

School of Accounting and Commercial Law

**ACCY 330 AUDITING**

Trimester Two 2011

**COURSE OUTLINE**

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**Names and Contact Details**

<i>Course Coordinator &amp; Lecturer:</i>	Mr Tim Fairhall <a href="mailto:Tim.Fairhall@vuw.ac.nz">Tim.Fairhall@vuw.ac.nz</a>	RH 631	463 6709
<i>Lecturer:</i>	Dr Ainul Islam <a href="mailto:Ainul.Islam@vuw.ac.nz">Ainul.Islam@vuw.ac.nz</a>	RH 604	463 6107
<i>Course Administrator</i>	Ms Lee Vassiliadis <a href="mailto:Lee.Vassiliadis@vuw.ac.nz">Lee.Vassiliadis@vuw.ac.nz</a> Office hours: Monday-Friday 8.30am-5pm Office is closed: 10.30-10.45am and 3.30-3.45pm	RH 708	463 5383

Please contact the Course Administrator regarding workshop enrolments and other inquiries of an administrative nature.

If you believe your performance in this course regarding any of the specified mandatory course requirements is impeded by unforeseeable events (or circumstances such as sickness, bereavement of a close relative or other such personal difficulties), you should contact the Course Coordinator by email as soon as is reasonably possible. Do not delay this until the end of the course or until after final results are posted.

**Trimester Dates**

**Teaching Period:** Monday 11 July – Friday 14 October

**Study Period:** Monday 17 October – Thursday 20 October

**Examination Period:** Friday 21 October – Saturday 12 November (inclusive)

**Withdrawal from Course**

1. Your fees will be refunded if you withdraw from this course on or before 22 July 2011.
2. The standard last date for withdrawal from this course is 23 September 2011. After this date, 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

Lectures will take place in two streams:

Stream 1 on Mondays and Wednesdays at 3:40 – 4:30pm in RHLT1; and, Stream 2 on Mondays and Wednesdays at 2:40 – 3:30pm in RHLT2

### Course Content

The study of the concepts and practice of auditing.

### Planned timetable and course

Week	Topic	Custom text readings	Workshop	Lecturer
1	What are assurance services?, What is an audit? Professional ethics and independence	Gay & Simnett chapters 1&3 (1-113) Mintz & Morris chapter 3 (470-520) IFAC Code of Ethics pp. 5-16 (584-595) IFAC Glossary of terms pp. 16-38 (608-630)		TF
2	Auditing standards and regulators - New Zealand and International	Gay & Simnett chapters 1&3 (1-113) IFAC introduction to IAS pp. 4-15 (596-607)		TF
3	The Audit process including understanding the business <b>Assignment topic on Blackboard</b>	Gay & Simnett chapter 5 (155-207) Mintz & Morris chapter 3 (470-521) IFAC ISA 315 (530-538)		AI
4	Evaluating the client and planning the audit <b>First test</b>	Gay & Simnett chapter 6 (208-269) IFAC ISA 210 (521-523)		AI
5	Risk assessment	Gay & Simnett chapters 6&7 (208-316) IFAC ISA 330 (541-545)	1	AI
6	Fraud, materiality and related parties <b>Assignment due 2 September</b>	Gay & Simnett chapters 4(155-207)&7(270-316) Mintz & Morris chapters 3(470-520)&7 ISA's 240(524-530), 320(539-541), 550(556-561)	2	AI
7	Use of analytics and obtaining evidence to support account balances	Gay & Simnett chapters 5&6 (155-269) ISA's 500, 520, 540 (548-555)		AI
8	Auditors legal liability	Gay & Simnett chapter 4 (114-154)		TF
9	The difference between public sector and private sector auditing	Gay & Simnett chapter 15 (410-445)		TF
10	Completing the audit The auditors reporting obligations	Gay & Simnett chapter 12 (317-361) IFAC ISA's 450(545-547) & 560(561-564) Gay & Simnett chapter 13 (362-409) IFAC ISA's 700, 705, 706 (565-583)	3	AI
11	Auditor regulation – International and New Zealand issues		4	TF
12	Contemporary audit process issues	Mintz & Morris chapter 7		TF
tba	Final exam			

Lecturer Codes: TF = Tim Fairhall; AI = Ainul Islam

## **Course Learning Objectives**

By the end of this course, students should be able to:

- Research and analyse auditing concepts.
- Explain the concept and practice of audit judgment.
- Evaluate auditing standards and related professional ethics.
- Apply auditing concepts to everyday business activities.

