

Internal Control and Fraud Detection

Chapter 1:

Internal Control and the Internal Audit Function

Learning Objectives

After studying this chapter you will be able to:

- Recognize the purposes of internal auditing.
- Identify the stages in the audit process.
- Understand the audit control environment.
- Identify what the internal audit report involves.
- Identify the implication and significance of the Sarbanes-Oxley Act.
- Recognize what is meant by “internal control over financial reporting” in accordance with Section 404 of Sarbanes-Oxley.
- Differentiate between the new reporting model and historical reporting

Chapter

2

Internal Audit of Financial Statement Accounts

Learning Objectives

After studying this chapter you will be able to:

- Identify some sample audit processes for the organization.
- Recognize management's antifraud programs and controls and the risk factors included in AU 240.
- Identify risk factors relating to misstatements arising from fraudulent financial reporting.
- Recognize some of the risk factors that could ultimately lead to misappropriation of assets.
- Recognize some of the techniques for fraud prevention.

Chapter

3:

Statistical Sampling in Tests of Controls

Learning Objectives

After studying this chapter you will be able to:

- Indicate some methods of choosing a random sample.
- Recognize discovery sampling.

Chapter

4:

Fraud Prevention, Fraud Detection, and Forensic Accounting

Learning Objectives

After studying this chapter you will be able to:

- Recognize how to prevent fraud.
- Recognize the difference between auditing and fraud examination.
- Identify items of forensic accounting and auditing.
- Recognize some of forensic accountants' investigation procedures.
- Identify different fraud symptoms.
- Identify different tools and technology used in forensic accounting and fraud detection.