



ACCG925

Auditing and Assurance Services

MQC S1 Evening 2015

Dept of Accounting & Corporate Governance

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Disclaimer

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General Information

Unit convenor and teaching staff

Lecturer

Daisy Chen

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Contact via Email

Credit points

4

Prerequisites

(ACCG611 or ACCG861) and (admission to MAcc(Prof) or MAcc(CPA) or MAcc(Prof)MCom or MCom)

Corequisites

Co-badged status

Unit description

This is a unit in auditing and assurance services which examines the process of auditing and the concepts which underlay the practice. Although the focus of attention is on audits of financial reports undertaken in compliance with the Corporations Act 2001, reference is also made to other forms of audit and assurance. The unit is intended to provide an overview of the audit process as it exists in Australia, and is consistent with International Auditing Standards. Students will be required to exercise judgement in order to identify and assess risks of material misstatement, to develop audit procedures that respond to those risks, and to form an opinion on the financial report based on the audit evidence obtained. The unit is both practical and theoretical, with students required to apply their knowledge to discussing cases developed from practice. Students will also be exposed to current research and contemporary issues in auditing and assurance.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

Learning Outcomes

On successful completion of this unit, you will be able to:

Discuss the purpose of the audit function and the need for an audit.

Analyse case studies, including a real life case study, using professional judgment and develop techniques used by auditors such as being able to perform a risk analysis,

internal control assessment, collect and evaluate sufficient appropriate audit evidence including the appropriate use of computer assisted audit techniques.

Synthesize audit events to analyse and determine the appropriate audit report.

Critically analyse and explain the professional, legal, ethical and regulatory framework within which audits and other audit related and assurance engagements are carried out.

Research and critique current developments in audit practice.

General Assessment Information

What is required to pass the Unit?

To achieve a passing grade for the unit students MUST:

(i) Obtain an overall passing mark AND (ii) Obtain a pass in the Final examination.

What are the expectations and workload?

Students are expected to spend 150 hours working on this unit. As a guide a student should spend these approximate amounts of time on each of the following activities:

	Activities	Hours
1	Weekly Seminars	39
2	Assessment Task 1 (Quizzes)	10
3	Assessment Task 2 (Group Case Study)	25
4	Assessment Task 3 (Group Research Essay)	25
5	Assessment Task 4 (Final examination)	35
6	Readings/self-study	16
	TOTAL	150

How are assessment tasks submitted?

With the exception of the final examination, all assessment tasks will be submitted online via the unit webpage. Feedback for each assessment task will be posted online within three weeks of the assessment submission date.

Are there other relevant policies and procedures?

Please refer to the Policies and procedures section below.

Assessment Tasks

Name	Weighting	Due
<u>Quizzes</u>	15%	Weeks 3, 5, 8, 12
<u>Group Case study</u>	15%	Sunday 26/4/15 at 11.59pm
<u>Group Essay</u>	15%	Sunday 17/5/15 at 11.59pm
<u>Final examination</u>	55%	University examination period

Quizzes

Due: **Weeks 3, 5, 8, 12**

Weighting: **15%**

Four online quizzes (marks for the best three will be used for assessment purposes). The unit schedule details the available dates of each quiz. The materials covered will be announced the week prior to the quiz on the unit webpage. With regard to the criteria and standards for grading, every multiple choice question in each quiz will have only one (1) correct answer.

Are there extensions and penalties for this extension task?

No extensions will be granted. Each quiz can only be completed during the available time periods specified in the unit schedule, i.e., it is not possible to complete the quiz at a later time. This penalty does not apply for cases in which an application for Disruption to Studies is made and approved.

Students are advised to familiarise themselves with the University's Disruption to Studies Policy available at: http://mq.edu.au/policy/docs/disruption_studies/policy.html.

On successful completion you will be able to:

- Discuss the purpose of the audit function and the need for an audit.
- Analyse case studies, including a real life case study, using professional judgment and develop techniques used by auditors such as being able to perform a risk analysis, internal control assessment, collect and evaluate sufficient appropriate audit evidence including the appropriate use of computer assisted audit techniques.
- Synthesize audit events to analyse and determine the appropriate audit report.
- Critically analyse and explain the professional, legal, ethical and regulatory framework within which audits and other audit related and assurance engagements are carried out.

