

School of Accounting and Commercial Law

MMPA 510 AUDITING

Trimester 3, 2013/4

COURSE OUTLINE

Names and Contact Details		Office	Telephone
<i>Course Coordinator & Lecturer</i>	Ainul Islam ainul.islam@vuw.ac.nz Office hours: TBA	RH 604	463 6107
<i>Lecturer</i>	Tim Fairhall tim.fairhall@vuw.ac.nz Office hours: TBA	RH tba	463 tba
<i>Course Administrator</i>	Pinky Shah pinky.shah@vuw.ac.nz Office hours: Monday-Friday, 9am-5.30pm	RH 728	463 6921

Trimester Dates

Monday 18 November 2013 – Friday 28 February 2014

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before 29 November 2013.
2. The standard last date for withdrawal from this course is 28 January 2014.

After the last date stated in #2, students forced to withdraw by circumstances beyond their control must apply for permission on an '*Application for Associate Dean's Permission to Withdraw Late*' including supporting documentation. The application form is available from either of the Faculty's Student Customer Service Desks.

Class Times and Room Numbers

Mondays: 5.40-8.30pm*

Venue: GB LT 4 (Government Buildings Lecture Theatre 4), Pipitea Campus

Exceptions: Lecture 8 will take place on Wednesday 22 January in GBLT4 (9.30am-12.20pm)

*Presentations may start at 4pm in weeks 4, 5, 9, 10, 11. Details will be provided in class.

Course Delivery

Throughout this course the application of theoretical knowledge and concepts of auditing and International Standards on Auditing (ISA-NZ) and Professional & Ethical Standards (PES) available at www.xrb.govt.nz will be applied to relevant auditing contexts. The course will be delivered through 12 three-hour classes involving lectures, class discussions, workshops centred on student presentations, and assessments.

Group Work

Students are expected to spend at least 30 hours for the preparation for workshop and group discussion.

Expected Workload

Students will be expected to spend at least 150 hours on this course. The 150 hours includes:

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| • Lectures on audit topics | 20 hours |
| • Presentations by students on audit topics | 10 hours |
| • Text readings prior to the lectures | 20 hours |
| • Preparation for workshops & group discussions | 30 hours |
| • Preparation for presentations | 20 hours |
| • Study for two tests | 40 hours |
| • Keeping up to date with business and audit news | 10 hours |

Prescription

The corporate governance role of external auditing in financial markets, including professional, ethical and technical requirements, and current auditing research issues.

Course Learning Objectives

Students who are successful in the course will be able to:

- Conduct research and analysis through working with and debating with other students;
- Recognise the place of audit and assurance in society and as a service provided by professionals;
- Appreciate the importance of such audit foundations as judgment, ethics, business understanding, independent evidence and risk mitigation;
- Recognise differences in emphasis between auditing in the public and private sectors in New Zealand; and
- Recognise the choices available and the judgments necessary in reporting on financial statements.

Course Content

The Lecture Schedule is provided on page 7.

Readings

Arens, A.A, Best, P, Shailer, G, Fiedler, B, Elder, R and Beasley, M (2013). 'Auditing, Assurance Services & Ethics in Australia – *An Integrated Approach*' (9th edition). Pearson Australia. ISBN 978-1-44-253365.

The above text book can be purchased from the Bookshop in Rutherford House.

Materials and Equipment

Only silent non-programmable calculators or silent programmable calculators with their memories cleared are permitted in the mid-trimester test and the final test.

Assessment

Assessment Item	Specification	%	Date	Course Learning Objectives Covered
Mid-Trimester Test	2 hours; Open book	15%	Mon 6 Jan at 5.40pm in GBLT4	(b), (c) & (e)
Workshop Presentations	Individual Presentation	15%	Weeks 4, 5, 9, 10, 11	(a)
Workshop: Non-presenters' assessment	Participation and bullet-point preparation	10%	Weeks 4, 5, 9, 10, 11	(a)
Final Test	2 hours; Open book	60%	Mon 17 Feb at 5.40pm in GBLT4	(c), (d) & (e)

Mid-Trimester Test

The test will be a short answer written test during the normal class time on 6 January 2014 covering material in the first five weeks of the course.

