing and other Assurance Services, 19th Edition*. China Renmin University Press, Beijing, ISBN 978-7-300-22007-9.

Course Description

This course provides students with an integrated introduction to the knowledge and practice of assurance engagements within the professional regulatory framework. It offers up-to-date coverage of globally recognized auditing concepts, illustrated with practical, real-world applications. Students will develop a systematic understanding of the auditor's decision-making process in a financial statement audit, including an integrated audit of financial statements and

internal control over financial reporting.

A central focus of the course is to explore the vital role of auditing in safeguarding the integrity of financial markets and supporting a sound socialist market economy. The curriculum emphasizes that high-quality auditing, grounded in strict professional ethics and independence, is fundamental to protecting public interest, ensuring fair competition, and contributing to sustainable, high-quality economic development. Students will learn to approach audit tasks with a risk-oriented mindset, understanding how their professional judgments serve not only to verify financial information but also to help identify and mitigate business risks that could affect broader economic stability.

By combining technical mastery of auditing standards with a deep appreciation for the profession's social responsibility, this course prepares students to be competent, ethical, and forward-thinking audit professionals, ready to contribute to transparent corporate governance and robust economic health in their future careers.

Student Learning Outcomes

On successful completion of this exam, candidates should be able to:

Knowledge	<ul style="list-style-type: none">• Describe the nature of assurance services and the auditor's role, recognizing auditing as a critical mechanism for enhancing information credibility, safeguarding public interest, and supporting the integrity of the socialist market economy.• Explain the modern auditing standards framework and professional norms, understanding their function in standardizing practice, ensuring audit quality, and contributing to a transparent and orderly economic environment.• Identify conditions for different types of audit reports and distinguish between levels of assurance, recognizing the social and economic implications of audit opinions on stakeholder confidence and market stability.
Capability	<ul style="list-style-type: none">• Apply core audit procedures and evidence-gathering techniques to assess risks of material misstatement, demonstrating the ability to exercise professional skepticism in identifying potential financial irregularities and operational vulnerabilities.• Perform key stages of the audit process, including client acceptance, planning, and execution for major transaction cycles (e.g., sales, purchases, inventory), integrating an understanding of internal controls to evaluate and mitigate business risks.• Apply the concept of materiality and assess client business risk, developing an awareness of how audit judgments can support the early identification and mitigation of factors that may threaten an entity's sustainable operation and, by extension, economic stability.
Mindset	<ul style="list-style-type: none">• Cultivate a strong sense of professional ethics and integrity, resolving ethical dilemmas by applying professional frameworks and understanding that ethical conduct is the cornerstone of the auditing profession's credibility and its contribution to a trustworthy business ecosystem.• Develop a risk-oriented and public-interest-focused mindset, internalizing the auditor's social responsibility in serving as an independent gatekeeper to protect

	<p>investors, maintain fair competition, and support high-quality economic development.</p> <ul style="list-style-type: none"> • Foster rigorous, objective, and evidence-based professional judgment, understanding that high-quality auditing is fundamental to effective corporate governance, reliable resource allocation, and the prevention of systemic financial risks.
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Website Source

1. <https://www.sec.gov>
2. <https://www.aicpa.org>

Teaching Methods

This course contains lectures, case studies, discussions, homework, quizzes, presentation and exams. Exercises and practice questions will be delivered to students as a way to test their understanding of the knowledge. This will require individual or group assignment before, in or after class.

Grade Criterion

Component	Weight	Description
Final Exam	20%	A cumulative final examination will be given based on all of the contents of the class. The exam paper may be composed of multiple-choice questions, short answer questions, essay questions, problems, and preparation of financial statements. Students should rely primarily on homework assignments to give them a sense of what they may see for material on exams.
Mid-Term Test	20%	A cumulative midterm test will be given based on all of the contents that have been taught in class. The test paper may be mainly composed of multiple-choice questions and it should be completed in class.
Homework	10%	Assignments will be collected at the clearly stated date. Late assignments will not be accepted. The graded assignments may be kept by the tutor for reference and won't be returned to students.
Quizzes	20%	There will be at least 2 quizzes during the semester. Quizzes may or may not be announced in advance. It may also be used as a way to check the attendance. Quizzes will test your knowledge of both concepts and the application of those concepts.
Presentation	10%	The students will be divided into several groups to prepare a presentation. Each student is required to be involved in the presentation. The topics can be selected from the textbook or lectures. Each group need to finish a PPT related to the topic which is given and hand in the related resources to the teacher before the presentation.
Participation	10%	Individuals will be asked to participate individually in a

		question and answer at least 5 times during the semester. The performances should be counted in their participation.
Attendance	10%	Refer to attendance policy listed below
Total	100%	

Detailed Grade Computation

	Before Midterm	After Midterm
Attendance	5%	5%
Participation	5%	5%
Homework	5%	5%
Quizzes	10%	10%
Presentation		10%
Midterm test	20%	
Final exam		20%
Total	40%	60%

Assessment of Student Performance

☞ Self-Study and Reading ability Practice

Instructor will give out the chapters or the reference books to read and use class hours to have discussion; students should be able to show a proactive attitude and ability for self-study and reading. Knowledge and oral English will be elements of homework or presentation score.