## **Course Delivery**

The course will be delivered through:

- Two 1-hour lectures for 12 weeks
- Four 2-hour workshops

Further information on expectations of students in workshops can be found on page 5.

## **Expected Workload**

Students will be expected to spend at least 150 hours on this course. The 150 hours includes the 32 hours of in-class time comprising two hours of lectures each week for 12 weeks and four 2-hour workshops. The balance of hours should be spent on:

- |   |          |
|---|----------|
| • Custom text readings of the lectures            | 24 hours |
| • Preparation for workshops where not presenting  | 12 hours |
| • Preparation for workshops where presenting      | 12 hours |
| • Research and writing of the assignment          | 20 hours |
| • Study for mid-trimester test and final exam     | 42 hours |
| • Keeping up to date with business and audit news | 8 hours  |

## **Group Work**

Workshops are an important element of the course which involves significant group work. Further details on Workshops can be found below, including how Workshops are assessed.

## **Readings**

Students will need to purchase the custom text that has been prepared for this course, titled ‘ACCY 330 Auditing Fundamentals’ compiled by TF ISBN 978 0 390 26572 2.

## **Materials and Equipment**

The Mid Trimester Test and Exam are both open book and you may bring whatever materials you like into the exam room. Be aware that lecturers do not have spare copies of the course materials book available for loan and it is your responsibility to make sure you have a copy of anything you may wish to refer to during the test and exam.

## Assessment Requirements

One Workshop Case Study	15%
Workshop participation and bullet-point solutions	5%
Assignment	10%
Test	15%
Exam	55%.

**Note:** 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 audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

## Workshops

The workshops will take the form of a case study where all students will be given the background material two weeks before the workshop. Case study topics will include contemporary audit issues and areas of research popular with academic researchers; as well as issues canvassed through the lectures. The case study will be presented by a group of 4 or 5 students (depending on the size of the workshop group).

The success of case study presentations largely depends on the 4 or 5 students getting together before the presentation to plan how it will be run. Hence, you should contact one another once the workshop lists are published on *Blackboard*, using the standard VUW student email addresses. If you do not use your VUW student email address, then make sure you have created a divert within VUW email to your preferred email address, which could be gmail, yahoo, etc.

The selected group of students will have approximately 15 minutes each to make their presentation. Each student in the presentation team will be expected to contribute to the presentation. During and after the presentation, the other students in the workshop group are expected to debate the case study with the presenting students. This means that the presenters must devise means by which they can engage with the others in the workshop group to ensure all students not presenting have appropriate opportunities to contribute their own ideas to the workshop topics and the debate thereon.

The workshops will have the facility to last up to 90 minutes to allow sufficient debate on the topic(s) - and, to allow time for the individual students making the presentation to be assessed by the tutor at the conclusion of the presentations in accordance with the parameters below.

No publication or otherwise of the suggested solutions to workshops will be given on Blackboard or distributed by tutors. However, tutors will ensure (based on guidance notes provided by the lecturers) that the topics are covered adequately during the presentation and in the accompanying debate. Hence you will need to attend the workshop to ensure you can expand and/or clarify your understanding of the workshop topic.

The mark for the presentation out of 15 will be shown on Blackboard immediately following the workshop. Should you have any problem with these marks you must contact your tutor before the next workshop or by 10 October 2011 in the case of the last workshop. If still not satisfied you will need to complete the form at page 10 of this Course Outline and submit it to the Administrator.

### **Student assessment areas for workshop presentations**

Students will be assessed according to the following criteria, with a mark given of 0, 1, 2, or 3 in each of the first three categories and 0, 1, 2, 3, 4, 5 or 6 in the last category. The key aspects that tutors will be addressing within each of these categories are recorded below:

**1. Does it appear the student had prepared well for the presentation?**

- Background material reviewed
- Key issues identified from background material
- Evidence of exploration of the topic

**2. Was there a coordinated and logical presentation of the material by each team member in addressing the question(s)?**

- Flow of presentation is logical
- Demonstrate understanding of where each team member's contribution fits in the presentation
- Time management (80-90 minutes presentation and questions; at least 15 minutes at end for tutor evaluation with presentation team)

**3. Did the student speak on the topic and confidently during their part of the presentation, including any use made of overheads and/or whiteboard, to illustrate their arguments?**

- Effectiveness in engaging the audience
- Arguments were properly supported
- Succinctness in the presentation
- Had an opinion

**4. How concise and willing was the student in engaging the others in the class in debate and in answering questions concerning their presentation, either through interjections during or questions following the conclusion of the presentation?**

- Responded to the actual question asked with sound logic
- Demonstrated a good understanding of the topic
- Response credible
- Involved other team members, if appropriate, in giving answers

### **Workshop participation and bullet-point solutions**

Students (other than those presenting who do not need to prepare bullet-point solutions) are required to prepare a bullet-point solution and transfer it electronically to the designated assignment folder on *Blackboard* before Friday 12 noon of the week preceding the workshop.

