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| Department: | Accounting | Degree | Master of Science in Accounting (MSA) |
| Course Title: | Auditing and Assurance Services | Course Code: | ACCT 613 |
| Prerequisite: | None | Credit Hours: | 3 |

Brief Description:

This course provides students with critical exposure to auditing and assurance services. It is designed to advance students' analytical and critical thinking about concepts surrounding auditing and assurance services and improve their technical skills which are required through audit processes from planning an audit to forming an opinion on the financial statements. Though the focus of this course is on the audit of the financial statements, other forms of assurance services are also covered. Students will also be exposed to contemporary issues in auditing research.

Course Objectives:

On completion of this course, students should be able to:

1. Recognize and comprehend concepts and process of financial statements audit;
2. Critically assess issues surrounding audit and assurance services;
3. Demonstrate improvement in oral communication skills in their class involvement;
4. Demonstrate improvement in written communication skills;
5. Demonstrate knowledge of approaches to do research proposal in accounting.
6. Identify ethical issues in audit profession.

Course Content

This unit covers the concepts underling the process of auditing, its technical and environment aspects. The first part includes issues about the audit profession and professional services, auditors' responsibilities and audit society. In the second part, it demonstrates audit process from auditing planning, risk assessments, audit evidence to audit reporting. This course also exposes students to contemporary issues, literature and research in auditing.

Course Delivery

The course is made up of a combination of lectures, case-based learning and student presentations. Students are encouraged to explore current issues and problems in complex contexts using social, ethical, economical, political and global perspectives. They are also encouraged to develop analysis and investigation skills that are required to understand audit profession and process. It is important all students appreciate that the dialogue involves all class members.

Matrix of Measurement and Assessment Tools and Learning Objectives

| | | | Objectives | | | | | | | | | |
|--------------------------|-------|---------------------|------------|-------|-------------------|-------|------------------------|-------|---------------------------|-------|----------|-------|
| | | | knowledge | | Critical Thinking | | Effective Comm. (oral) | | Effective Comm. (writing) | | Ethical | |
| Assessment tools | Grade | Week (Time period) | Obj. No. | Grade | Obj. No. | Grade | Obj. No. | Grade | Obj. No. | Grade | Obj. No. | Grade |
| Mid exam | 25 | 9 th | 1-2 | 25 | | | | | | | | |
| Case study (Ethical) | 5 | During the semester | | | | | | | | | 6 | 5 |
| 2 Case studies | 10 | During the semester | | | | | | | 4 | 10 | | |
| Presentation | 5 | 12 th | | | | | 3 | 5 | | | | |
| Research Proposal | 15 | During the semester | | | 5 | 15 | | | | | | |
| Final exam | 40 | Final exams Period | 1-2 | 40 | | | | | | | | |
| Total objectives' grades | 100 | | | 65 | | 15 | | 5 | | 10 | | 5 |
| Percentage allocated | 100% | | | 65% | | 15% | | 5% | | 10% | | 5% |

| | Exp. Hours | Topic | Activities | Ass. |
|---|------------|--|--|---|
| Part 1: Introduction to advanced auditing and assurance services | | | | |
| 1 | 6 | Auditing and assurance services/Over view: <i>The Demand for Audit and Other Assurance Services</i> | Ch. 1 Arens et. al. | Report about theories behind auditing practices. |
| Audit framework | | | | |
| 2 | 6 | Professional Ethics | ABC Case Ch. 4 Arens et. al. IESBA (IFAC) SOCPA Code of Ethics | Ethical Dilemmas: To be submitted for assessment*** |
| 3 | 6 | Legal liability | Ch. 5 Arens et. al. Saudi Company Law 2015. | Report about the impact of the new Saudi Company Law on Audit profession |
| 4 | 3 | Auditing Standards | International Auditing Standards (ISA). An article: Do Auditing Standards Matter? By Knechel: http://aaapubs.org/doi/full/10.2308/ciia-50499?code=aaan-site | Report about International Auditing Standards use this source: ISA summaries: http://leaccountant.com/auditing-standards-summaries/isa/ |
| | 3 | Audit Quality | IFAC: A Framework for Audit Quality An article: ISA and Audit Quality (IFAC): To be provided. | An Essay about Audit Quality *** |
| Part 2: Audit process | | | | |
| 5 | 3 | Audit Reports | Student Pre. 1*** Ch. 3 Arens et. al. And related ISA | |
| | 3 | Audit Responsibilities and Objectives | Student Pre. 2*** Ch. 6 Arens et. al. And related ISA | |