☞ Homework

Students should finish their homework by themselves. Copying from others will be treated as cheating and the homework scores will be lowered. Students should hand in all assignments on time. Late assignments will be accepted at the discretion of the instructor (i.e., when the student was ill or had an excused absence). Late assignments without reasonable proof will be reduced in score by 50%.

☞ Attendance

Because the course covers a great deal of material, attending every class session is very important for performing well.

- ♦ Being late for 15 minutes or more is considered an absence.
- ♦ Five hours or above of unexcused absences will result in the lower level of the final grade by one grade band (e.g. from C – to D +). Any excused absence must be discussed directly with the teacher.
- ♦ Absence which is more than 1/3 of the total teaching hours will cause an F (a failing grade) directly. However, students are welcome to continue attending classes.
- ♦ An incomplete grade (I) will be considered in case of medical or family emergencies.

☞ Participation

- ♦ Students should participate in classes actively. Half of participation grade is determined by their presentation in class. They are encouraged to ask questions relevant to the subject and express their own opinions. Every student should respect the ideas, opinions, and questions

of their classmates.

- ♦ Students should also use office hours to ask questions or talk with the instructor for good communication and effective learning.
- ♦ Frequent visiting the instructor and chatting in English during office hours is highly recommended.
- ♦ Any misbehavior and non-class related activities in class will result in the lower level of the participation grade, including ringing cell phones.
- ♦ All above behaviors will be solely evaluated by the instructor for scoring.

☞ *Textbook*

Students must bring the textbook to class.

Topical Course Outline

Week	Date	Topics
1	1	Introduction to the course Chapter 1 The Demand for Audit and Other Assurance Services
1	2	Chapter 4 Professional Ethics
2	1	Chapter 6 Audit Responsibilities and Objectives • Audit responsibilities and audit process
2	2	Chapter 6 Audit Responsibilities and Objectives • Audit objectives and management assertions
3	1	Chapter 7 Audit Evidence • Audit evidence – persuasiveness and types
3	2	Chapter 7 Audit Evidence
4	1	Quiz 1 (10 points) Chapter 8 Audit Planning and materiality • Audit planning
4	2	Chapter 8 Audit Planning and materiality • Materiality
5	1	Chapter 9 Assessing the Risk of Material Misstatement
5	2	Chapter 9 Assessing the Risk of Material Misstatement
6	1	Chapter 10 Assessing and responding to fraud risks
6	2	Spring sports meeting
7	1	Chapter 10 Assessing and responding to fraud risks
7	2	May Day holiday
8	1	Chapter 11 Internal Control and COSO Framework
8	2	Midterm Test (20 points) Chapter 12 Assessing control risk and reporting on internal controls
9	1	Chapter 12 Assessing control risk and reporting on internal controls
9	2	Chapter 3 Audit reports
10	1	Audit of the sales and collection cycle – 1 • Chapter 14 Audit of the sales and collection cycle: tests of controls and

		substantive tests of transactions
10	2	Audit of the sales and collection cycle – 2 • Chapter 15 Audit sampling for tests of controls and substantive tests of transactions
11	1	Audit of the sales and collection cycle – 3 • Chapter 16 Completing the tests in the sales and collection cycle: accounts receivable • Chapter 17 Audit sampling for tests of details of balances
11	2	Chapter 18 Audit of the acquisition and payment cycle: tests of controls, substantive tests of transactions, and accounts payable
12	1	Chapter 18 Audit of the acquisition and payment cycle: tests of controls, substantive tests of transactions, and accounts payable
12	2	Chapter 19 Audit of the payroll and personnel cycle
13	1	Chapter 19 Audit of the payroll and personnel cycle
13	2	Quiz 2 (10 points) Chapter 20 Audit of the inventory and warehousing cycle
14	1	Chapter 20 Audit of the inventory and warehousing cycle
14	2	Chapter 21 Audit of the capital acquisition and repayment cycle
15	1	Chapter 21 Audit of the capital acquisition and repayment cycle
15	2	Dragon Boat Festival holiday
16	1	Presentation
16	2	Review

Note: Over the course of the semester, every attempt will be made to follow the daily schedule listed in the syllabus. However, depending on overall class progress, the syllabus may be adjusted. Any departures from the syllabus will be announced in class.

The Wechat group will mainly be used to inform the students daily study activities and tasks. Xuexitong will be mainly used to upload PPT and release some leaning materials and quizzes.

Teacher's Office Hour

- ♦The instructor's office hour is shown in the front of the office door.
- ♦Students are suggested to use the instructor's office hour and learning center to ask questions or talk with the instructor once at least per week for good communication and effective learning, which is recorded in the students' participation.
- ♦The time can be scheduled by instructors or students, or both.

Cheating and Plagiarism

Cheating is not tolerated. Any student caught cheating on a quiz; test or exam will be given a mark of zero (0) for the particular work. At the beginning of the semester the definition of plagiarism will be carefully explained, when any thoughts or writings of another person are used, they must be clearly identified (usually one uses quotation marks) and the source notes. **If any student is caught cheating on any homework assignment, the highest score the student can earn in that course is a "C".**

Important Dates

Midterm Test	Week 9 or 10
Final Exam	Refer to the notice of the Academic Affairs Office

Note: This syllabus is tentative and may be changed or modified throughout the semester. All students will be notified and a new syllabus will be given.

Instructor: _____

Department Head: _____

