



THE UNIVERSITY OF AUCKLAND
BUSINESS SCHOOL

The University of Auckland Business School

Course Outline 2017 ACCTG 780 FORENSIC ACCOUNTING AND FRAUD AUDITING (15 POINTS)

Semester 1 (1173)

Course Prescription

Research and practical issues about forensic accounting and fraud auditing.

Note: This is a special topic course that is being offered for the first time in 2017.

Goals of the Course

The goals of the course are to familiarize students with issues concerned with forensic accounting and fraud auditing. The course will include practical cases and research papers.

Learning Outcomes

1. Demonstrate expertise in identifying current forensic accounting and fraud auditing issues and related professional problems;
2. Be able to read and critically evaluate forensic accounting and fraud auditing research;
3. Be able to evaluate practical problems concerning forensic accounting and fraud auditing;

Content Outline

- Introduction
- Financial statement fraud
- Employee fraud
- Fraud in the financial markets
- Fraud investigation and evidence collection
- Digital forensics
- Big data
- IT audit

Learning and Teaching

There will be one three-hour seminar class each week **from first week of semester** (except where classes have been rescheduled). The seminar format used in this class will include commentaries and presentations made by both students and lecturers.

Each student will be assigned one or more research papers to review (where the succinct review and presentation will be assessed). Students are required to read all articles irrespective of whether they had been assigned to review or not because they are expected to participate in all discussions (participation will be assessed). Attendance at the seminars is compulsory but mere attendance does not constitute as class participations.

Academic Staff

Dr Angela Liew

Room 563, Owen G Glenn Building, email a.liew@auckland.ac.nz

Prof. David Hay (Course coordinator)

Room 553, Owen G Glenn Building, email d.hay@auckland.ac.nz

Learning Resources

A list of readings will be provided. Readings will be made available on Canvas before class, and must be read in advance to allow you to take part in discussion.

The following textbooks are available and will be used for some activities:

- W. Steve Albrecht, Chad O. Albrecht, Conan C. Albrecht, Mark F. Zimbelman, *Fraud Examination* (Boston: South-Western Cengage Learning, 2016).
- William Hopwood, Jay Leiner, and George Young, *Forensic Accounting and Fraud Examination* (New York: McGraw-Hill Irwin, 2011).
- Mary-Jo Kranacher, Richard A Riley, and Joseph T Wells, *Forensic Accounting and Fraud Examination* (Hoboken, NJ, USA: John Wiley & Sons, Inc., 2011).

Assessment

You are required to complete the following assessments:

Assessment	Learning outcomes	Weighting	Due
Class Participations	1, 2, 3	5%	Throughout the semester
Reviews and Presentations	1, 2, 3	25%	Throughout the semester
Practical assignment	1, 3	30%	Mid-semester
Research assignment	1, 2	40%	End of semester

Class Participations

Class participations will be based on the quality and quantity of a student's verbal interactions during class discussions about the research papers.

Research Paper Reviews and Presentations

The reviews and presentations will be assessed based on your discussion and presentation of a research paper. When reviewing and preparing a discussion and presentation, you should be prepared to address the following issues:

1. What is the research question being addressed by the study?
2. Why is the question interesting or important to the profession?
3. What are the hypotheses or expectations of the authors?
4. What is the general approach taken for examining the research question?
5. What is the source of the data used in the study?
6. What were the key findings of the study?
7. What are the implications of the study for the profession?
8. What are the limitations/weaknesses/caveats of the study?
9. What are the main "takeaways" of the study? How do these takeaways tie into the rest of the studies assigned, both in the current class and past class sessions?

Note: Some of the papers you have been assigned are quite complex. Do not worry if you do not quite understand all of the statistical and methodological issues raised in the paper. Stick to the "big picture" and emphasize what we learn from the paper.

You are required to prepare a succinct summary of the research paper and presentation slides for distribution to the class. These should be emailed to Dr Liew and Professor Hay **by 2pm the day before each class session**. These will then be made available to the class through Canvas.

- A succinct summary of the research paper should not be more than two pages.
- Your PowerPoint slides should only have between 4 to 7 content slides and must not be a copy paste from your summary paper.

Practical Assignment

The practical assignment is an individual assignment where you provide an in-depth discussion of a fraud case that was reported in the news. It can be a fraud case reported abroad but it must not be any of the cases which we discussed in our classes.

When reviewing and preparing a discussion on the fraud case, you should be prepared to address the following issues:

1. What is the fraud case about?
2. Who is/are the fraudster or perpetrator?
3. Discuss the fraud case in relation to the fraud triangle
4. Describe the fraud investigation and evidence collection
5. What is the court ruling or sentence?
6. What is/are the repercussion to the firm?
7. What are the main "takeaways" from the fraud case? How do these takeaways tie into the rest of the studies assigned, both in the current class and past class sessions?

This discussion should result in a commentary of about 2,000 words (again very approximately, depending on the fraud case you choose).

Research Assignment

Prepare a report which reviews research concerned with a forensic accounting and fraud auditing issue that interests you. This review should be based on research articles from academic journals. You should also refer to some unpublished papers from www.ssrn.com or academic conferences. These references must include additional research articles that have not been distributed as part of this course.

This review should result in an article of about 2,000 words (again very approximately, depending on the topic you choose). You are also required to make a brief presentation of your research assignment at the very last class.

Programme and Course Advice

Prerequisite: You must be accepted into the postgraduate programme of the Department of Accounting and Finance as an Honours or Postgraduate Diploma student. Additional Information: The course is intended for B Com (Hons), P G Dip and M Com students with an interest in forensic accounting and fraud auditing. Completing ACCTG 312 Auditing or an equivalent course is strongly recommended.

Plagiarism

The University of Auckland will not tolerate cheating, or assisting others to cheat, and views cheating in coursework as a serious academic matter. The work that a student submits for grading must be the student's own work, reflecting his or her learning. Where work from other sources is used, it must be properly acknowledged and referenced. This requirement also applies to sources on the world-wide web. A student's assessed work may be reviewed against electronic source material using computerised detection mechanisms. Upon reasonable request, students may be required to provide an electronic version of their work for computerised review.

Inclusive Learning

Students are urged to discuss privately any impairment-related requirements face-to-face and/or in written form with the course coordinator and/or lecturer.

Student Feedback

You may be asked to complete course and lecturer evaluations later in the course.

In the Event of an Unexpected Disruption

We undertake to maintain the continuity and standard of teaching and learning in all your courses throughout the year. If there are unexpected disruptions the University has contingency plans to ensure that access to your course continues and your assessment is fair, and not compromised. Some adjustments may need to be made in emergencies.

In the event of a disruption, the University and your course coordinators will make every effort to provide you with up to date information via canvas and the university web site.