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|---|-----------------|--|--|---|
| 6 | 3 | Audit Evidence | Student Pre. 3*** Ch.7 Arens et. al. And related ISA | Case Study (1): The Collapse of Lehman Brothers*** (Read and Report) |
| | 3 | Audit Planning And Materiality | Student Pre. 4*** Ch.8 Arens et. al. And related ISA | |
| 7 | 3 | Assessing The Risk of Material Misstatement | Student Pre. 5*** Ch.9 Arens et. al. And related ISA | Case study(2): To be submitted for assessment*** Etihad Etisalat Co (Mobily) |
| | 3 | Audit and Fraud detection | Student Pre. 6*** Ch.10 Arens et. al. And related ISA | |
| 8 | 3 | Internal Control and COSO Framework | Student Pre. 7*** Ch.11 Arens et. al. And related ISA | |
| | 3 | Assessing Control Risk and Reporting on Internal Controls | Student Pre. 8*** Ch.12 Arens et. al. And related ISA | |
| 9 | 3 | Overall Audit Strategy and Audit Program | Student Pre. 9*** Ch.13 Arens et. al. And related ISA | |
| | 3 | Audit Sampling | Student Pre. 10*** Ch.17 Arens et. al. And related ISA | |
| 10 | Midterm Exam*** | | | |
| | 3 | Other Assurance Services | Student Pre. 11*** Ch.25 Arens et. al. | |
| Part 3: Auditing and assurance services and society | | | | |
| 11 | 3 | Auditing Expectation Gap | Video: https://www.youtube.com/watch?v=m0_f7s8V_gE Article: Debating Auditing Expectation By Humphrey in edit. (Current Issues in Auditing). | Read and provide a report for the Article: Auditor Industry Specialization and Concentration: Evidence from Kingdom of Saudi Arabia By Khaled Slamen Yaslam Aljaaidi and Shamhrir Bin Abidin. |
| | 3 | Audit Market | Article: Audit firms and the audit market By Chris Pong and Stuart Turley in edit. (Current Issues in Auditing). | |
| 12 | 3 | Independence | Video: https://www.youtube.com/watch?v=iX1yHFAQFB8 Enron Case. Article: Auditor Independence and Audit Quality: A Literature Review Nopmanee Tepalagul1 and Ling Lin (Journal of Accounting, Auditing & Finance 2015, Vol. 30(1) 101–121) | Case study (3): To be submitted for assessment*** |
| | 3 | Corporate governance, audit committee & Independent auditing | TBA | |
| Part 4: Audit Research | | | | |
| 13 | 6 | Theory and methods & Research issues in auditing | TBA | |
| 14 | 6 | Over review | | |
| Final Exam*** | | | | |

Assessments

- 1- **Exams:** Two Exams will be given during regular class sessions. The Midterm & Final exams are designed to ensure student's comprehension of the examined issues.
- 2- **Presentation:** Each student will be individually required to select one issue to present during class involvement. **Criteria for Marking presentation are: (1) Coverage of the issue; (2) Oral Skills; (3) Language proficiency; (4) Management of class discussion and (5) Presentation layout.**
- 3- **Ethical dilemmas:** Individual students will be required to evaluate ethical dilemmas (Cases) and provide solution to them.
- 4- **Other cases:** Students as a group will be assigned a case study and they will be required to provide a written report about the case: Cases will be around any of the issues examined in this course.
- 5- **An essay on an audit issues:** Students will be required to submit a report on selected auditing issues.
Note 1: To ensure full engagements in class discussion, individual student is required to prepare for the lectures in advance, therefore other assignments might be assigned during the semester to ensure preparation.

Text books:

We will use different sources to prepare for this course, however the following are the main sources:

- Auditing and Assurance Services, Global Edition, Sixteenth Edition – 2017 by Alvin A. Arens, Randal J. Elder, Mark S. Beasley, Chris E. Hogan. Pearson publisher
- Hayes, R., Dassen, R., Schilder, A. and Wallage, P. (2013), *Principles of Auditing: An Introduction to International Standards on Auditing*, Financial Times/Prentice Hall, 3rd edition.
- Current Issues in Auditing, THIRD EDITION, edited by Michael Sherer and Stuart Turley, SAGE Publications Ltd.
- Selected articles (TBA).

Approved by Dept. Chair:
Dr. Ahmad Al-Salman

Date of Approval:
30-9-2019

Extra Information: (Updated every semester and filled by course instructor)

Course

Instructor:

Office No:

Extension:

Email:

Office Hours: