

Course Outline 2017
ACCTG 312: AUDITING (15 POINTS)

Semester 2 (1175)

Course Prescription

An introduction to the audit of financial statements. The objective of an audit is to add credibility to the information contained in the financial statements. Emphasises the auditor's decision-making process in determining the nature and amount of evidence necessary to support management's assertions. The end result of a financial statement audit is a report that expresses the auditor's opinion on the fair presentation of the client's financial statements.

Programme and Course Advice

Prerequisite: ACCTG 211 and 222, or 292 and INFOMGMT 294

Goals of the Course

An understanding of current practical auditing, with an awareness of current research. The course focuses on:

- The environment in which auditing is carried out, including the reasons for auditing, auditing problems including liability and other current issues; and
- Auditing practice, which includes audit planning, risk assessment, internal control, audit evidence, audit procedures, information technology and audit completion and reporting.

Learning Outcomes

By the end of this course it is expected that the student will be able to:

1. Demonstrate an understanding of the environment and context of auditing, including theory, current issues and other factors that influence auditing; and
2. Demonstrate expertise in planning and carrying out audit procedures in accordance with auditing standards.

Content Outline

Week 1	The Audit Function: Reasons for auditing; Audit expectation gap
Week 2	The Environment of Auditing: Types of audit; Audit liability
Week 3	Overview of Auditing: Audit process
Week 4	Risk: Planning, risk analysis, audit strategy and materiality
Week 5	Internal Control: An auditor's view
Weeks 6, 7 and 8	Substantive testing: Audit procedures in more detail
Week 9	Audit Sampling
Week 10	Audit Completion
Week 11	Audit Reporting
Week 12	Current Issues: Assurance services; Ethics; Independence

Learning and Teaching

There are two to three hours of lectures each week. There are 1-hour tutorial sessions in weeks 4 to 12 inclusive. All materials discussed in the lectures, including presentations by visiting lecturers and the tutorials are examinable.

The tutorials will include presentations by students; case discussions; short exercises; and discussion of the completed assignments. The tutorials are aimed at assisting you to deepen your understanding by discussing auditing case studies and issues. Marks will be awarded for tutorial contribution, including the quality of your discussion and your preparation as well as attendance and participation.

Marks are also awarded for valuable contributions to class discussion online (using Piazza) or in class.

Assignments and tutorial exercises are listed in the detailed course programme. You are also required to submit an electronic copy of each assignment at www.Turnitin.com

Teaching Staff

Lectures will be taken by **David Hay** (Email: d.hay@auckland.ac.nz), **Debbie Alexander** (d.alexander@auckland.ac.nz) and guest lecturers.

Course tutors are **Sione Taufa** (sione.taufa@auckland.ac.nz) and **Debbie Alexander**.

Learning Resources

Students will require the following course materials:

G. Gay and R. Simnett *Auditing & Assurance Services in Australia*, McGraw-Hill. 6th (2014) edition.

ACCTG 312 Auditing Course book, available from the Student Resource Centre (Business School Book Shop). Level 0, room 062.

New Zealand Auditing Standards, Available from:

http://www.xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Auditing_Standards/default.aspx

Access to Canvas.

Assessment

The tutorials, assignments, mid-semester test and final exam assess your ability to demonstrate an understanding of the learning objectives. The assessment methods, the learning outcomes they test, and their weightings are:

Tutorials and presentations	10%
Assignments (2)	10%
Mid-Semester Test (1 hour)	20%
Participation in online discussion and lectures	5%
Final Examination (2 hours)	55%

Learning Outcome	Tutorials & presentations	Assignments	Participation in online discussion and lectures	Mid-semester test	Final Examination
1	x	x	x	X	X
2	x	X	X	X	X

Inclusive Learning

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

Student Feedback

The course has been improved based on student feedback in previous years. In recent feedback students requested more discussion of exercises in lectures, and we have now incorporated more example exercises as a result. Students have made many positive comments about the current issues focus of the course.