

School of Accounting and Commercial Law

ACCY 330 AUDITING

Trimester Two 2012

COURSE OUTLINE

| Names and Contact Details | Office | Telephone |
|--|---------------|------------------|
| <i>Course Coordinator & Lecturer:</i> Dr. Ainul Islam ainul.islam@vuw.ac.nz Office Hours: <i>no fixed office hours, always contactable by email where an appointment can be made if necessary</i> | RH604 | 463 6107 |
| <i>Lecturer:</i> Tim Fairhall Tim.Fairhall@vuw.ac.nz Office Hours: TBA | RH 631 | 463 6709 |
| Course Administrator Lee Vassiliadis Lee.Vassiliadis@vuw.ac.nz Office hours: Monday-Friday, 8.30am-5pm (Note: Office closed 10.30am-10.45am and 3.30pm-3.45pm) | RH 708 | 463 5383 |

Please contact the Course Administrator regarding attendance or other inquiries of an administrative nature.

Trimester Dates

Teaching Period: Monday 16 July – Friday 19 October

Study Period: Monday 22 October – Thursday 25 October (Monday 22 October is a public holiday, Labour Day)

Examination Period: Friday 26 October – Saturday 17 November (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before **Friday 27 July 2012**.
2. The standard last date for withdrawal from this course is **Friday 28 September**. 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.

Lecture Times and Locations

Wednesday & Fridays 9:30-10:20am
RHLT1, Rutherford House, Pipitea

Course Delivery

The course will be delivered through:

- Two 1-hour lectures for 12 weeks
- Four 2-hour workshops (see Course Timetable for scheduling)

Course Learning Objectives

By the end of the course, you should be able to:

- (a) explain this purpose of audit and role of auditor;
- (b) apply standards, codes, audit concepts and law to practice dilemmas;
- (c) be familiar with the audit process;
- (d) conduct research and analysis through working with and debating with other students.

Expected Workload

In addition to the course delivery hours (below), you would be expected to spend approximately 12 hours per week in reading and preparation.

Required Textbook

Van Peurseem, KA, Pratt, MJ and Cordery, C (2011). *Auditing: Theory and Practice in New Zealand, 6th Edition (only)*. Pearson Education: Auckland.

Assessment Requirements

| | |
|---|------------|
| • Test – 16 August at 5.45pm | 15% |
| • Workshop Presentations: | |
| ○ Individual Presentation | 14% |
| ○ Group Mark | 5% |
| • Workshop: Non-presenters' assessment | 6% |
| • Exam | <u>60%</u> |
| | 100% |

Quality Assurance 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.

WARNING: Due dates, times and conditions are firm. Extensions are not offered. Special consideration requests will be received and considered should significant, unanticipated circumstances beyond your control prevent you from completing an assessment on time. No outcome is guaranteed. If you believe that timely completion of a course requirements is impeded by such a circumstance (e.g. injury, bereavement of a close relative), you should contact the Course Coordinator by email as soon as you become aware of the situation. You will ultimately be required to provide explanation supported by independent, relevant evidence for your request to be considered. You should make every reasonable attempt to complete/attend the assessment at the due date/time as your efforts to do so will be part of the consideration. If you anticipate such a problem, do not delay in notifying us about it.

Course Timetable

| Week | Topic | Chapter* | Assessment | Lecturer |
|--|---|--------------------------------------|--|----------|
| Week 1 16 July | Introduction to Audit & Assurance Services | 1 | | AI |
| Week 2 23 July | Audit Concepts and Standards Audit Risk | 3 (pp. 30 to 41) 8 | | AI |
| Week 3 30 July | Audit Judgement and Materiality Audit Evidence | 9 10 (pp.148 to 153) | | AI |
| Week 4 6 August | The Audit Process: An overview | 11 | | AI |
| Week 5 13 August | Audit Planning (including preliminary analytical review) Audit Testing | 12 10 (pp 153 to164) | TEST (16 August 5.45pm) | AI |
| Week 6 20 August | Principles of Internal Control Internal Control & the Auditor | 13 14 | | AI |
| MID-TRIMESTER BREAK (27 August – 9 September) | | | | |
| Week 7 10 September | Specific Analytical Procedures Audit Sampling (brief overview) | 16 17 (pp 265-272) | | TF |
| Week 8 17 September | Completion and Review Communication: Audit report and Opinion | 24 25 | Workshop 1 | TF |
| Week 9 24 September | Role of Auditors Statutory Law /Public Sector Audit | 4 5 | Workshop 2 | |
| Week 10 1 October | The Profession and Ethics | 6 | | TF |
| Week 11 8 October | Courts and Legal Liability | 7 (pp. 98-114) | Workshop 3 | TF |
| Week 12 15 October | Audit Firm Contemporary Audit Issues | 19 (pp 309-319) Other reading | Workshop 4 | TF |
| | Background reading for workshops | 20-23 | | |
| TBA | Final Exam | | EXAM | |

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

*Prepare by reading the designated chapter(s) prior to lecture

Test

The test will be a short answer written test on 16 August 2012 covering material in the first four 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 9 of this Course Outline and submit it to the Course Administrator.

