ACC707 AUDITING AND ASSURANCE T326 BRIEF

All information in the Subject Outline is correct at the time of approval. KOI reserves the right to make changes to the Subject Outline if they become necessary. Any changes require the approval of the KOI Academic Board and will be formally advised to those students who may be affected by email and via Moodle.
Information contained within this Subject Outline applies to students enrolled in the trimester as indicated

1. General Information

1.1 Administrative Details

Associated HE Award(s)	Duration	Level	Subject Coordinator
Master of Accounting Master of Professional Accounting	1 trimester	Postgraduate	Dr Lu Jiao Email lu.jiao@koi.edu.au P: +61 (2) 9283 3583 Level 7-11, 11 York Street Consultation: via Moodle or by appointment

1.2 Core / Elective
This is a core subject for the above courses.

1.3 Subject Weighting

Indicated below is the weighting of this subject and the total course points.

Subject Credit Points	Total Course Credit Points
4	MAcc 48; MPA 64

1.4 Student Workload

Indicated below is the expected student workload per week for this subject.

No. timetabled hours/week*	No. personal study hours/week**	Total workload hours/week***
3 hours/week plus supplementary online material	7 hours/week	10 hours/week

* Total time spent per week at lectures and tutorials
** Total time students are expected to spend per week in studying, completing assignments, etc.
*** Combination of timetable hours and personal study.

1.5 Mode of Delivery Mode of Delivery Classes will be face-to-face or hybrid. Certain classes will be online (e.g., special arrangements).

1.6 Pre-requisites ACC700 Principles of Accounting, ACC701 Financial Accounting
BUS702 Business Law and ACC704 Companies and Securities Law

1.7 General Study and Resource Requirements

- Students are expected to attend classes with the weekly worksheets and subject support material provided in Moodle. Students should read this material before coming to class to improve their ability to participate in the weekly activities.
- Students will require access to the internet and their KOI email and should have basic skills in word processing software such as MS Word, spreadsheet software such as MS Excel and visual presentation software such as MS PowerPoint.

- Computers and WIFI facilities are extensively available for student use throughout KOI. Students are encouraged to make use of the campus Library for reference materials.

Resource requirements specific to this subject: Students should have a non-programmable calculator. Applications in smartphones will not be sufficient to perform the required calculations in class.

1.8 Academic Advising

Academic advising is available to students throughout teaching periods including the exam weeks. As well as requesting help during scheduled class times, students have the following options:

- Consultation times: A list of consultation hours is provided on the homepage of Moodle where appointments can be booked.
- Subject coordinator: Subject coordinators are available for contact via email. The email address of the subject coordinator is provided at the top of this subject outline.
- Academic staff: Lecturers and Tutors provide their contact details in Moodle for the specific subject. In most cases, this will be via email. Some subjects may also provide a discussion forum where questions can be raised.
- Head of Program: The Head of Program is available to all students in the program if they need advice about their studies and KOI procedures.
- Vice President (Academic): The Vice President (Academic) will assist students to resolve complex issues (but may refer students to the relevant lecturers for detailed academic advice).

2. Academic Details

2.1 Overview of the Subject

This subject considers primarily the role of the auditor in the external audit of corporate financial statements, but also looks at risk assessment, system reliability and detection and prevention of fraud more broadly. It builds on the knowledge of accounting standards and studies the roles and responsibilities of the auditor, auditing principles and standards, and the application of those standards, particularly in an electronic environment.

2.2 Graduate Attributes for Postgraduate Courses

Graduates of Postgraduate courses from King's Own Institute will achieve the graduate attributes expected from successful completion of a Master's degree under the Australian Qualifications Framework (2nd edition, January 2013). Graduates at this level will be able to apply an advanced body of knowledge from their major area of study in a range of contexts for professional practice or scholarship and as a pathway for further learning.

King's Own Institute's generic graduate attributes for master's level degree are summarised below:

	KOI Master's Degree Graduate Attributes	**Detailed Description**
	Knowledge	Current, comprehensive and coherent knowledge, including recent developments and applied research methods
	Critical Thinking	Critical thinking skills to identify and analyse current theories and developments and emerging trends in professional practice
	Communication	Communication and technical skills to analyse and theorise, contribute to professional practice or scholarship, and present ideas to a variety of audiences
	Research and Information Literacy	Cognitive and technical skills to access and evaluate information resources, justify research approaches and interpret theoretical propositions