Group Case study

Due: **Sunday 26/4/15 at 11.59pm**

Weighting: **15%**

A case study assignment based on a real life company. The content of the assignment and the marking rubric detailing the criteria and standards for grading will be made available within the assignment document. In brief however, the case study will be marked based on the appropriate application of knowledge and skills developed to an actual case study.

Are there extensions and penalties for this assessment task?

No extensions will be granted. Late tasks will be accepted up to 72 hours after the submission deadline. There will be a deduction of 20% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 40% penalty). This penalty does not apply for cases in which an application for Disruption to Studies is made and approved.

Students are advised to familiarise themselves with the University's Disruption to Studies Policy available at: http://mq.edu.au/policy/docs/disruption_studies/policy.html.

On successful completion you will be able to:

- Discuss the purpose of the audit function and the need for an audit.
- Analyse case studies, including a real life case study, using professional judgment and develop techniques used by auditors such as being able to perform a risk analysis, internal control assessment, collect and evaluate sufficient appropriate audit evidence including the appropriate use of computer assisted audit techniques.
- Critically analyse and explain the professional, legal, ethical and regulatory framework within which audits and other audit related and assurance engagements are carried out.
- Research and critique current developments in audit practice.

Group Essay

Due: **Sunday 17/5/15 at 11.59pm**

Weighting: **15%**

A research essay concerning current developments in audit and assurance practices. The essay topic (s) and the marking rubric detailing the criteria and standards for grading will be made available within the research essay assignment document. In brief however, the research essay will be marked based on the appropriate application of research knowledge and skills to a specified audit and assurance issue.

Are there extensions and penalties for this assessment task?

No extensions will be granted. Late tasks will be accepted up to 72 hours after the submission deadline. There will be a deduction of 20% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission – 40% penalty). This penalty does not apply for cases in which an application for Disruption to Studies is made and approved.

Students are advised to familiarise themselves with the University's Disruption to Studies Policy available at: http://mq.edu.au/policy/docs/disruption_studies/policy.html.

On successful completion you will be able to:

- Critically analyse and explain the professional, legal, ethical and regulatory framework within which audits and other audit related and assurance engagements are carried out.
- Research and critique current developments in audit practice.

Final examination

Due: **University examination period**

Weighting: **55%**

A three hour examination covering the entire course. Details regarding the format will be made available during Week 9. In relation to the criteria and standards for grading, the final examination will be marked based on the appropriate application of knowledge and skills to short answer and case based questions. **Students MUST pass the final examination to pass the unit.**

What are the final examination conditions?

A three (3) hour final examination will be held during the University Examination period. Students will be allowed to take one double-sided A4 sheet of handwritten notes into the final examination. Photocopies notes are not allowed. This sheet will be collected with the final examination and will not be returned to students. Students are advised to take copies of their notes prior to the final examination should they wish to retain a copy. No calculators, dictionaries, books, or other materials or aids besides the one page of notes described above are permitted in the final examination.

If a Supplementary Examination is granted as a result of the [Disruption to Studies](#) process for the Final examination, the supplementary examination will be scheduled as per the determination of the Faculty. The Supplementary Examination will be of the similar format to the Final examination.

A student may withdraw their Disruption to Studies Notification up to the point where the determination of whether it is Serious and Unavoidable has been made. After this determination, the student may not withdraw the Disruption to Studies Notification and must submit themselves to partake in the Supplementary Examination.

On successful completion you will be able to:

- Discuss the purpose of the audit function and the need for an audit.
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- Synthesize audit events to analyse and determine the appropriate audit report.
- Critically analyse and explain the professional, legal, ethical and regulatory framework within which audits and other audit related and assurance engagements are carried out.

Delivery and Resources

Delivery

The unit requires three hours of face-to-face teaching per week in the form of a three hour seminar. It should be emphasized that attendance at the seminar is a necessary but not sufficient condition for adequate examination preparation.

Each week all students should study the relevant materials prescribed and attempt the assigned seminar questions PRIOR to attending the class, and participate in class discussions regarding the concepts and their application in practical cases. The weekly reading and homework guide for the semester will be available on Friday 27 February 2015. Lecture slides for the seminars will be also be available for the entire semester by Friday 27 February 2015.