Your bullet-point solutions will not be able to be seen by other students, but they will be accessible by tutors in order to assess your preparedness for the workshop presentation. To assist in your learning of the workshop topic you should retain a copy of your bullet-point solution for use at the workshop.

Where you are not one of the presenters, a 1 will be recorded confirming your workshop attendance, adequacy of your bullet-point solution and your oral participation in the three workshops concerned. A 0 will be recorded where you do not attend the workshop, or your bullet-point solution is inadequate or your oral participation in the workshop was inadequate. The 1 and 0 are not marks, but are the only means of recording allowed by *Blackboard*.

Should you have any problem with these 1's or 0's you must contact your tutor before the next workshop or by 10 October 2011 in the case of the last workshop. If still not satisfied you will need to complete the form at page 10 of this Course Outline and submit it to the Administrator.

During the week beginning 10 October 2011, you will receive either 5 marks or 0 marks which will be posted on Blackboard based on your attendance, oral participation and the bullet-point solutions you submitted for the three workshops in which you were not presenting. Should you have any problems with your mark you must contact the Course Coordinator immediately by email.

### **Assignment**

The written assignment is to be at least 1300 but not more than 1700 words. The topic for the assignment will be posted on *Blackboard* on Monday 25 July 2011. The assignment is to be placed in the designated assignment folder on *Blackboard* before 12-noon on Friday 2 September 2011. The marked assignment will be returned at Workshops in the week beginning 26 September 2011 and suggested solutions posted on *Blackboard*.

If you are not satisfied with your mark after reviewing your assignment against the suggested solutions you will need to complete the form at page 10 of this Course Outline and submit it to the Administrator.

### **Test**

The test will be a short answer open-book written test of 75 minutes duration in the week beginning 1 August 2011 covering material in the first three weeks of the course.

Marks will be posted on *Blackboard* on 15 August 2011 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 10 of this Course Outline and submit it to the Administrator

### **Examinations**

The 2-hour exam will cover the entire course content, with emphasis on the last nine weeks of lectures, the workshops and the assignment. The exam will be open-book. The suggested solutions to the final exam will be posted on *Blackboard* after the exam.

Should you wish to have your final exam reconsidered you will need to complete the requisite form at the Student Administration Office and pay the required fee. The fee will be refunded if the reconsideration results in an upward revision of your grade.

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period. The final examination for this course will be scheduled at some time during the period from Friday 21 October – Saturday 12 November 2011.

**Penalties**

Late assignments will **NOT** be accepted.

**Mandatory Course Requirements**

- Obtain at least 45% of the total marks available in the test and exam – e.g. if the test is out of 30 marks and the exam is out of 70 marks, you will need to get 45 of the 100 marks available in total over the two papers (20/30 marks in the test and 25/70 marks in the exam will meet mandatory course requirements; as will, 5/30 and 40/70 marks respectively).
- Attend all four workshops
- Give one workshop presentation

**Prerequisites**

ACCY231 and COML204

**Restrictions**

ACCY232 and ACCY303

**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**

Any additional information will be communicated via *Blackboard*.

**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 subject to checking by Turnitin. Turnitin will retain a copy of submitted materials 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.

**For the following important information follow the links provided:**

**Academic Integrity and Plagiarism**

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

**General University Policies and Statutes**

Find key dates, explanations of grades and other useful information at

[www.victoria.ac.nz/home/study](http://www.victoria.ac.nz/home/study)

Find out about academic progress and restricted enrolment at

<http://www.victoria.ac.nz/home/study/academic-progress.aspx>

The University's statutes and policies are available at [www.victoria.ac.nz/home/about/policy](http://www.victoria.ac.nz/home/about/policy), except qualification statutes, which are available via the Calendar webpage at

<http://www.victoria.ac.nz/home/study/calendar.aspx> (See Section C).