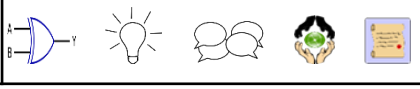
	Creative Problem Solving Skills	Cognitive, technical and creative skills to investigate, analyse and synthesise complex information, concepts and theories, solve complex problems and apply established theories to situations in professional practice
	Ethical and Cultural Sensitivity	Appreciation and accountability for ethical principles, cultural sensitivity and social responsibility, both personally and professionally
	Leadership and Strategy	Initiative, leadership skills and ability to work professionally and collaboratively to achieve team objectives across a range of team roles Expertise in strategic thinking, developing and implementing business plans and decision making under uncertainty
	Professional Skills	High level personal autonomy, judgement, decision-making and accountability required to begin professional practice

Across the course, these skills are developed progressively at three levels:

- **Level 1 Foundation –** Students learn the skills, theories and techniques of the subject and apply them in stand-alone contexts
- **Level 2 Intermediate –** Students further develop skills, theories and techniques of the subject and apply them in more complex contexts, beginning to integrate the application with other subjects.
- **Level 3 Advanced** – Students have a demonstrated ability to plan, research and apply the skills, theories and techniques of the subject in complex situations, integrating the subject content with a range of other subject disciplines within the context of the course.

2.3 Subject Learning Outcomes

Listed below, are key knowledge and skills students are expected to attain by successfully completing this subject:

Subject Learning Outcomes	Contribution to Graduate Attributes
a) Apply the various auditing standards and procedures taking into consideration the professional, legal and ethical standards relevant to audits by the application of these to the conduct of an audit	
b) Apply the concepts of risk analysis and internal controls, audit testing procedures and audit sampling techniques as they apply to audit practice	
c) Evaluate information of audit practice and audit reports with reference to current auditing standards.	

2.4 Subject Content and Structure

Below are details of the subject content and how it is structured, including specific topics covered in lectures and tutorials. Reading refers to the text unless otherwise indicated.

Weekly Planner:

Week (beginning)	Topic covered in each week's lecture	Reading(s)	Expected work as listed in Moodle
Week 1 26 October	Introduction to audit and assurance (incl. professional scepticism)	Ch. 1	Tutorial Questions on chapter 1
Week 2 02 November	Ethics, corporate governance and auditor's legal liability	Chs. 2 and 3	Tutorial Questions on chapter 2 and 3
Week 3 09 November	Overview of the financial reporting elements	Ch. 4	Tutorial Questions on chapter 4
Week 4 16 November	Planning and understanding client's business and environment (incl. professional scepticism)	Ch. 5	Tutorial Questions on chapter 5 **Assessment 1 due: First In-Class question submission**
Week 5 23 November	Inherent risk (incl. professional scepticism)	Ch. 6	Tutorial Questions on chapter 6
Week 6 30 November	Understanding internal controls	Ch. 8	Tutorial Questions on chapter 8
Week 7 07 December	Testing internal controls	Ch. 8	Tutorial Questions on chapter 8 **Assessment 2 due: In-class test**
Week 8 14 December	Substantive testing-part 1	Ch. 9	Tutorial Questions on chapters 9
Week 9 04 January	Substantive testing-part 2 and Audit Sampling	Chs. 9, 10	Tutorial Questions on chapters9 and 10
Week 10 11 January	Completion and review	Ch. 11	Tutorial Questions on chapter 11 **Assessment 3 due: Individual report due**
Week 11 18 January	Auditor's reporting obligations	Ch. 12	Tutorial Questions on chapter 12
Week 12 25 January	Other assurance services and the application of AI in auditing financial statements	Ch. 13	Tutorial Questions on chapter 13 and readings in Moodle
Week 13 01 February	Study review week and Final Exam Week		
Week 14 08 February	- Final Exam Week - Continuing students - enrolments for T127 open	Please see the exam timetable for the exam date, time and location	

Week 15 15 February	- Student Vacation begins - New students - enrolments for T127 open
Week 16 22 February	o Results Released o Review of Grade Day for T326 – see Sections 2.6 and 3.2 below for relevant information. o Certification of Grades NOTE: More information about the dates will be provided at a later date through Moodle/KOI email. .
T127 01 March 2027	
Week 1 01 March	Week 1 of classes for T127

2.5 Teaching Methods/Strategies

Briefly described below are the teaching methods/strategies used in this subject:

- *Lectures* (1 hour/week) are conducted in seminar style and address the subject content, provide motivation and context and draw on the students' experience and preparatory reading.
- *Tutorials* (2 hours/week) include class discussion of case studies and research papers, practice sets and problem-solving and syndicate work on group projects. Tutorials often include group exercises and so contribute to the development of teamwork skills and cultural understanding. Tutorial participation is an essential component of the subject and contributes to the development of many of the graduate attributes (see section 2.2 above). Tutorial participation contributes towards the assessment in many subjects (see details in Section 3.1 for this subject). Supplementary tutorial material such as case studies, recommended readings, review questions etc. will be made available each week in Moodle.
- *Online* teaching resources include class materials, readings, model answers to assignments and exercises and discussion boards. All online materials for this subject as provided by KOI will be found in the Moodle page for this subject. Students should access Moodle regularly as material may be updated at any time during the trimester
- *Other contact* - academic staff may also contact students either via Moodle messaging, or via email to the email address provided to KOI on enrolment.