With the exception of the first week the seminar is divided into two parts. The first part of each seminar will comprise a lecture which aims to cover the key concepts of the unit material set for that week. These lectures will be critical to the coverage and understanding of the unit content. Although the auditing and assurance course is broken down into a number of segments, students should recognise that each segment / lecture forms part of the audit process. The second part of the seminar is designed to complement the lecture program by working through the practical seminar questions set for that week. When working through these questions it is expected that seminar participants will contribute to the discussion and raise particular issues or problems that they have had with the seminar questions. Remember that answers to these questions are not easily bracketed as “right” or “wrong” but are the product of a logical and well structured analysis.

Please note that solutions to the weekly seminar assigned questions will not be made available to students. Therefore it is imperative that students attend the weekly seminar in order to correct their work and to clarify any issues they may have in understanding the material assigned.

The timetable for classes can be found on the University web site at:

<http://www.timetables.mq.edu.au/>

Changes to student timetables may only be made through eStudent. Students wishing to change their allocated seminar should log onto to eStudent and enrol in a seminar where there is a vacancy. Any question of an administrative nature in relation to seminar allocations should be addressed to accg925@mq.edu.au.

Student enrolments must be finalised by the end of Week 1, Friday 27 February 2015. No further changes may be made after this date.

Resources

Required and Recommended Texts

The **required texts** for the Unit are as follows:

Leung P., Coram, P., Cooper, B. and Richardson, P. (2014) *Modern Auditing & Assurance Services*, 6th Edition, John Wiley & Sons Australia Ltd, Brisbane, Australia.

(This text can be purchased from the Co-Op Bookshop or via Wiley Direct website, where students can purchase their copy of the text for as little as \$50 for the E-Text and iStudy. The link to the Wiley Direct website is: <http://www.wileydirect.com.au/buy/modern-auditing-assurance-services-6th-edition/>)

Martinov-Bennie, N., Roebuck, P. and Soh, D. (2014) *Auditing and Assurance: A Case Studies Approach*, 6th Edition, LexisNexis Butterworths, Sydney, Australia

(This text can be purchased from the Co-Op Bookshop)

Additional recommended readings will be made available on the Unit webpage. Students are also encouraged to read relevant standards and guidance which are available online at <http://www.auasb.gov.au> (ASAs, ASQC, ASRS, and AGS) and <http://www.apesb.org.au> (APES).

The following texts are **recommended** as additional references:

Arens, A., Best, P., Shailer, G., Fielder, B., Elder, R. and Beasley, M. (2011) *Auditing, Assurance Services and*

Ethics in Australia: An Integrated Approach, 8th Edition, Pearson, Sydney, Australia.

Gay, G. and Simnett, R. (2012) *Auditing and Assurance Services in Australia*, 5th edition, McGraw-Hill, Sydney Australia.

Moroney, R., Campbell, F. and Hamilton, J. (2013) *Auditing: A practical approach*, 2nd Edition, John Wiley

& Sons Australia Ltd, Brisbane. Australia.

Technology Used and Required

Students will need access to a personal computer and the internet to obtain seminar slides, reading and homework guide, assessment details and notices from the ACCG925 iLearn site, as well as to complete and make submissions for the assessment tasks in this Unit.

The iLearn site this unit can be found at: <http://iLearn.mq.edu.au>

You are strongly encouraged to regularly visit the website to check for important announcements and use it as a resource to enhance your learning experience.

Unit Schedule

Week No.	Begin Date	Seminar Topic	Events and Submissions
1	Monday 23/2/15	Course overview AND Introduction to auditing and assurance services	
2	Monday 2/3/15	Audit planning 1	Group Case Study & Essay released & Finalise Group members
3	Monday 9/3/15	Audit planning 2	Online quiz 1 (available Friday 13/3 at 6pm – Monday 16/3 at 6pm)
4	Monday 16/3/15	Audit planning 3	
5	Monday 23/3/15	Collecting and evaluating evidence 1	Online quiz 2 (available Friday 27/3 at 6pm – Monday 30/3 at 6pm)
6	Monday 30/3/15	Collecting and evaluating evidence 2	Friday 3/4/15 is a public holiday. Alternate arrangements will be announced for Friday students this week
7	Monday 20/4/15	No classes this week to facilitate finalisation of the group case study	Group case study due 11.59 pm Sunday 26/4/15
8	Monday 27/4/15	Collecting and evaluating evidence 3: IT systems	Online quiz 3 (available Friday 1/5 at 6pm – Monday 4/5 at 6pm)
9	Monday 4/5/15	Completing the audit (includes subsequent events and audit reporting)	Final exam format released
10	Monday 11/5/15	Professional ethics, independence and audit quality	Group essay due 11.59pm on Sunday 17/5/15
11	Monday 18/5/15	The auditor's legal liability	
12	Monday 25/5/15	Public sector auditing/other assurance services	Online quiz 4 (available Friday 29/5 at 6pm – Monday 1/6 at 6pm)
13	Monday 1/6/15	Current issues AND sample final exam	

