



# ACCG925

## Auditing and Assurance Services

S1 Day 2017

*Dept of Accounting & Corporate Governance*

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## General Information

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E4A, Level 3

NA

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E4A, Level 3

NA

Credit points

4

#### Prerequisites

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

#### Corequisites

#### Co-badged status

#### Unit description

This unit examines the process of auditing and the concepts which underly 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. 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:

Understand and apply the requirements for the audit function within the context of the current audit legislation, ethical and regulatory frameworks.

Analyse case studies, including real life case studies, and perform appropriate risk analysis, internal control assessment, collect and evaluate sufficient and appropriate audit evidence including the use of computer assisted audit techniques and data analytics.

Evaluate audit evidence and determine the appropriate audit report.

Research and critique current developments in audit practice. Justify the critique, and articulate views in a group setting.

## General Assessment Information

### What is required to pass the Unit?

To achieve a passing grade for the unit students MUST: Obtain an overall passing mark of 50.

### Turnitin

All text based assessments must be submitted through Turnitin as per instructions provided in the unit guide. It is the student's responsibility to ensure that work is submitted correctly prior to the due date. No hard copies of assessments will be accepted and only Turnitin records will be taken as records of submission.

Multiple submissions may be possible in some units via Turnitin prior to the final due date and time of an assessment task and originality reports may be made available to students to view and check their work. All identified matching text will be reconsidered carefully. Students should note that the system will not immediately produce the similarity score on a second or subsequent submission - it approximately takes 24 hours for the report to be generated. This may be after the due date so students should plan any resubmissions carefully. Please refer to these instructions on how to submit your assignment through Turnitin and access similarity reports and feedback provided by teaching staff. Should you have questions about Turnitin or experience issues submitting through the system, you must inform your unit coordinator immediately. If the issue is technical in nature may also lodge OneHelp Ticket, refer to the IT help page.

It is the responsibility of the student to retain a copy of any work submitted. Students must produce these documents upon request. Copies should be retained until the end of the grade appeal period each term. In the event that a student is asked to produce another copy of work submitted and is unable to do so, they may be awarded zero (0) for that particular assessment task.

### **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
Weekly Seminars	36
Class tests	25
Assignment	30
Readings/self-study	29
Final exam	30
Total	150

### **Are there other relevant policies and procedures?**

Please refer to the Policies and procedures section below.

## Assessment Tasks

Name	Weighting	Hurdle	Due
<u>Class tests</u>	20%	No	Weeks 4 & 10
<u>Assignment</u>	30%	No	Week 8 - 1 May 2017 at 4pm
<u>Final examination</u>	50%	No	University examination period

### Class tests

Due: **Weeks 4 & 10**

Weighting: **20%**

There will be two in class test (20%). Class test one and two will be held in **week 4 and week 10** respectively. You are required to attend and complete the class tests in your registered seminar. Students will be instructed to complete these tests individually during seminar. You will receive feedback from your lecturer in the following week after the test.

The test will consist of short answer questions. The purpose of the class test is to provide timely feedback to students on their progress during the course. The purpose of the class tests is to encourage students to actively engage with the material covered in the Unit and to provide students with timely feedback on their performance regularly throughout the session. **More details will be provided on iLearn.**

#### Are there extensions and penalties for this extension task?

No extensions will be granted. This penalty does not apply for cases in which an application for Disruption to Studies is made and approved.

The marking criteria to be applied to the activities will be provided on iLearn. Students should note, in particular, that zero (0) marks will be awarded if a student does not participate in the class tests.

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](http://mq.edu.au/policy/docs/disruption_studies/policy.html).

On successful completion you will be able to:

- Understand and apply the requirements for the audit function within the context of the current audit legislation, ethical and regulatory frameworks.
- Analyse case studies, including real life case studies, and perform appropriate risk analysis, internal control assessment, collect and evaluate sufficient and appropriate audit evidence including the use of computer assisted audit techniques and data analytics.

## Assignment

Due: **Week 8 - 1 May 2017 at 4pm**

Weighting: **30%**

Students are required to complete an assignment concerning current developments in audit and assurance practices. This assessment task divided in two parts consisting of a group component (15%) and an individual component (15%). The assignment topic and marking rubric will be available in the assignment folder on iLearn.

The assignment will be marked based on the appropriate application of research knowledge and skills to specific audit and assurance issues. The group component will be marked based on quality of research and analysis of current issues in auditing. The individual component will require each student to write an individual report summarizing what they learned from the task and what they contributed to the team.

The assignment is to be submitted using Turnitin on iLearn. The marking criteria will be provided on iLearn. Groups of 4-5 will be formed no later than week 3 for the purposes of this assessment task.

No classes will be held in week 7 to facilitate finalisation of the assignment. Lecturers will be available during usual seminar time to consult with students on the assignment.

### **Are there extensions and penalties for this assessment task?**

No extensions will be granted. There will be a deduction of 10% 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 – 20% penalty). This penalty does not apply for cases in which an application for disruption of 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](http://mq.edu.au/policy/docs/disruption_studies/policy.html).

On successful completion you will be able to:

- Research and critique current developments in audit practice. Justify the critique, and articulate views in a group setting.

## Final examination

Due: **University examination period**

Weighting: **50%**

A two hour examination covering the entire course. Details regarding the format will be made available during Week 13. 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 achieve 50% in total for all assessments in aggregate to receive a passing grade in this unit. Students are expected to spend approximately 30 hours of study for the final exam. Students who wish to obtain feedback on the final exam should refer to guidelines relating to the Grade Review process available on the web page of the

Faculty of Business and Economics.

