



UNIT OUTLINE

Auditing

UNIT CODE & TITLE	BA741 Auditing
AUTHOR	Steven Dellaportas
SCHOOL	School of Business
COURSE	Bachelor of Commerce
PREREQUISITE(S)	BA603 Corporate Accounting; or BA606 Financial Accounting Recommended: BL611 Organisations Law
DURATION	One teaching period
CREDIT POINTS	15

OBJECTIVES

By the end of semester the student should:

Comprehend -

- the objectives of the different audit appointments
- the nature of the audit process
- the legal and professional requirements pertaining to an audit
- the legal environment within which the auditor operates.

Develop -

- skills in identifying relevant audit risk areas and appropriate general audit objectives
- skills in designing specific audit objectives, procedures and techniques, and appropriate audit tests to fulfil these objectives
- skills in documenting accounting systems and related internal controls.

Appreciate -

- the importance of judgement to auditing and the need for ethical integrity.

Knowledge

- understand the objectives of different audit appointments
- comprehend the nature of the audit process
- be aware of the legal and professional requirements pertaining to an audit

Skills

- identify relevant audit risk areas and appropriate general audit objectives
- design specific audit objectives and tests
- perform audit tests and evaluate the results
- document audit procedures and the results of audit tests
- prepare appropriate audit reports
- present to an audience their understanding of auditing issues

Values/Attitudes

- appreciate the importance of judgement in auditing
- develop an ethical approach to auditing

CONTENT

- the nature and function of auditing; including an examination of the role of audit within the business environment and the requirements of the audit report
- the requirements of the Australian Statement of Auditing Standards and selected Statements of Auditing practice; including audit evidence, documentation, and the use of other experts
- the ethical and legal aspects of the auditor's appointment and performance of duties; including engagement letters, quality control, independence, resignation and legal liability
- the identification of significant audit risks; understanding the client's business, audit planning, management assertions and general audit objectives, documenting the system, the identification of internal controls and weaknesses
- audit testing; compliance and substantive testing, specific audit objectives and appropriate audit tests in the context of transaction cycles
- associated issues; non-audit engagements, special purpose reports, operational and internal audit, current developments in audit.

LEARNING TASKS AND ASSESSMENT

Learning Task	Assessment	Weighting
Investigation and analysis of an issue of contemporary significance in auditing and presenting the findings to fellow students.	Written assignment and tutorial presentation	20 - 30%
Lectures; prescribed reading; tutorial preparation, correction and discussion; revision.	Test Examination	10%-20% 60 - 70%

METHODOLOGY

A combination of any of the following: lectures, tutorials, seminars and workshops

REFERENCES

Leung, P., Coram, P., Cooper, B.J., Cosserat, G, and Gill, G.S., (2004), *Modern Auditing and Assurance Services*, 2nd Edition, John Wiley & Sons, Brisbane.CA

Auditing and Assurance Handbook (2006), The Institute of Chartered Accountants in Australia, John Wiley & Sons, Brisbane.

Amended: CC97/4