

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

ACC 3603/3701 Assurance & Attestation

Instructor(s):

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Session: Semester 1 (2020/2021)

Reference Textbook

ACC3603/3701 Assurance & Attestation (National University of Singapore), a customised textbook incorporating chapters from the following:

Eilifsen, Messier, Glover & Prawitt (3rd International Edition): EMGP Chapters 1-9 and 17-20

Smieliauskas, Bewley, Kwan, Cogliano & Barrette (8th Edition): SBKCB Chapters 11-16

The customised textbook, which costs USD 35.45 (about SGD 50), is available from this website in ebook format:

<https://create.mheducation.com/shop/#/catalog/details/?isbn=9781307457957>

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 and watch the relevant videos for each topic before the lesson.

Assessment

Case Presentation:	15%
Group Project:	20%
Class Participation:	10%
Final Exam:	<u>55%</u>
	<u>100%</u>

The Final Exam will be examined using digital assessment. Look out for any announcement on briefing for digital assessment.

Course Schedule

Week beginning	Week	Activity	Reading References
10 Aug 2020 (SRP) PH - Mon 10 Aug for National Day -	1	Introduction to Audit and Attestation & the Regulatory Framework: <i>Notes 1a</i> <ul style="list-style-type: none"> Introduction to Audit & Statutory Audit Regulatory Framework 	EMGP: Ch 1, 2 & 19 SSA 200,210 ISCA webpages on standard setting process (http://isca.org.sg/tkc/aa/standards/) Companies Act

<i>Makeup to be arranged</i>		<p><u>Notes 1b</u></p> <ul style="list-style-type: none"> • Role of the Audit Committee 	
17 Aug 2020 (SRP)	2	<p>Introduction to Audit and Attestation & the Regulatory Framework:</p> <p><u>Notes 2a</u></p> <ul style="list-style-type: none"> • Auditors Independence • Section C Professional Accountants in Business <p><u>Notes 2b</u></p> <ul style="list-style-type: none"> • Code of Ethics & Professional Conduct, & Independence Rules Illustration <p><u>Notes 2c</u></p> <ul style="list-style-type: none"> • Appointment of Auditors: Professional Clearance Procedures & Engagement Letter <p><u>Notes 2d</u></p> <ul style="list-style-type: none"> • Audit Quality 	<p>Code of Ethics & Professional Conduct (EP100)</p> <p>(http://isca.org.sg/media/777626/code-of-ethics-for-isca-code-of-professional-conduct-and-ethics-2015-clean.pdf)</p> <p>EMGP: Ch. 3, 19</p>
24 Aug 2020 (SRP)	3	<p><u>Notes 3a</u></p> <p>Auditors Liabilities</p> <p><u>Notes 3b</u></p> <p>Audit Planning, Internal Controls & Risk Assessment:</p> <ul style="list-style-type: none"> • Audit Risk Model • Objectives & General Principles of Audit Planning • Obtaining an Understanding of the Entity, and its Business and Internal Controls • Preliminary Analytical Procedures • Internal Control & Tests of Control (<i>Aspects relating to specific accounts taught under relevant Audit Evidence sub-topics</i>) • Assessing the Risk of Material Misstatement 	<p>EMGP: Ch 3, 4, 6 & 7.</p> <p>SSA 300, 315, 320, 330, 450, 520</p>

31 Aug 2020 (SRP)	4	<p><i>Case Presentation 1: Regulatory Framework & Ethics</i></p> <p>Audit Planning, Internal Control & Risk Assessment (Cont'd):</p> <ul style="list-style-type: none"> • Materiality Level • Audit Strategy and Approach / Assertions <p>Audit Evidence & Internal Control (I):</p> <p><u>Notes 4a</u></p> <ul style="list-style-type: none"> • Timing, Documentation & Audit Evidence <p><u>Notes 4b</u></p> <ul style="list-style-type: none"> • Audit of Accounting Estimates 	EMGP: Ch 3, 4, 5 SSA 230, 300, 315, 320, 330, 450, 500, 520
7 Sept 2020 (SRP)	5	<p><i>Case Presentation 2: Audit Planning & Documentation</i></p> <p>Audit Evidence & Internal Control (II):</p> <ul style="list-style-type: none"> • Property, Plant & Equipment <u>Notes 5a</u> including <p><i>Using the work of Experts</i></p> <p><u>Notes 5b</u></p> <ul style="list-style-type: none"> • Using the work of Internal Auditors 	SBKCB: Ch 12 SSA 505 EMGP: Ch 3, 20
14 Sept 2020 (SRP)	6	<p><i>Case Presentation 3: Audit of Property, Plant & Equipment</i></p> <p>Audit Evidence & Internal Control (III):</p> <ul style="list-style-type: none"> • Sale <u>Notes 6a</u> • Accounts Receivable <u>Notes 6b</u> including impairment • Related Party Transactions <u>Notes 6c</u> 	SBKCB: Ch 11 SSA 505, 550, AGS 2
		<i>Mid-term break</i>	
28 Sept 2020 (TWC)	7	<p>Audit Evidence & Internal Control (IV):</p> <ul style="list-style-type: none"> • Cash & Bank & LT Loans <u>Notes 7a</u> including Cash on Hand & LT Loans • Inventories <u>Notes 7b</u> <p>Audit Evidence & Internal Control (V):</p> <ul style="list-style-type: none"> • Wages <u>Notes 8a</u> 	SBKCB: Ch 11, 12 SSA 505, AGS 2, 6