A two (2) hour closed book final examination will be held during the University Examination period. No dictionaries, books, or other materials or aids 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:

- Understand and apply the requirements for the audit function within the context of the current audit legislation, ethical and regulatory frameworks.
- Analyse case studies, including real life case studies, and perform appropriate risk analysis, internal control assessment, collect and evaluate sufficient and appropriate audit evidence including the use of computer assisted audit techniques and data analytics.
- Evaluate audit evidence and determine the appropriate audit report.

## **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 questions guide for the semester will be available before session starts. Lecture slides for the seminars will be also be available before session starts.

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. The second part of the seminar is designed to complement the lecture program by working through the practical seminar questions and readings 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.

Although each seminar focuses on different aspect of the audit process, the students are expected to understand the overall audit process and integrate different aspects covered over the session.

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](mailto:accg925@mq.edu.au).

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

## **Resources**

### ***Required and Recommended Texts***

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

Gay, G. and Simnett, R. (2015) *Auditing and Assurance Services in Australia*, 6th edition, McGraw-Hill, Sydney, Australia.

### **And**

Martinov-Bennie, N., Soh, D & Frohbus, K (2017) *Auditing and Assurance: A Case Studies Approach*, 6th Edition, LexisNexis Butterworths, Sydney, Australia

(The texts 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:

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

Arens, A., Best, P., Shailer, G., Fielder, B., Elder, R. and Beasley, M. (2017) *Auditing, Assurance Services and Ethics in Australia: An Integrated Approach*, 10th Edition, Pearson, Sydney, Australia.

Moroney, R., Campbell, F. and Hamilton, J. (2017) *Auditing: A practical approach*, 2e 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.	Seminar Topic	Events and Submissions
1	Course overview AND Introduction to auditing and assurance services	
2	Audit planning & Risk Assessment 1	
3	Audit planning & Risk Assessment 2	Finalise group members for group assignment
4	Collecting and evaluating evidence 1	Test 1 (10%)
5	Collecting and evaluating evidence 2	
6	IT systems	
7	No classes this week to facilitate finalisation of the Group Assignment	
	Mid-Session Break (17 April-30 April)	
8	Audit Sampling	Assignment is due at 4pm 1 May
9	Completing the audit (includes subsequent events and audit reporting)	
10	<div> Professional ethics &amp; independence  The auditor's legal liability </div>	Test 2 (10%)
11	Other assurance services	
12	Audit quality & dysfunctional auditor behavior Professional Scepticism	

## 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](http://mq.edu.au/policy/docs/academic_honesty/policy.html)

Assessment Policy [http://mq.edu.au/policy/docs/assessment/policy\\_2016.html](http://mq.edu.au/policy/docs/assessment/policy_2016.html)

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

Complaint Management Procedure for Students and Members of the Public [http://www.mq.edu.au/policy/docs/complaint\\_management/procedure.html](http://www.mq.edu.au/policy/docs/complaint_management/procedure.html)

Disruption to Studies Policy (in effect until Dec 4th, 2017): [http://www.mq.edu.au/policy/docs/disruption\\_studies/policy.html](http://www.mq.edu.au/policy/docs/disruption_studies/policy.html)

Special Consideration Policy (in effect from Dec 4th, 2017): <https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration>

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/](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](http://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](http://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](http://ask.mq.edu.au)

## IT Help

For help with University computer systems and technology, visit [http://www.mq.edu.au/about\\_us/offices\\_and\\_units/information\\_technology/help/](http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/).

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

## Graduate Capabilities

### 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

- Understand and apply the requirements for the audit function within the context of the current audit legislation, ethical and regulatory frameworks.
- Analyse case studies, including real life case studies, and perform appropriate risk analysis, internal control assessment, collect and evaluate sufficient and appropriate audit evidence including the use of computer assisted audit techniques and data analytics.
- Evaluate audit evidence and determine the appropriate audit report.

#### Assessment tasks

- Class tests
- Assignment
- 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**

- Analyse case studies, including real life case studies, and perform appropriate risk analysis, internal control assessment, collect and evaluate sufficient and appropriate audit evidence including the use of computer assisted audit techniques and data analytics.
- Evaluate audit evidence and determine the appropriate audit report.
- Research and critique current developments in audit practice. Justify the critique, and articulate views in a group setting.

## **Assessment tasks**

- Class tests
- Assignment
- Final examination

## **PG - Research and Problem Solving Capability**

Our postgraduates will be capable of systematic enquiry; able to use research skills to create new knowledge that can be applied to real world issues, or contribute to a field of study or practice to enhance society. They will be capable of creative questioning, problem finding and problem solving.

This graduate capability is supported by:

## **Learning outcomes**

- Analyse case studies, including real life case studies, and perform appropriate risk analysis, internal control assessment, collect and evaluate sufficient and appropriate audit evidence including the use of computer assisted audit techniques and data analytics.
- Research and critique current developments in audit practice. Justify the critique, and articulate views in a group setting.

## **Assessment tasks**

- Class tests
- Assignment
- Final examination

## Changes from Previous Offering

- Sampling has been added to the coverage of the audit process as a separate topic.
- Guest speaker(s) from the Big 4 will discuss the impact of data analytics on financial audit.
- Short videos will be incorporated during the session that cover contemporary topics in auditing such as audit quality, audit committees, professional scepticism and data analytics.

## 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. There will be recent research articles on some topics for discussion to supplement text books. In addition, the group assignment cover the most recent development in IT auditing.