Marks will be posted on Blackboard along with the suggested solutions. If you are not satisfied with your mark after reviewing your paper against the suggested solutions you will need to complete the form at page 8 of this Course Outline and submit it to the Course Administrator.

Workshop Presentation

Presentations will take the form of a case study where all students will be given the background material two weeks before the workshop. Case studies will focus on topics addressed in lectures and in the text, but they are also intended to bring multiple audit issues together in the context of an audit situation. The case study will be presented by a group of 3 or 4 students.

Presenting students will have 90 minutes (maximum) to allow sufficient time for the individual presentations (15-20 minutes each) and debate on the topic(s). Each student in the presentation team will be expected to present an aspect of the case, and coordinate their aspect with the other presentations. During the presentation, the other students in the class are expected to participate and debate the case study with the presenting students. This means that the presenters must devise means by which they can engage with others in the class to ensure all students not presenting have appropriate opportunities to contribute their own ideas to the case topics and the debate thereon.

The success of case study presentations largely depends on the presenting students getting together before the presentation and planning as to how it will be run. Hence, the presenting students should contact one another once the workshop lists are published. The success of the case study also depends on the quality the research you have carried out and your analysis of the situation. Whilst you will not be assessed as a team, your presentation skills and the debate/discussion with the class will be assessed.

Presentation teams and dates for your presentations will be determined in the first lecture.

No publication or otherwise of the suggested solutions to presentations will be given on Blackboard or distributed by lecturers. However, lecturers will ensure that the topics are covered adequately

during the presentation and in the accompanying debate. Hence you will need to attend the classes at which presentations are made to ensure you can expand and/or clarify your understanding of the case study topic.

The mark for each presentation out of 15 will be discussed with the presenting students immediately following their presentations. If you are not satisfied with your mark you will need to complete the form at page 8 of this Course Outline and submit it to the Course Administrator.

Workshop Participation and Bullet-point Solutions: Non-presenters

Students (other than those presenting who do not need to prepare bullet-point solutions) are required to prepare a bullet-point solution (no more than 3-4 pages) and email them to the lecturer taking the class by **Monday 12 noon** of the day of the presentation. To assist in your learning of the presentation topic you should retain a copy of your bullet-point solution for use at the presentation.

Student Assessment Areas for Presentations and Participation

1. Marks for Presenting Team

Each team member can receive a possible 15 marks in total.

Each presenting team member will be assessed on the quality of their individual presentation and discussion/debate with non-presenters based on the following criteria:

(i) ***Strength of and support for positions taken (7 marks possible)***

This will be based on evidence of reasonable logic to support position(s) adopted or key issues identified from background material and evidence of having used the literature* to support these positions with sound logic and must demonstrate a good understanding of the topic

(ii) ***Discussion leadership (5 marks possible)***

A structure or format that establishes the basis for meaningful class discussion (games, setting up opposing positions or debates or other innovative structures are encouraged); and that responses demonstrate an appropriate knowledge of the topic (the presenting student could also involve other team members to assist with the discussion/debate with non-presenters)

(iii) ***Presentation issues (3 marks possible)***

On time, the presenter speaks clearly and does not rely on reading notes (reading your presentation from notes will result in a failing mark for your presentation) and the flow of the presentation.

* The 'literature' referred to above could include references from peer-reviewed journals, professional journals, company material, your text, verified media reports (i.e., not Wikipedia, blogs or unsubstantiated sources), or a combination thereof.

Please have copies of your presentation material available to your lecturer at the end of your group presentation.

2. Marks for Non-Presenters: Workshop Participation and Bullet-point Solutions

Non-presenters will be emailed by the lecturer following the class if their bullet-point solution and/or participation in the class discussion was inadequate.

