

**NATIONAL UNIVERSITY OF SINGAPORE BUSINESS SCHOOL
DEPARTMENT OF ACCOUNTING**

ACC 3603 Assurance & Attestation

Instructor:

Chu Mui Kim
(Adjunct Lecturer)

bizchum@nus.edu.sg Biz2 02-21 Coordinator

Session: Term 2 (2016/2017)

Reference Textbook

The lecture notes are detailed. But you are free to get the text as reference.

Rittenberg, Schwieger, Johnstone, Geisler, Auditing and Assurance Services – An Asian Edition, Cengage, 2012 (Asian Edition). (“RSJG”)

Course Aims & Objectives

This module provides the knowledge and understanding of the audit process required by assurance and attestation engagements. It aims to ensure students acquire the necessary attitude, skills, and knowledge for a career in auditing, in the accounting profession or in business management.

This is a content heavy module. Students are reminded that they should read the notes for each topic BEFORE the lesson.

Prerequisites

ACC1002

Assessment

Case Presentation:	15%
Group Project:	15%
Class Participation:	10%
Final Exam:	<u>60%</u>
	<u>100%</u>

Course Schedule

Week beginning	Week	Activity	Reading References
9 Jan 2017	1	Introduction to Audit and Attestation & the Regulatory Framework: <ul style="list-style-type: none"> • Concept of Audit & Statutory Audit • Regulatory framework & environment • Laws and Regulations • Money laundering & financing of terrorism • Fraud & Error • Professional responsibility 	RSJG: Ch 1, 2 SSA 200,240,250 ISCA EP200 (http://isca.org.sg/media/779606/ep-200-aug-2016-clean.pdf) Companies Act

16 Jan 2017	2	<p>Auditors Independence & Quality Control</p> <ul style="list-style-type: none"> • Code of Ethics & Professional Conduct • Professional Clearance Procedures & Engagement Letter • SSQC 1 Quality Control 	<p>ISCA EP100 (http://isca.org.sg/media/777626/code-of-ethics-for-isca-code-of-professional-conduct-and-ethics-2015-clean.pdf)</p> <p>SSA 210, 220 SSQC 1</p>
23 Jan 2017 (27 Jan CNY eve)	3	<p>Audit Planning, Internal Controls & Risk Assessment:</p> <ul style="list-style-type: none"> • Audit Risk Model • Objectives & General Principles of Planning • Obtaining an Understanding of Entity's Business and Internal Controls • Internal Control & Tests of Control (Aspects relating to specific accounts taught under relevant Audit Evidence sub-topics) • Preliminary Analytical Procedures • Assessing the Risk of Material Misstatement 	<p>RSJG: Ch 3 SSA 300, 315, 320, 330, 450, 520</p>
30 Jan 2017	4	<p>Audit Planning, Internal Control & Risk Assessment (Cont'd):</p> <ul style="list-style-type: none"> • Materiality Level • Audit Strategy and Approach / Assertions • Audit Documentation • Computer-assisted Audit Techniques <p>Audit Evidence</p> <ul style="list-style-type: none"> • Introduction & Types of Audit Evidence 	<p>RSJG: Ch 3, 4 SSA 230, 300, 315, 320, 330, 450, 500, 520</p>
6 Feb 2017	5	<p>Audit Evidence & Internal Control (I):</p> <ul style="list-style-type: none"> • Property, Plant & Equipment • Using the work of others • Inventories 	<p>RSJG: Ch 10, 12 SSA 501, 505, 520, 540 AGS 4</p>

13 2017	Feb	6	<p><i>Case Presentation: Ethics, Appointment & Property, Plant & Equipment (Case Set 1)</i></p> <p>Audit Evidence & Internal Control (II):</p> <ul style="list-style-type: none"> • Sale • Accounts Receivable 	<p>RSJG: Ch 9 SSA 500, 505, AGS 2</p>
<i>Mid-term break</i>				
27 2017	Feb	7	<p><i>Case Presentation: Inventories (Case Set 2)</i></p> <p>Audit Evidence & Internal Control (III):</p> <ul style="list-style-type: none"> • Cash & Bank & LT Loans • Related Party transactions and significant transactions outside normal business operations 	<p>RSJG: Ch 11 SSA 505, 550 AGS 6</p>
6 Mar 2017		8	<p><i>Case Presentation: Sales & Accounts Receivable (Case Set 3)</i></p> <p>Audit Evidence & Internal Control (IV):</p> <ul style="list-style-type: none"> • Wages • Purchases 	<p>RSJG: Ch 10</p>
13 2017	Mar	9	<p><i>Case Presentation: Cash & Bank Audit (Case Set 4)</i></p> <p>Audit Evidence & Internal Control (V):</p> <ul style="list-style-type: none"> • Accounts Payable & Equity 	<p>RSJG: Ch 10</p>
20 2017	Mar	10	<p><i>Case Presentation: Wages (Case Set 5)</i></p> <p>Audit Review & Reporting to Board/Management/Member (I):</p> <ul style="list-style-type: none"> • Going Concern, Contingent Liability & Events After Balance Sheet Date 	<p>RSJG: Ch 13, 14 SSA 501, 560, 570, 700, 705, 706</p>
27 2017	Mar	11	<p><i>Case Presentation: Purchases & Accounts Payable (Case Set 6)</i></p> <p>Audit Review & Reporting to Board/Management/Member (II):</p>	<p>RSJG: Ch 13, 14 SSA 580, 700, 701, 705, 706, 720 AGS 1</p>

		<ul style="list-style-type: none"> • Finalisation & Audit Report, • Management Representation Letter • Communication on Internal Controls to the Audit Committee (Management Letter) <p><i>Project Submission during lessons</i></p>	
3 Apr 2017	12	<p><i>Case Presentation: Closeout Procedures/GC/PBSE (Case Set 7)</i></p> <p><i>Case Presentation: Audit Report (Case Set 8)</i></p>	
10 Apr 2017 (14 Apr Good Friday)	13	<p>Group Audits</p> <p>Review engagements for interim financial information and historical financial information</p>	<p>SSA 600, 610</p> <p>SSRE 2400, 2410</p>
(Tue) 26 April 2017 1:00 pm		Final Exam	

Group Project

More details would be announced later. Tentative dateline for submission of the project will be during the week beginning **27 March 2017** during the classes.

Case Sets & MCQ For Self-Practice

The Case Sets provide a practical illustration of the application of theoretical principles (taught in weeks 1 to 4) on practical scenarios, e.g., the audit of individual accounts (which will be taught in subsequent weeks). As such case presentations will only begin from week 6. Prior to that, MCQ self-practice questions for topics taught in weeks 1 to 4 will be uploaded to IVLE. Students are advised to go through them to enhance their understanding of the topics taught.

Instructions on Case Presentations

A written submission (ppt format) is required for each group assigned to present a case set. Each presentation is not to exceed 35 slides. Marks would be deducted for presenting more than necessary required to answer the questions.

The written submission is to be emailed to bizchum@nus.edu.sg **by the preceding Saturday 12 noon. 5% marks deduction would be made for late submissions.** The presentation must be consistent with the written submission.

The focus on the presentation is on the technical content – 10 marks (correctly identifying accounting issue, audit issue and audit procedures as required in the case), 1 mark for organisation of the presentation and 4 marks for presentation and Q&A ability.

Please restrict your presentation to within 20 minutes and focus on application to the case.

Any intention to make a submission for peer review should be made as soon as possible. The last date where such a submission may be made is **17 April 2017**. Submissions beyond this date will not be

entertained.