2.6 Student Assessment

Provided below is a schedule of formal assessment tasks and major examinations for the subject.

Assessment Type	When assessed	Weighting	Learning Outcomes Assessed
Assessment 1: In-class question submissions (x3)	Three in-class submissions: o 1st collection: Week 4 o 2nd and 3rd collections: random collection as determined by the lecturer.	15%	a, b, c
Assessment 2: In-class test	Week 7	15%	a, b, c
Assessment 3: Individual Project Assessment (Word Limit 2500 words + 10%)	Week 10	20%	a, b, c

Assessment Type	When assessed	Weighting	Learning Outcomes Assessed
Assessment 4: Final examination 2 hours + 10 mins reading time	Final Exam Week	50%	a, b, c

Students should note that, in all assessments above, generative AIs must not be used.

Requirements to Pass the Subject:

To gain a pass or better in this subject, students must gain a *minimum of 50%* of the total available subject marks.

2.7 Prescribed and Recommended Readings

Provided below, in formal reference format, is a list of the prescribed and recommended readings.

Prescribed text:

Moroney, R. et al; 2022. *Auditing: A Practical Approach*, 4th ed. Published in Wiley.

Auditing Standards Used: ASA100s, ASA200s, ASA300s, ASA400s, ASA500s, ASA600s, ASA700s, ASA800s.

Recommended reading:

Cao, Y., & Zhang, W. (2025). How AI is shaping accounting and finance. *The British Accounting Review*, 101650.

Eisikovits, N., Johnson, W. C., & Markelevich, A. (2025). Should accountants be afraid of AI? Risks and opportunities of incorporating artificial intelligence into accounting and auditing. *Accounting Horizons*, *39*(2), 117-123.

Eulerich, M., Masli, A., Pickerd, J., & Wood, D. A. (2023). The Impact of Audit Technology on Audit Task Outcomes: Evidence for Technology-Based Audit Techniques. *Contemporary Accounting Research*, *40*(2), 981-1012.

Law, K. K., & Shen, M. (2025). How does artificial intelligence shape audit firms?. *Management Science*, *71*(5), 3641-3666.

Lennox, C. S., Schmidt, J. J., & Thompson, A. M. (2023). Why are expanded audit reports not informative to investors? Evidence from the United Kingdom. *Review of Accounting Studies*, *28*(2), 497-532.

Pan, Y., Shroff, N., & Zhang, P. (2023). The dark side of audit market competition. *Journal of Accounting and Economics*, *75*(1), 101520.

Sulaiman, N. A. (2023). External audit quality: its meaning, representations and potential conflict in practice. *Accounting, Auditing & Accountability Journal*.

References available from EBSCOhost research databases:

Abacus
Accounting and Finance
Accounting, Auditing & Accountability Journal
Accounting Research Journal
Accounting Review
Acuity
Australasian Accounting, Business and Finance Journal
Australian Accounting Review
Australian GST Journal

Australian Journal of Accounting Education
Australian Journal of Management
Contemporary Accounting Research
International Journal of Finance and Accounting Studies
Journal of Accounting and Economics
Journal of Accounting and Public Policy
Journal of Applied Research in Accounting and Finance
Journal of Financial and Quantitative Analysis
Review of Accounting Studies

Useful Websites
The following websites are useful sources covering a range of information useful for this subject. However, most are not considered to be sources of Academic Peer Reviewed theory and research. If your assessments require ***academic peer reviewed journal articles*** as sources, you need to access such sources using the Library database, Ebscohost, or Google Scholar. Please ask in the Library if you are unsure how to access Ebscohost. Instructions can also be found in Moodle.

- Australian *Accounting* Standards Board www.aasb.gov.au/
- Centre for Social and Environmental Research (CSEAR) https://www.st-andrews.ac.uk/csear/
- Chartered Accountants Australia and New Zealand www.charteredaccountants.com.au/
- CPA Australia www.cpaaustralia.com.au/
- Institute of Public Accountants www.publicaccountants.org.au/
- Proactive *Accountants* Network http://proactiveaccountants.net/
- Wiley and the CPA podcast: https://www.cpaaustralia.com.au/podcast/external-audit