



# ACCG925

## Auditing and Assurance Services

S3 Day 2017

*Dept of Accounting & Corporate Governance*

### Contents

<u>General Information</u>	2
<u>Learning Outcomes</u>	2
<u>General Assessment Information</u>	3
<u>Assessment Tasks</u>	4
<u>Delivery and Resources</u>	6
<u>Unit Schedule</u>	8
<u>Policies and Procedures</u>	9
<u>Graduate Capabilities</u>	10
<u>Research and Practice, Global and Sustainability</u>	12
<u>Changes since First Published</u>	12

#### Disclaimer

Macquarie University has taken all reasonable measures to ensure the information in this publication is accurate and up-to-date. However, the information may change or become out-dated as a result of change in University policies, procedures or rules. The University reserves the right to make changes to any information in this publication without notice. Users of this publication are advised to check the website version of this publication [or the relevant faculty or department] before acting on any information in this publication.

## General Information

Unit convenor and teaching staff

Unit Convenor and Lecturer

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E4A Level 2

See Unit iLearn

Moderator

Medhat Endrawes

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, design sufficient and appropriate audit procedures (tests of control and substantive tests) including the use of computer assisted audit techniques and data analytics in response to risks identified.

Evaluate audit evidence and determine the appropriate audit report.

Research and critique current developments in audit practice. Justify the critique, and articulate views expressed.

## 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
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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 on pages 10 to 11.

## **Assessment Tasks**

Name	Weighting	Hurdle	Due
<u>Class tests</u>	20%	No	11 Dec 2017 & 22 Dec 2017
<u>Assignment</u>	30%	No	10 January 2018 at 5pm
<u>Final examination</u>	50%	No	University examination period

### **Class tests**

Due: **11 Dec 2017 & 22 Dec 2017**

Weighting: **20%**

There will be (2) two in class tests (20%). Class tests (1) one and (2) two will be held on Monday 11 December 2017 and Friday 22 December 2017. 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 (2) two in class tests will consist of short answer and multiple choice questions. The purpose of the class tests is to provide timely feedback to students on their progress during the course and to encourage students to actively engage with the material covered in the Unit.

**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, design sufficient and appropriate audit procedures (tests of control and substantive tests) including the use of computer assisted audit techniques and data analytics in response to risks identified.

## Assignment

Due: **10 January 2018 at 5pm**

Weighting: **30%**

Students are required to complete an individual assignment based on current developments in audit and assurance practice. This assessment is an individual task. 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 knowledge and skills related to specific audit and assurance issue(s). The assignment will be marked based on quality of research, analysis, reasoning and its appropriate application to the selected current auditing issue(s) as well as quality of communication and presentation of the assignment.

The assignment is to be submitted using Turnitin on iLearn. The marking criteria will be provided on iLearn.

### **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 expressed.

## Final examination

Due: **University examination period**

Weighting: **50%**

A two (2) hour closed book final examination will be held during the University Examination period. No calculators, dictionaries, books, or other materials or aids are permitted in the final examination. The examination will cover topics across the entire unit. Further information regarding the format of the final examination will be provided in a seminar closer to the exam date.

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 examination. 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.

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, design sufficient and appropriate audit procedures (tests of control and substantive tests) including the use of computer assisted audit techniques and data analytics in response to risks identified.
- Evaluate audit evidence and determine the appropriate audit report.

## Delivery and Resources

### Delivery

Students are required to attend three hours of face-to-face teaching per seminar, with 3 seminars held per week. It should be emphasized that attendance at the seminars 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 the session starts. Lecture slides for the seminars will be also available before the session starts.

With the exception of the first 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 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 [hua.chen@mq.edu.au](mailto:hua.chen@mq.edu.au)

## Resources

Required and Recommended Texts

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

Gay, G. and Simnett, R. (2017 revised) *Auditing and Assurance Services in Australia*, McGraw-Hill, Sydney, Australia.

## And

Martinov-Bennie, N., Soh, D & Frohbus, K (2017) *Auditing and Assurance: A Case Studies Approach*, 7th 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. ( 2016) *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*, 3rd 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 for 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

Seminar	Week Commencing	Seminar Topic	Events and Submissions
1	4/12/2017	Course overview AND Introduction to auditing and assurance services	
2	6/12/2017	Audit planning & Risk Assessment 1	
3	8/12/2017	Audit planning & Risk Assessment 2	
4	11/12/2017	Collecting and evaluating evidence 1	Test 1 (10%)
5	13/12/2017	Collecting and evaluating evidence 2	
6	15/12/2017	Collecting and evaluating evidence 3	
7	18/12/2017	Self Study(Assignment preparation)	



8	20/12/2017	IT systems	
9	22/12/2017	Audit Sampling	Test 2(10%)
10	8/1/2018	Completing the audit (includes subsequent events and audit reporting)	
11	10/1/2018	<div> Professional ethics &amp; independence  The auditor's legal liability </div>	Assignment is due at 5pm on 10 January
12	12/1/2018	Other assurance services Audit quality & dysfunctional auditor behaviour Professional Scepticism	
13	15/1/2018	Revision	

## 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](#).

## 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, design sufficient and appropriate audit procedures (tests of control and substantive tests) including the use of computer assisted audit techniques and data analytics in response to risks identified.
- 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, design sufficient and appropriate audit procedures (tests of control and substantive tests) including the use of computer assisted audit techniques and data analytics in response to risks identified.
- Evaluate audit evidence and determine the appropriate audit report.
- Research and critique current developments in audit practice. Justify the critique, and articulate views expressed.

## 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, design sufficient and appropriate audit procedures (tests of control and substantive tests) including the use of computer assisted audit techniques and data analytics in response to risks identified.
- Research and critique current developments in audit practice. Justify the critique, and articulate views expressed.

## **Assessment tasks**

- Class tests
- Assignment
- Final examination

## **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 research articles cover the most recent development in IT auditing.

## **Changes since First Published**

Date	Description
16/11/2017	Rescheduling due to changes to summer course dates.