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy http://mq.edu.au/policy/docs/academic_honesty/policy.html

Assessment Policy <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy <http://mq.edu.au/policy/docs/grading/policy.html>

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Grievance Management Policy http://mq.edu.au/policy/docs/grievance_management/policy.html

Disruption to Studies Policy http://www.mq.edu.au/policy/docs/disruption_studies/policy.html *The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.*

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/support/student_conduct/

Results

Results shown in *iLearn*, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit ask.mq.edu.au.

Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

IT Help

For help with University computer systems and technology, visit <http://informatics.mq.edu.au/help/>.

When using the University's IT, you must adhere to the [Acceptable Use Policy](#). The policy applies to all who connect to the MQ network including students.

Graduate Capabilities

PG - Capable of Professional and Personal Judgment and Initiative

Our postgraduates will demonstrate a high standard of discernment and common sense in their professional and personal judgment. They will have the ability to make informed choices and decisions that reflect both the nature of their professional work and their personal perspectives.

This graduate capability is supported by:

Learning outcomes

- Discuss the purpose of the audit function and the need for an audit.
- Analyse case studies, including a real life case study, using professional judgment and develop techniques used by auditors such as being able to perform a risk analysis, internal control assessment, collect and evaluate sufficient appropriate audit evidence including the appropriate use of computer assisted audit techniques.
- Synthesize audit events to analyse and determine the appropriate audit report.
- Critically analyse and explain the professional, legal, ethical and regulatory framework within which audits and other audit related and assurance engagements are carried out.
- Research and critique current developments in audit practice.

Assessment tasks

- Quizzes
- Group Case study
- Group Essay
- Final examination

PG - Discipline Knowledge and Skills

Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:

Learning outcomes

- Discuss the purpose of the audit function and the need for an audit.
- Analyse case studies, including a real life case study, using professional judgment and develop techniques used by auditors such as being able to perform a risk analysis, internal control assessment, collect and evaluate sufficient appropriate audit evidence including the appropriate use of computer assisted audit techniques.
- Synthesize audit events to analyse and determine the appropriate audit report.
- Critically analyse and explain the professional, legal, ethical and regulatory framework within which audits and other audit related and assurance engagements are carried out.

Assessment tasks

- Quizzes
- Group Case study
- Group Essay
- Final examination

PG - Critical, Analytical and Integrative Thinking

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

Learning outcomes

- Discuss the purpose of the audit function and the need for an audit.
- Analyse case studies, including a real life case study, using professional judgment and develop techniques used by auditors such as being able to perform a risk analysis, internal control assessment, collect and evaluate sufficient appropriate audit evidence including the appropriate use of computer assisted audit techniques.
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Assessment tasks

- Quizzes

- Group Case study
- Group Essay
- Final examination

Changes from Previous Offering

To facilitate student competency with the material relevant to the discipline of the auditing and assurance discipline, the major changes from the offering in Semester 2, 2014 include:

(i) A change of text book

(ii) Assessment changes including (a) introduction of a research essay and (b) a three-hour final examination to replace the class-test.

Research and Practice, Global and Sustainability

This unit addresses global and sustainability issues as direct areas of study and as necessary implications arising from the materials, assessment and academic discussion and debate in seminars. We promote sustainability by developing ability in students to research and locate information within the auditing and assurance services discipline. We aim to provide students with an opportunity to obtain skills which will benefit them throughout their career.

The unit text book (Leung *et al.*, 2014) has a reference list at the end of each chapter containing all references cited by the author. These provide some guidance to references that could be used to research particular issues.