



DEPARTMENT OF ACCOUNTING

ACCT4510 Auditing Fall Semester 2023

Course Outline

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Course Description:

The main aim of this course is to help students learn the basic principles and practice of auditing. Students will develop a broad understanding of the core auditing functions and integrate these functions to solve problems that auditors commonly face.

Course Objectives:

By the end of this course, you should be able to

1. Apply auditing theories, standards, and procedures to the practice of auditing, including designing and implementing methodologies for examining, verifying, evaluating and reporting on the financial statements of organizations.
2. Demonstrate an understanding of the international dimensions of auditing.
3. Demonstrate an understanding of the design and the application of information technology to auditing.
4. Identify an ethical dilemma in a scenario case of auditing, articulate the consequences associated with unethical behavior, and apply professional ethical standards to propose and defend a resolution.
5. Form critical judgment, including the ability to analyze the core issues and key assumptions in auditing scenarios and approach problems from alternative perspectives.

Student Learning Resources:

Required textbook:

Auditing & Assurance Services, (international ed.), 3rd Edition, by Eilifsen, A. Messier, W.F., Glover, S.M., & Prawitt, D.F: Berkshire, UK: McGraw-Hill

Learning materials will be available on Canvas.

Assessment Scheme:

Individual Assignment	25%
Midterm Examination	25%
Final Examination	<u>50%</u>
	<u>100%</u>

Individual Assignment (25%)

There is one take-home individual-based assignment. You are required to submit your assignment on Canvas by the deadline (20 October 2023 – 11:59 p.m.). The date is subject to change.

Midterm Test (25%)

The midterm test will be held on November 11 (Sat), 2pm to 3pm (60 minutes). The format of the midterm test will be announced in due course. The date is subject to change.

No make-up arrangement would be given for the midterm test. Students absent from midterm test will receive no mark for that component, except for highly unusual circumstances that cannot be controlled and avoided by the student – in which case the instructor will make special arrangement(s) that is best and fair to meet the course requirements in each case.

The midterm test will be CLOSE book.

Final Examination (50%)

The final examination will be held during the examination period in December. The exact date and time will be scheduled and announced by the University. The final examination will last for 2 hours. The final examination will be cumulative, that is, cover the entire course syllabus. More details about the final examination will be announced at the end of the semester.

The final exam will also be CLOSE book, but you are allowed to bring in ONE piece of A4 paper (both sides) as cheat sheet.

Policy on Absences from Assessments

Any student who will need to be absent from the midterm test or final exam must contact the Instructor and receive approval PRIOR TO THE ASSESSMENT. You will need to provide a valid reason with supporting documents. Generally, sickness is the only valid reason; attending job interview or taking part in sports or other competition is not. If your absence is approved, you will be subject to the following absence policy. Otherwise, you will simply receive a 0 mark for the missed assessment.

If you are absent from the midterm test, its weight will be loaded onto the final exam. That is, the final exam will count for 75% of your final grade.

Topics Outline (refers to the Textbook chapters):

Unit 1 An Overview of the Audit Function and Professional Ethics

Chapter 1 Introduction to Financial Statement Auditing

Chapter 19 Professional Ethics, Independence and Quality Control

Unit 2 Risk Assessment and Risk Response

Chapter 2 The Financial Statement Auditing Environment

Chapter 3 Risk Assessment and Materiality

Chapter 5 Audit Planning and Types of Audit Tests

Unit 3 Internal Controls: Systems and Evaluation

Chapter 6 Auditing Internal Control over Financial Reporting

Chapter 7 Auditing Internal Control over Financial Reporting

Unit 4 Audit Evidence and Audit Procedures

Chapter 4 Audit Evidence and Audit Documentation

Unit 5 Communication of Audit Findings

Chapter 17 Completing the Engagement

Chapter 18 Reports on Audited Financial Statements

Note: The above is subject to change. For example, some parts of a Chapter may be omitted.