

Audit & Assurance (1) 2010

Module outline

COMMONWEALTH OF AUSTRALIA

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The Chartered Accountants Program

About the Chartered Accountants Program

The Chartered Accountants Program (the CA Program) is the formal educational requirement for membership of the Institute of Chartered Accountants in Australia (the Institute). The Institute is the only Australian professional accounting body recognised by the major accounting bodies worldwide, and is a founding member of the international accounting coalition, the Global Accounting Alliance (GAA).

The GAA represents more than 750,000 members worldwide and includes professional accounting organisations from the United States, Canada, Hong Kong, England/Wales, Japan, Germany, Ireland, Scotland, New Zealand and South Africa. The Institute is the only Australian accounting body within the Alliance that provides reciprocal arrangements with 10 of the other leading accounting bodies in the world.

The CA Program is also recognised as a Graduate Diploma* by higher education authorities in Australia. Successful completion of the Program and the subsequent awarding of a Graduate Diploma provide candidates with substantial exemptions for Masters programs in many Australian universities.

The Grad Dip CA comprises the following five modules:

1. Taxation (TAX)
2. Audit & Assurance (AAA)
3. Management Accounting & Analysis (MAA)
4. Financial Accounting & Reporting (FIN)
5. Ethics & Business Application (EBA).

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

Figure 1: Five Program Modules



On successful completion of EBA, candidates will be awarded the Grad Dip CA and will then also be eligible to apply for membership with the Institute.

* Applicable only to candidates who successfully complete all five modules of the CA Program developed by the Institute.

Objectives of the CA Program

The CA Program is designed to equip candidates with the knowledge, skills and values identified as essential in a Chartered Accountant. 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 their own knowledge, skills and values

Developing these attributes in a holistic manner is an integral feature of the Program.

Learning & Assessment Guide

Additional information about the Program can be found in the Chartered Accountants Program Learning & Assessment Guide (LAG) in the candidate section of *myCA*.

The LAG contains comprehensive information about:

- > Policies and regulations
- > Regional offices and key contacts
- > Learning resources
- > Assessment
- > Referencing
- > Further assistance and support.

Candidates can access *myCA* via <charteredaccountants.com.au> or, alternatively, <myCA.blackboard.com>.

Audit and Assurance

This module explains the framework for auditing and assurance. Broadly, the four units examine the following areas:

- > Unit 1: Planning the audit
 - The process for the audit of a general purpose financial report
 - Accounting Professional and Ethical Standards Board statements, audit regulations from the *Corporations Act 2001* and case law
 - Australian Auditing Standards: Introduction
 - Overall responsibilities in conducting the audit
 - Planning

- > Unit 2: Conducting the audit
 - Audit evidence
 - Using the work of others
 - Audit conclusions and reporting
- > Unit 3: IT and internal audit aspects of the audit process
 - IT and audit planning
 - The application of computer-assisted audit techniques
 - The role of the internal auditor
 - The phases of the internal audit function
- > Unit 4: Other aspects of the audit and assurance framework
 - Other assurance engagements
 - Public sector reporting and accountability environment
 - The role of the external auditor in the public sector
 - The future of assurance.

Module objective

The overall objective of AAA is for candidates to develop skills which will enable them to:

- > plan, perform and report on assurance engagements in a professional manner, and
- > use professional and ethical judgement in applying relevant legal and professional pronouncements to all stages of a given assurance engagement.

Assumed knowledge

In the AAA module, it is assumed that candidates already have a good understanding of the auditing and assurance process as a result of their undergraduate studies.

Time allocation

The expected workload for this module is approximately 120 hours. The breakdown of the 120 hours is approximately as follows:

	Number	Hours per unit	Hours of work
Candidate Learning Pack (CLP) reading, activities, <i>myCA</i> participation	4 units	23.00	92.00
Focus sessions	4	3.00	12.25*
Project	1	n/a	12.50
Exam (including 15 minutes reading time)	1	n/a	3.25
			120.00

* The first focus session has an additional 15 minutes for the welcome and introductions.

This is only a guide, depending on various factors and circumstances, and does not include time that candidates allocate to studying for the final exam.

Assessment

To pass the module, candidates must:

- > attend all four focus sessions
- > pass the exam and
- > pass the module overall.

The assessment components are outlined below:

Assessment component	Contribution to final marks	Details
Project	20%	An individual Project submitted between Focus session 2 and Focus session 3.
Focus sessions	Course requirement	Each focus session will involve a review of learning concepts and activities in the CLP and exam practice questions. No marks are awarded.
Final examination	80%	Any element of the syllabus may be covered in four compulsory multi-part written questions (three (3) hours plus 15 minutes reading time).

Further information on Assessment is available in the LAG on *myCA*.

Candidate Learning Pack (CLP)

The CLP is the primary learning resource and contains comprehensive learning material for all four units of study, including worked examples and activities. Candidates can work through the CLP either independently or in collaboration with their colleagues or mentors.

myCA

This is a web-based learning portal which is used to provide announcements and study material to candidates, as well as access to a candidate peer discussion forum.

Focus sessions

Focus sessions provide candidates with an opportunity to consolidate their learning by meeting and working with their peers in focus groups regularly throughout the module. The sessions are run by experienced CAs who facilitate candidate participation in team activities and exam practice questions.

Prescribed reading materials

The required reference for AAA is:

- > The Institute of Chartered Accountants in Australia, *Auditing and assurance handbook 2010*, John Wiley & Sons Ltd, Milton, Qld

Additional resources

The following material will also provide additional support for candidates and will be referred to in the CLP:

- > AAA (2) 2009 main and supplementary exams (after Unit 4 of the CLP)
- > *Accounting & auditing news today* (ANT), available online at <charteredaccountants.com.au>
- > Gay, G and Simnett, R 2009, *Auditing and assurance services in Australia*, 4th edn, McGraw-Hill, Sydney
- > Roebuck, P and Martinov-Bennie, N 2010, *Case studies in auditing and assurance*, 5th edn, LexisNexis Butterworths, Australia
- > Chandler, J 2009, *Auditing road map: A simple guide to the auditing process*, Centennial Books, Sydney. Available by contacting jay@capstonebia.com
- > The Institute of Chartered Accountants in Australia 2010, *Australian auditing manual June 2008*, available online on myCA.

With the exception of the Auditing Road Map (available for purchase at jay@capstonebia.com), the above recommended texts are available for purchase from the UNSW bookshop.