

Module Outline

Audit & Assurance 2008

COMMONWEALTH OF AUSTRALIA

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Chartered Accountants Program

The Chartered Accountants Program is the formal educational requirement for membership of the Institute of Chartered Accountants in Australia. The Institute is a founding member of the international accounting coalition, the Global Accounting Alliance (GAA).

The GAA represents more than 700,000 members worldwide and includes professional accounting organisations from the United States, Canada, Hong Kong, England/Wales, Ireland, Scotland, New Zealand and South Africa. The Institute is the only Australian accounting body within the alliance that provides reciprocal arrangements with eight of the other leading accounting bodies in the world.

The Program is recognised as a postgraduate diploma qualification. Successful completion of the Program and the subsequent awarding of the Graduate Diploma of Chartered Accounting provides substantial exemptions for Masters programs in many Australian universities.

You can find more information on our website <charteredaccountants.com.au> → The Best Education.

Program focus and structure

The Program emphasises an applied approach to learning and is designed to ensure that candidates are prepared for real-world business situations.

The Program comprises five modules, illustrated below.

Figure 1: Five Program Modules



Of the five modules, four are technical modules and can be undertaken in any order. This final module, *Ethics & Business Application* (EBA), focuses on ethics and corporate governance as well as consolidating the learning from the four technical modules. Modules are not undertaken concurrently.

Objectives of the Program

Together with university education and practical experience, the Program is designed to equip Chartered Accountants with the knowledge, skills and values identified as desirable by the profession.

These have been expanded into the following 10 attributes:

Knowledge	> informed about the latest international, disciplinary and business knowledge
Skills	> innovative problem solvers > forward-thinking change managers > technology-literate > collaborative team workers > capable communicators of shared understandings
Values	> service-oriented > ethical > professional > reflective about your own knowledge, skills and values

Cultivating these attributes in a holistic manner is an integral feature of the Program. See charteredaccountants.com.au for more details on the 10 attributes.

Structure

Audit & Assurance has four units which will cover the following areas:

- > understanding the types of auditing engagements, the auditing framework and how it applies to a financial report audit
- > the role and responsibilities of auditors, assessing engagements and planning
- > the design and performance of appropriate audit procedures (tests of control and substantive procedures) to respond to assessed risks at the assertion level
- > understanding the effect that a client's IT environment has on the preparation of reliable financial statements
- > the application of audit principles to a client's IT environment
- > the application of audit principles to a variety of different environments and situations (e.g. internal audit environments, public sector and other specialist areas).

Objectives

The objectives of *Audit & Assurance* are to develop candidates who are:

- > Informed about the latest international, disciplinary and business knowledge
This knowledge includes:
 - auditing and other assurance and audit-related engagements
 - the importance of ethics to the profession
 - the benefits and strategies for communicating and collaborating effectively.
- > Innovative problem-solvers
This skill includes being able to:

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- design and perform appropriate audit procedures (tests of control and substantive procedures) to respond to the assessed risks at the assertion level in relation to a given financial report audit
 - analyse the entity and its environment, including significant business risks and internal controls, and determine how these factors may affect the entity's financial report
 - identify and assess the risks of material misstatement, including the risk of fraud in relation to a given financial report and determine the overall response to assessed risks
 - apply accounting concepts to topical accounting issues or emerging issues
 - develop an appreciation of the nature and role of audit and other assurance and audit-related engagements and the professional requirements associated with performing these engagements
 - determine how to integrate IT considerations into other assurance engagements and apply relevant audit principles and the appropriate audit process.
- > Forward-thinking change managers
- This skill includes being able to anticipate changes in the business environment and proactively plan solutions.
- > Technology literate
- This skill includes being able to:
- use standard business software to gather, manipulate, analyse and communicate information
 - apply information technology to audit and other assurance and audit-related engagements processes, including CAATs.
- > Collaborative team workers
- This skill includes being able to collaborate effectively and work autonomously to solve team problems.
- > Capable communicators of shared understandings
- This skill includes:
- effectively communicating a shared understanding to various audiences
 - knowing which combination of media is appropriate to a particular context.
- > Service-oriented
- This value includes:
- understanding clients' or customers' needs and striving to exceed their expectations
 - developing a positive relationship with clients or customers.
- > Ethical
- This value includes:
- upholding the profession's codes of conduct
 - being conscious of the relevance of public interest.
- > Professional

This value includes:

- demonstrating behaviour that brings credit to the profession
 - being sensitive to different cultural practices.
- > Reflective about their own knowledge, skills and values
- This value includes being able to identify ways for self-improvement.

Core content areas

- > professional and legal requirements for audit and other assurance and audit-related engagements
- > fundamental audit approach, including independence, risk assessment, planning, internal controls, materiality, gathering audit evidence, audit reporting and quality control
- > application of the fundamental audit approach to other assurance and audit-related engagements (e.g. due diligence engagements, performance audits, etc).

Learning strategies

Human interaction

- > four three-hourly face-to-face focus sessions, in which two focus session leaders lead team and individual learning activities for up to 20 students
- > work-based mentoring and coaching
- > ongoing online IT support
- > ongoing online module leader support and management
- > online interaction with module and team communities.

Print

- > *Audit & Assurance* Candidate Learning Pack (CLP) incorporating:
 - units of study – a comprehensive set of self-managed learning resources incorporating a range of work-based activities completed either autonomously or in collaboration with team peers, work colleagues or mentors.

Electronic

- > *myCA*, a web-based learning portal providing access to self-assessment material (pre-module) and module learning materials, self-testing of progress, peer and academic interaction and collaboration, feedback and interaction with the Institute.
- > *myCA* portfolio, a web-based reflection tool that encourages learning from experiences and achievements relative to attributes
- > internet research, mainly downloading of financial reports and other research material to facilitate specific learning outcomes.

Assessment strategies

To pass the module, candidates must pass both the exam and the combination of the non-exam components (i.e. the extension project (EP), online Unit Knowledge Quiz (UKQ) and focus sessions). This is because each of the assessment components in the module examines different combinations of the attributes of the Program. The exam component is also the only assessment of the knowledge, skills and values built by the Program.

The four assessment components are outlined below:

Assessment components	%	Details
Non-exam:		
> Extension project	25	The extension project is an individual project based on problem solving scenario.
> Focus sessions	15	Each focus session involves a review of learning activities, preparation and delivery of presentations. For each unit in the module, an online UKQ will be provided to candidates before each focus session. Each UKQ will be unique to the candidate, drawing upon an extensive database of multiple choice questions.
> Online UKQ	10	The UKQ is designed to: <ul style="list-style-type: none">> motivate candidates to work effectively through the unit before the focus session, thus making focus sessions more effective learning opportunities> test the fundamental knowledge and concepts underpinning the learning outcomes> help candidates identify learning gaps and alert them to which sections of the unit they need to revise.
Exam	50	Any element of the syllabus may be covered in four compulsory multi-part written questions (three hours).
TOTAL	100%	