

Unit Title:	Understanding the assurance process and ethics informing professional behaviour
OCR unit number:	2
Credit value:	5
Level:	4
Guided learning hours:	40
Unit reference number:	M/504/1324

Unit aim and purpose

By completing this unit the learner will understand the assurance process and fundamental principles of ethics. The learner will be able to contribute to the assessment of internal controls and understand the process of gathering of evidence in an assurance engagement.

Learning Outcomes	Assessment Criteria
<p>The Learner will:</p> <p>1 Understand the purpose, concept and process of assurance</p>	<p>The Learner can:</p> <p>1.1 Explain the concept and purpose of assurance</p> <p>1.2 Evaluate components and characteristics of different assurance engagements</p> <p>1.3 Explain the circumstances which can lead to gaps between the outcomes delivered by the assurance engagement and the expectations of users of the assurance reports, and how these can be overcome</p> <p>1.4 Explain the steps in the assurance process</p>
<p>2 Understand the importance of professional ethics in the assurance industry</p>	<p>2.1 Explain the principles and characteristics of ethical codes and conduct and implications for the assurance profession</p> <p>2.2 Explain the threats to fundamental ethical principles and the independence of assurance providers</p> <p>2.3 Explain safeguards to eliminate or reduce threats to the fundamental ethical principles and the independence of assurance providers</p>
<p>3 Understand the importance of internal controls in business organisations</p>	<p>3.1 Explain the fundamental principles of and the reasons for effective control systems</p> <p>3.2 Explain the main areas of a business that need effective control systems</p> <p>3.3 Explain the components of internal controls in manual and IT environments</p> <p>3.4 Explain how different types of internal controls impact on quality of financial information and mitigate risk in a business organisation</p> <p>3.5 Identify internal control weaknesses in businesses</p>
<p>4 Be able to conduct audits</p>	<p>4.1 State the reasons for preparing and keeping</p>

Learning Outcomes	Assessment Criteria
under supervision	<p>documentation relating to an assurance engagement</p> <p>4.2 Assess the different methods of obtaining evidence for an assurance engagement</p> <p>4.3 Explain the situations in which the different methods of obtaining evidence should and should not be used</p> <p>4.4 Explain when the quantity and quality of evidence gathered is of a sufficient and appropriate level to draw reasonable conclusions on which to base a report</p> <p>4.5 Explain when to seek written confirmation of representations from management and the reliability of the confirmation as a form of assurance evidence</p>

Assessment

Assessment for this unit is through examinations set by the Institute of Chartered Accountants England and Wales (ICAEW).

Candidates can only claim this qualification after they have achieved the Institute of Chartered Accountants in England and Wales' (ICAEW) Certificate in Finance, Accounting and Business qualification; which is assessed by examination, subject to ICAEW conditions.

Evidence requirements

Candidates are required to submit proof of their achievement i.e. their certificate which will be confirmed by ICAEW.

Additional information

For further information regarding administration for this qualification, please refer to the OCR document '*Admin Guide: Vocational Qualifications*' (A850) on the OCR website www.ocr.org.uk .