



The University of Southern Queensland

## Course Specification

### Description: NIA Auditing

Subject	Cat-Nbr	Class	Term	Mode	Units	Campus
ACC	5018	28032	3, 2003	EXT	1.00	TWMBA

<b>Academic Group:</b>	FOBUS
<b>Academic Org:</b>	FOB008
<b>HECS Band:</b>	2
<b>ASCED Code:</b>	080101

### OTHER-REQUISITES

Pre-requisite: Associate level membership or above, of the National Institute of Accountants.

### SYNOPSIS

This course primarily deals with the process by which the external company auditor, within the Australian professional and legal framework, independently appraises and reports on the truth and fairness of the company's financial statements. The course is practice-oriented and, in keeping with current trends in the auditing profession, a risk-based audit approach is emphasised. The course covers the audit of computerised systems as well as selected manual accounting systems.

### OBJECTIVES

Completion of this course should enable students to:

- explain the need for an independent audit;
- appreciate the various auditing standards and procedures and the application of these to the conduct of an audit;
- follow the development of case law and statute law in respect of the definition of the auditor's responsibilities;
- appreciate the audit process, beginning with the planning phase, through the documentation stages, to the testing (interim and final), evaluation and reporting stages;
- appreciate the concepts of internal controls and audit testing procedures;
- understand the principles and application of audit sampling techniques;
- appreciate the internal controls associated with the audit of EDP systems;
- decide on the appropriateness of different types of audit reports and prepare such audit reports.

## TOPICS

Description	Weighting (%)
1. Assurance and the Auditing Profession	7.00
2. The Financial Report Audit and Professional Standards	7.00
3. The Audit Process and Audit Evidence	8.00
4. Internal Control	9.00
5. Audit Testing I	8.00
6. Audit Testing II	8.00
7. CIS Auditing I: Controls	9.00
8. CIS Auditing II: Techniques	8.00
9. Auditing Sampling	9.00
10. Completing the Audit and Audit Reporting	9.00
11. Legal Responsibility and Liability of Auditors	9.00
12. Professional Ethics and Independence	9.00

### **TEXT and MATERIALS required to be PURCHASED or ACCESSED:**

Books can be ordered by fax or telephone. For costs and further details use the 'Book Search' facility at <http://bookshop.usq.edu.au> by entering the author or title of the text.

Gay, G & Simnett, R 2000, *MaxMark auditing*, McGraw-Hill, Australia.

(This text is optional; however, it is recommended for examination preparation.)

Gill, GS, Cosserrat, G, Leung, P & Coram, P 2001, *Modern auditing and assurance services*, 6th edition, John Wiley & Sons, Milton, Queensland.

(This text is essential.)

Knapp, J & Kemp, S(eds) 2003, *Auditing handbook 2003, volume 2 of the accounting and auditing handbook*, Prentice Hall, Sydney.

(Students should have access to this text OR Auditing standards, auditing guidance and professional statements, and the joint code of professional conduct, from either the CPA Australia or ICAA Members Handbook.)

### **REFERENCE MATERIALS**

Reference materials are materials that, if accessed by students, may improve their knowledge and understanding of the material in the course and enrich their learning experience.

Arens, AA, Best, PJ, Shailer, GEP, Fiedler, BA & Loebbecke, JK 2002, *Auditing in Australia: an integrated approach*, 5th edition, Pearson Education Australia, Sydney.

Gay, G & Simnett, R 2000, *Auditing and assurance services in Australia*, McGraw Hill, Sydney.

## ASSESSMENT DETAILS

Description	Marks Out of	Wtg(%)	Required	Due Date
2 HOUR EXAMINATION	100.00	100.00	Y	END S3 (see note )

### NOTES:

- . The examination is scheduled to be held in the end-of-semester examination period. Students will be advised of the official examination date after the timetable has been finalised.

## IMPORTANT ASSESSMENT INFORMATION

- 1 Attendance requirements:  
There are no attendance requirements for this course. However, it is the students' responsibility to study all material provided to them or required to be accessed by them to maximise their chance of meeting the objectives of the course and to be informed of course-related activities and administration.
- 2 Requirements for students to complete each assessment item satisfactorily:  
To complete the assessment item satisfactorily, students must obtain at least 50% for the examination.
- 3 Penalties for late submission of required work:  
Not applicable.
- 4 Requirements for student to be awarded a passing grade in the course:  
To be assured of receiving a passing grade a student must achieve at least 50% in the examination.
- 5 Method used to combine assessment results to attain final grade:  
Not applicable.
- 6 Examination information:  
This is a closed examination. Candidates are allowed to bring only writing and drawing instruments into the examination.
- 7 Examination period when Deferred/Supplementary examinations will be held:  
Any Deferred or Supplementary examinations for this course will be held during the next examination period.
- 8 University Regulations:  
Students should read USQ Regulations 5.1 Definitions, 5.6 Assessment, and 5.10 Academic Misconduct for further information and to avoid actions which might contravene University Regulations. These regulations can be found at the URL: <http://www.usq.edu.au/SECARIAT/calendar/Part5/> or in the printed version of the current USQ Handbook. Students should also read The Guide to Policies and Procedures of the Faculty which can be found at the URL: <http://www.usq.edu.au/handbook/2003/title663.html> or in the printed version of the current USQ Handbook.

## **ASSESSMENT NOTES**

- 1 Course Weightings: Course weightings of topics should not be interpreted as applying to the number of marks allocated to questions testing those topics in an examination paper.