Students will receive either 10 marks or 0 marks, based on their participation in the presentation discussion and the bullet-point solutions they submitted for the workshops in which they were not presenting. Should students have any problems with their marks following their publication after the final presentation, they must contact the Course Coordinator immediately by email.

Group Discussions

Up to four group discussions will be held during lecture times on a topic to be advised at least a week before the group discussions. Students need to prepare a bullet-point summary on the topic to be discussed but this will not be required to be submitted in advance for group discussions. Group discussions are not part of your course mark.

Final Test

The Final Test will be a short answer written test on 17 February 2014 covering material in the entire course. The normal class time on 10 February 2014 may be used for course revision, depending upon the demand from the class at that time.

Suggested solutions will be posted on Blackboard. If you are not satisfied with your mark after reviewing your paper against the suggested solutions, make an appointment to discuss this with the Course Coordinator.

Penalties

If you fail to submit your bullet-point summary on time you are unlikely to be considered for the 10% mark.

Use of Turnitin

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and submitted to Turnitin. A copy of submitted materials will be retained on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

Mandatory Course Requirements

In addition to obtaining an overall course mark of 50 or better, students must:

- Obtain at least 45% of the total marks available both in the mid-trimester test and the final test *e.g.* if the mid-trimester test is out of 30 marks and the final test is out of 70 marks, you will need to get 45 of the 100 marks available.
- Give one presentation.

If you cannot complete an assignment or sit a test or examination, refer to www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat

Class Representative

A class representative will be elected in the first class, and that person's name and contact details made available to VUWSA, the course coordinator and the class. The class representative provides a communication channel to liaise with the course coordinator on behalf of students.

Communication of Additional Information

Additional information concerning this course will be provided in lectures and posted on Blackboard: <http://blackboard.vuw.ac.nz>. Urgent notices will be circulated by email.

Student feedback

Any feedback is considered and followed up on.

Student feedback on University courses may be found at
www.cad.vuw.ac.nz/feedback/feedback_display.php

Link to general information

For general information about course-related matters, go to
<http://www.victoria.ac.nz/vbs/studenthelp/general-course-information>

Note to Students

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Week/Date	Text readings pages	Topic	Lecturer
Week 1 18 Nov	3-18; 108-116	What are assurance services? What is an audit?	Ainul Islam
Week 2 25 Nov	122-132; 183-198; 386-411	The audit process: Evaluating the Client and Planning the audit (including analytical procedures) Group discussion 1	Ainul Islam
Week 3 2 Dec	221-247; 263-292; 340-370	Assessing Risk & Materiality (including the impact of information technology on the audit process) Group discussion 2	Ainul Islam
Week 4 9 Dec	142-165; 206-207; 574-591 & 629-653; 497-499	Audit Evidence & Testing and Audit Sampling Presentation 1	Ainul Islam
Week 5 16 Dec	679-700; 710-729	Completing the audit and the audit opinion Presentation 2	Ainul Islam
Mid-Trimester Break (Saturday 21 December 2013 – Sunday 5 January 2014)			
Week 6 6 Jan	Mid-Trimester Test (2 hours) – during normal class time		Ainul Islam
Week 7 13 Jan	19-29; 73-99	Corporate governance (and the contribution of auditing thereto) Professional ethics Independence Audit standards Group discussion 3	Tim Fairhall
Week 8 20 Jan	39-64	Auditor liability Group discussion 4	Tim Fairhall
Week 9 27 Jan	764-778	Public and private sector audits contrasted Presentation 3	Tim Fairhall
Week 10 3 Feb	305-332	Regulation of auditors Fraud auditing within governance structures Presentation 4	Tim Fairhall
Week 11 10 Feb		Contemporary audit issues Presentation 5	Tim Fairhall
Week 12 17 Feb		Final Test (2 hours) – during normal class time	Tim Fairhall