NB: *There is a high bar for granting considerations to students who miss the test. See 'Warning' above.*

Workshops

The workshops will take the form of presentations and discussions around a case study. There will be four workshops of two hours each, and four case studies in total. Case studies will focus on topics addressed in lecture and in the text, but they are also intended to bring multiple audit issues together in the context of an audit situation. Each workshop, and case study, will be presented by a group of (usually) 4 'presenting' students.

The success of case study presentations largely depends on the students getting together before the presentation and planning as to 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 success of the case study also depends on the quality the research you have carried out and your analysis of the situation. Your presentation skills will also be put to the test.

Presenting students will have 90 minutes (maximum) available for their presentations and discussions. This will consist of 4 individual presentations and a group presentation as set out below. Each student in the presentation team will be expected to:

- Individually present on one aspect of the case. Individual presentations, including discussion, are expected to last 15 minutes (20 minutes maximum). This time should include 5-10 minutes of class discussion; *and*
- Contribute to the group presentation. The group presentation can be at the beginning, or at the end, or both, but must last no more than 10 minutes in total and demonstrate that you understand how your presentation integrates with your fellow presenters.

Non-presenting students in the workshop are expected to prepare for discussion *and* to be present for the entire workshop.

Marks for Presenting Team

Each team member can receive a possible 19 marks in total, consisting of:

- (a) 14 marks possible, for your individual contribution (Individual Presentation); *and*
- (b) 5 marks possible for your team as a whole (Group Mark);

That which tutors will be looking for within each of these categories can be found below.

(a) **Individual Presentation** (14 marks possible) Each presenting team member will be assessed on the quality of their individual presentation and discussion based on the following criteria:

1. *Strength of and support for positions taken* (6 marks possible)

This will be based on evidence of reasonable logic to support position(s) adopted, and evidence of having used the literature* to support these positions

2. *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 student could also involve other team members or references as appropriate to the situation)

3. *Presentation issues* (3 marks possible)

On time, speaking clearly and that the student does not rely on reading notes (excessive reading of your presentation from notes will result in a failing mark for your presentation)

(b) **Group Mark** (5 marks possible): All students in a group will receive the same group mark, which will be based on the following criteria:

1. *Structure of the presentation* (3 marks possible)

- Material is presented in a reasonable order overall and within the group presentation
- Time management (you keep to time specified above)
- All group members participate, and reasonably equally

2. *Quality of content* (2 marks possible)

- Materials are clear, concise and clearly presented
- Strength of positions and/or responses to questions

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

Please have a copy of your presentation material available to your tutor at the end of the workshop so that they can review it if necessary for the purposes of setting a mark and advising to you before you leave the workshop room.

NB: *If a student is absent for their workshop, it will be assumed that they contributed neither to the materials nor to the presentation and will receive no mark for this assessment. See further information below on 'Missing an assessment'.*

Marks for Non-Presenters

Non-presenting students are required to prepare a two to three page bullet-point solution to the case being presented that week and hand in a copy to the tutor at the workshop. Each student will receive up to 2 marks for each of the 3 workshops in which they are non-presenters: one (1) mark if they are there and contribute during the workshop *and* one (1) mark if they have done an acceptable bullet-point solution.

NB: *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) that relevant topics are covered adequately during the presentation and in the accompanying debate. Hence you will need to attend the workshop to benefit from the presentation and discussion.*

Administration of workshop marks

Missing an Assessment

Should you be unable to attend a workshop in which you are **not part of the presenting team** for unanticipated reasons beyond your control, you should attend another workshop in that week and advise the tutor of your details. If you cannot get to any workshops in that week you should advise the Course Coordinator with reasons. *Late workshop bullet-point solutions will NOT be accepted.*

Should you be unable to attend a workshop in which you **are part of the presenting team** for unanticipated reasons beyond your control, you should apply for consideration by completing the form at page 9 of this Course Outline and submitting it to the Administrator. Please note that workshop presentation is a mandatory element of this course.

NB: *There is a high bar for granting considerations to students who miss workshops (see 'Warning' page 2). You should understand that full credit is unlikely under any circumstance should you miss a workshop, as your participation is fundamental to the learning process and mark.*

Questions on Assessment Marks

All questions regarding workshop marks should be addressed, in the first instance, to your tutor on the day of the workshop when marks are advised. If still not satisfied you will need to complete the form at page 9 of this Course Outline and submit it to the Administrator.

We will attempt to post all workshop marks on Blackboard by the Monday of the week following the Workshop. Should you have any problems with the mark listed you must contact the Course Coordinator immediately by email.

Examination

The 2-hour final exam can cover any element of the course, with some emphasis on the last eight weeks of material. 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 26 October – Saturday 17 November (inclusive).

Should you wish to have your final exam reconsidered you will need to complete a form at the Student Administration Office and pay a fee. The fee will be refunded if the reconsideration results in an upward revision of your grade. As exams are marked, sampled and reviewed carefully, you should understand that the likelihood of a change is small in most cases.

Mandatory Course Requirements

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

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 in lecture.

Use of Turnitin (if applicable)

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

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, 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

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

http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx

Faculty of Commerce Office

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

Te Putahi Atawhai

Maori and Pacific Mentoring Programme

<http://www.victoria.ac.nz/tpa/>

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.

