

Macao Polytechnic Institute

School of Business

Bachelor of Accounting

Module Outline

Academic Year 2020 / 2021 Semester 2

Learning Module	Auditing	Class Code	ACCT3170-321		
Pre-requisite(s)	Nil				
Medium of Instruction	English			Credit	3
Lecture Hours	45 hrs	Lab/Practice Hours	0 hrs	Total Hours	45 hrs
Instructor	Vincent Leung		E-mail	wsleung@ipm.edu.mo	
Office	M523, Meng Tak Building, Main Campus		Telephone	8599-3323	

Description

This course is an introductory course for accounting senior students who are assumed to have no significant audit experience. The emphasis will be put on basic auditing principles: internal control, the legal and professional responsibilities of the auditor, accepted auditing standards and procedures, preparation and presentation of reports and statements. Topics include: Audit planning and analytical procedures; internal control and control risks; fraud detection; audit plan and audit program.

To be successful in the course, the students should be able to integrate auditing and assurance material with that they learned in other accounting courses, including those in financial accounting, management accounting and computer courses.

Learning Outcomes

After completing the learning module, students will be able to:

- 1) Apply the fundamental auditing standards, concepts and principles in the planning of an audit engagement
- 2) Critically appraise and synthesize all the relevant studies on topics including legal liability, audit evidence, audit planning, internal control, audit sampling, audit working papers, audit opinions and report writing (report and communicate to the shareholders and the public) in order to reason in a critical manner, especially on different issues related to audit and control.
- 3) Inculcate professional judgment in various auditing and ethical scenarios in order to identify and explain ethical issues faced by auditors
- 4) Apply knowledge in gathering audit evidence and in evaluating the financial statement assertions for various transaction cycles.
- 5) Demonstrate effective teamwork, communication and interpersonal skills.

Content

Topics	Duration
1. Professional Standards	3 hrs
2. Professional Ethics Legal Liability of CPAs	1.5 hrs 3 hrs
3. Audit Evidence and Documentation	6 hrs
4. Planning the Audit; Designing Audit Programs	6 hrs
5. Internal Control	3 hrs
6. Audit Sampling	4.5 hrs
MID-TERM TEST	3.0 hrs
7. Cash and Financial Investments	6 hrs
8. Accounts Receivable, Notes Receivable, and Revenue	3 hrs
9. Inventories and Cost of Goods Sold / Other Accounts and Auditors' Report	3 hrs
FINAL EXAMINATION	3 hrs
Total:	45 hrs

Teaching Method

This course adopts a progressive interactive learning approach to involve students in actively learning the necessary knowledge, skills and techniques to solve assignments problems and exercises that simulate simplified business scenarios. In addition to reading materials in the text, students will be asked to perform in-class exercises which will deepen their proficiency in the fundamentals by challenging students to actively explore the course materials. Quiz and Mid-term tests will be used to monitor students' progress and commitment of knowledge acquisition throughout the course. A comprehensive final examination is used to assess students' overall performance at the end of the course.

- TM1: This course is delivered primarily through spoken lectures with the aid of power point slides and other illustration materials as necessary. These lectures will focus on topics in auditing, including audit planning and analytical procedures; internal control and control risks; fraud detection; audit plan and audit program.
- TM2: In-class exercises will be given at the end of selected chapters. Quiz and Midterm tests will also be given to help students remember what they learned, and assess what they learned. Discussions are part of the class activities during which teamwork will be encouraged. Current events with auditing will be raised during class to help students think and understand the linkage of the course learning with current news events, the importance of the need of ongoing learning.
- TM3 A group project will be used to enable students to develop effective working relationships, thus promoting student engagement where they will learn better when they actively engage with their peers, thereby gaining a deeper understanding of the subject matter through sharing and challenging experiences and ideas, applying their learning and defending and reflecting on their own understanding.

Alignment of CILOS with TMs

TMs	Brief Description	CILO No.				
		1	2	3	4	5
TM1: Interactive lectures	Lectures: in-depth coverage of auditing will be presented using power point slides and other illustration materials as necessary. Q&A: time allowed to raise questions from both instructor and students	√	√	√	√	
TM2: In-class exercises, quiz and midterm tests	Students must preview the teaching material before each class, as they will be asked to work on problems or respond to conceptual issues inherent in the text books. This objective will be achieved through the following learning activities: 1) In-class exercises will be discussed at the end of each chapter to ensure student understanding of the accounting issues. 2) Quiz and midterm tests will be given to students in order to motivate them to review what they have learned.	√	√	√	√	
TM3: Group Project and Presentation	Students will be required to work together to complete a piece of assessed work (i.e. Group Project). This group project will be designed to promote students intellectual, social and presentation skills and help to prepare them for a work world in which teamwork and collaboration are increasingly the norm.	√	√	√	√	√

In order to achieve the outcomes of this course, students are expected to perform the following learning tasks:

- 1) Reading and prepare assigned material before class, which is important to improve understanding of the lectures
- 2) Review and work on exercises after class to enhance understanding
- 3) Attend school arranged seminars and meetings to expand the knowledge horizon
- 4) Prepare and collect information to prepare report
- 5) Prepare for test and final exam
- 6) Seek advice from instructor for difficulties encountered
- 7) Form study group to learn from each other and practice communication skills

Attendance

Attendance requirements are governed by the “Academic Regulations Governing Bachelor’s Degree Programmes of Macao Polytechnic Institute”. Students who have less than the required attendance for the enrolled module are not eligible to attend the final or re-sit examinations and will be given an “F” as their final grade.

Assessment

This learning module is graded on a 100 point scale, with 100 being the highest possible score and 50 being the passing score.

The following activities and tasks (i.e. coursework components and examinations) are designed to provide students with a broad range of learning experiences. Assessment will be both formative and summative and will involve in-class exercises, quiz, group project, mid-term test and final exam. The following is a summary of the assessment tasks:

	Description	Weighting Percentage	Outcomes to be assessed by the tools
1.	In-class exercises (non-graded)	N/A	CILOs 1-4
2.	Quiz (graded)	5%	CILOs 1-4
3.	Group project (graded)	15%	CILOs 5
4.	Mid-term Examination (graded)	30%	CILOs 1-4
5.	Final Examination (graded)	50%	CILOs 1-4
	Total Percentage:	<u>100%</u>	

Plagiarism Policy

It is student’s responsibility to ensure that his/her assignment has been checked by Turnitin software, and the similarity score given by Turnitin software cannot be higher than 30%. However, a special case can be determined by the instructor.

Teaching Material(s)

Textbook(s)

Whittington & Kurt Pany. (2018). Principles of Auditing, 21th edition, McGraw Hill.

Reference

Website(s)

- 1) American Institute of Certified Public Accountants, Statements on Auditing Standards
<http://www.aicpa.org/research/standards/auditattest/pages/sas.aspx>
- 2) United States Government Accountability Office - The Yellow Book
<http://www.gao.gov/yellowbook/overview>
- 3) Association of International Certified Professional Accountants. (2020). Journal of Accountancy
<https://www.journalofaccountancy.com/>
- 4) Public Company Accounting Oversight Board
<https://pcaobus.org/Standards/Pages/default.aspx>