		<ul style="list-style-type: none"> Data Analytics in Audit <i>Notes 8b</i> 	
5 Oct 2020 (TWC)	8	<p><i>Case Presentation 4: Sales & Accounts Receivable</i></p> <p><i>Case Presentation 5: Cash</i></p>	SBKCB: Ch 13
12 Oct 2020 (TWC)	9	<p><i>Case Presentation 6: Inventories</i></p> <p>Audit Evidence & Internal Control (V):</p> <ul style="list-style-type: none"> Purchases <i>Notes 9a</i> Accounts Payable & Equity <i>Notes 9b</i> 	SBKCB: Ch 12, 14
19 Oct 2020 (TWC)	10	<p><i>Case Presentation 7: Wages</i></p> <p>Audit Review & Reporting to Board/Management/Members (I): <i>Notes 10a</i></p> <ul style="list-style-type: none"> Going Concern Events After Balance Sheet Date / Subsequent Events <p><i>Project Submission on 19 Oct 2020</i></p>	EMGP: Ch 17 & 18. SBKCB: Ch 15 SSA 560, 570, 700, 705, 706
26 Oct 2020 (TWC)	11	<p><i>Case Presentation 8: Purchases & Accounts Payable</i></p> <p>Audit Review & Reporting to Board/Management/Members (II): <i>Notes 11a</i></p> <ul style="list-style-type: none"> Finalisation & Audit Report, Management Representation Letter Communication on Internal Controls to the Audit Committee (Management Letter) <p>Miscellaneous Topics [<i>Notes 11b</i>]</p> <ul style="list-style-type: none"> <i>i</i>: Computer-assisted Audit Techniques <i>ii</i>: Other Services Performed By Public Accountants (<i>including issue of negative assurance reports</i>) <i>iii</i>: Money Laundering and Terrorism Financing 	<p><u>Audit Review & Reporting:</u></p> <p>EMGP: Ch 17 & 18 SBKCB: Ch 16 SSA 580, 700, 701, 705, 706, 720</p> <p><u>Miscellaneous Topics:</u></p> <p>SSA 600, 610 EP 200 SSRE 2400, SSRE 2410, SSRS 4400 EMGP: Ch 6, 20</p>
2 Nov 2020 (TWC)	12	<p><i>Case Presentation 9: Closeout Procedures/GC/PBSE</i></p> <p><i>Case Presentation 10: Audit Report</i></p>	
9 Nov 2020	13	<i>Project Presentation</i>	

(TWC)		Course Overall Review	
Day/Time		Final Exam (closed book)	

IMPORTANT: Please bring along lecture notes of the current and the following week to class, as I will start the next set of notes if there is excess time.

Group Project

More details would be announced later. Tentative dateline for submission of the project will be during the week beginning **19 Oct 2020** during the classes.

Case Presentations & MCQ For Self-Practice

The Case Presentations provide a practical illustration of the application of theoretical principles on practical scenarios, e.g., the audit of individual accounts (which will be taught in subsequent weeks). Groups will be assigned case presentations for which they would be graded. *Note that answers lifted word-by-word from publisher's suggested solutions will face penalties.* In addition, MCQ self-practice questions for some topics will be uploaded to LumiNUS. Students are advised to go through them to enhance their understanding of the topics taught.

Most Case Presentations include optional questions for self-practice. Please do not wait till exam reading week to try them. The lecturer may not have enough time to respond to all late stage enquiries relating to these questions.

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 32 slides. Marks would be deducted for presenting more than necessary required to answer the questions.

The written submission is to be emailed to the relevant instructor **by the preceding Saturday 12 noon. 5% marks deduction (of case total) 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 – 70% (correctly identifying accounting issue, audit issue and audit procedures as required in the case), 10% for organisation of the presentation and 20% for presentation and Q&A ability.

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

“Optional” questions in the question sheet need not be presented.

After the class presentation, the presenting group must upload their slides to the LumiNus folder “Case Presentation Student Submissions – [class]”, for sharing with fellow classmates.

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 **13 Oct 2020**. Submissions beyond this date will not be entertained.