Dec 2015

National University of Singapore
NUS Business School
Department of Accounting

ACC4612A Internal Auditing

Semester 2, 2015-2016

Module Description and Scope

This elective module provides students with the knowledge, both theory and practice, of how internal audits in organisations are done.

Students will gain an appreciation of how an internal auditor helps the Board of Directors, Audit Committee and Management of an organisation by adding value and improving on the organisation's results and operations. They will learn that an internal auditor does this by reviewing and recommending processes for better governance and accountability. This includes giving assurance that polices and procedures are in place to ensure the organisation's objectives are achieved, risks are managed, controls are complied with, and resources are used efficiently and economically.

This module builds on the knowledge, skills and attitudes acquired in ACC3613 Advanced Assurance and Attestation (a pre- requisite) and will help the students to consolidate and apply their knowledge on risk and governance in an organisation.

At the end of the module, students are expected to be able to be equipped with the knowledge to set up up and run an internal audit unit in an organization. In particular, they will:

- Understand what internal auditing is, its important role in governance, risk management and internal controls in an organization
- Know the recommended and widely-used standards in internal auditing
- Prepare plans for internal audits such as planning the assignment, performing audit procedures completion, reporting, audit findings
- Understand how to carry out operational audits
- Be in a better position to look out for red flags for frauds and other abuses
- Appreciate the problems, issues, challenges in internal auditing.

Pedagogy

This module meets once a week. The meeting typically consists of seminar discussions or presentations. Seminar discussion and presentation questions are designed to provide students with opportunities for interactions and discussions with other seminar participants to discover, learn and assimilate knowledge, refine skills and apply their knowledge in problem solving in an internal audit environment. Opportunities will be given to interact with industry practitioners and to discuss how the principles and theories on internal auditing are applied in practice and the problems encountered.

Students are expected to take responsibilities for their own learning by doing the assigned readings and completing the seminar discussion questions *before* class. Students are also expected to contribute to class discussions during the seminars.

Module Assessment

The module is based on continual assessment. The following is the basis of the assessment:

CA components:		
(i) Participation		10%
(iii) Tests		50%
(v) Group projects		40%
	Total for CA:	100%
	Total Assessment:	**100%**

Seminar Participation (10%)

Seminar participation/presentation includes *individual* contributions to discussions in seminars and can take the form of a insightful question, comment, or response. Both the quality and consistency of participation are considered in grading seminar participation. Good performance in seminar participation often reflects excellent preparation, good critical thinking, listening and communication skills, and, most importantly, a willingness to share questions, thoughts and ideas with others.

Group Projects (40%)

Students are also required to submit group projects (to be announced). Students will be graded as a group and the elements that they will be assessed on are originality, accuracy, sound reasoning, relevance, conciseness and report writing skills.

Tests (50%)

Short tests will be administered to test students on their understanding of the key internal auditing concepts and methodologies covered in this module as well as their ability to address issues and/or solve problems.

References

The prescribed textbooks for this module are:

- **International Professional Practices Framework (IPPF) 2013 Edition – The Institute of Internal Auditors.**
- **Internal Auditing: Assurance & Consulting Services – Kurt F Reding, Sobel, etc (IIA Research Foundation)**
- **Journals from the Institute of Internal Auditors**

Both are available in the Red Book Section of HSSL.

Where needed, additional readings will be assigned for each topic and they will be available in the library or webs, or be uploaded on the IVLE work bin if necessary . Unless there are very good reasons not to, students are expected to sign on as student members of the Institute of Internal Auditor to access materials on the websites.

Module Instructors	**Office location**	**Phone**	**Email**
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ACC 4612A Course Outline

Semester 2 – January 2016– April 2016

Week/ Session	Day	Topic	Instructor
1		**The Internal Audit Profession** • Definition of Internal Auditing • The Internal Audit Profession • Roles of Internal Auditor • Roles in Governance, Risk and Control **Questions on course module**	TCK
2		**Establishing the Internal Audit Function** • The International Professional Practices Framework, etc	TCK
3		**Establishing the Internal Audit Function (cont'd)** • The International Professional Practices Framework, etc	TCK
4		**Setting up and Managing the Internal Audit Function**	TCK
5		**Setting up and Managing the Internal Audit Function (cont'd)**	
6		**Setting up and Managing the Internal Audit Function (cont'd)**	TCK
		RECESS WEEK	
7		**Review & Test**	TCK
8		**Conducting Internal Audit Engagements** **Operational/Performance Audits** • **Scope** • **Methodology** • **Developing Findings** • **Report Writing**	TCK
9		**Operation/Performance Audits (cont'd)**	TCK

10		**Operation/Performance Audits (cont'd)**	TCK
11		**Fraud Risks and Control** • Role of Internal Auditors • Regulatory Considerations • Red Flags & Case Discussions	TCK
12		**Fraud Risks and Control (cont'd)**	TCK
13		**Module Review** • Review • Test	TCK