Further information about the University's academic processes can be found on the website of the Assistant Vice-Chancellor (Academic) at

[www.victoria.ac.nz/home/about\\_victoria/avcacademic/default.aspx](http://www.victoria.ac.nz/home/about_victoria/avcacademic/default.aspx)

**AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support**

[http://www.victoria.ac.nz/home/about\\_victoria/avcacademic/Publications.aspx](http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx)

**Faculty of Commerce and Administration Offices**

<http://www.victoria.ac.nz/fca/studenthelp/>

**Te Pūtahi Atawhai**

**Maori and Pacific Mentoring Programme**

[http://www.victoria.ac.nz/st\\_services/tpa/index.aspx](http://www.victoria.ac.nz/st_services/tpa/index.aspx)



## Detailed Workshops (Tutorial) Group Sessions' Signup Instructions

1. Go to the signup website at: <https://signups.victoria.ac.nz>
2. Enter your SCS username and password to login the system.
3. The "Signup Home" page opens. It displays all courses you are enrolled for and that use the S-Cubed Tutorial & Workshop Signup system. Click on the course you wish to sign up for.
4. The selected course page opens. It will show the course contact and brief details of the signup instructions. A "key" is provided at the bottom that explains all buttons and what they do.
5. The schedule of tutorials includes the day/time, location, maximum group size, and spaces left in the workshop sessions.
6. If there are spaces left in a particular session, you will see the "ENROL" button next to it. You can click this button to enrol yourself into that workshop session.
7. If there are NO more spaces left in a particular session, you will see the "JOIN WAITLIST" button, if available. You can click this button to join the waitlist for that workshop session. Please note that you will be removed from any other waitlist you may have joined earlier. If somebody withdraws from this session, you will automatically be moved up the waitlist or enrolled into the session. In this case you are enrolled in the session; an email will be sent to you if you are enrolled into the session from a waitlist.
8. You can only "JOIN WAITLIST" if you have already enrolled in one of the other available sessions. In other words, "ENROL" in one session and then you can choose to join the waitlist for another preferred session.
9. You can choose to "WITHDRAW" from a session you have already enrolled for. You can also choose to "CANCEL WAITLIST" to remove yourself from a particular waitlist.
10. A "FULL" button indicates all seats and waitlist are full for that workshop session. You must choose another session.
11. More details on the various buttons are available in the "Key" section at the bottom of the signup page.
12. You should "ENROL" in only ONE workshop session and may "JOIN WAITLIST" for only ONE other workshop session.
13. You can login and signup (or change your signup) anytime before the **closing date of the workshop group sessions' signup. You will NOT be able to sign up or change your choice after the workshop group sessions' signup has closed.**
14. You can view/confirm details of the sessions you are enrolled and waitlisted for, such as day/time and location by clicking on "My Signups" on the left hand menu.
15. Click on "Support" on the left hand menu if you are having problems.

This online signup system is available around the clock over the internet. Any requests after this date will need to be manually handled by the course administrator. You will need to submit a written application stating the reason why you were not able to sign up on time using the online system, along with other relevant documentation such as medical certificate etc.

Finally, **you must always attend the workshop group sessions that you have signed up for.** If you are unable to attend your designated group for unavoidable reasons you can attend a different session where you must advise the tutor of the different session so your attendance is recorded.

**Application for Re-mark of Assessment Item by SACL – Course:.....**

<b>Student ID NO:</b>	<b>Student Name:</b>
<b>Assessment piece: Assignment/Workshop/Test Date due:</b> (Please circle one)	

**1. I wish the following to be re-assessed:**

Explain your reason for requiring a re-assessment: *(What part of the assignment, workshop, or test has not been properly assessed?) (Write on the back of this sheet if necessary)*

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**2. I accept that the subsequent re-assessment may be higher, or no change from the current mark. (Note: re-assessments are not undertaken for trivial mark changes)**

**3. I believe the re-assessment will result in a material difference (Note: If the reason for the re-assessment is due to a comparison with another student's answer/presentation, both assignments/workshop/test assessments must be submitted for re-assessment, with signatures from both students)**

**Student signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

*For office use only*

Re-assessment will be completed by \_\_\_\_\_

Assignment/Workshop/ test	Original Mark	Upgraded Mark
	<b>Original Total Mark</b>	<b>Upgraded Mark</b>

**Course Coordinator signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_