



ASSESSMENT BRIEF	
Subject Code and Name	ACCT6006 Auditing Theory and Practice
Assessment	Assesment 2 - Case Study
Individual/Group	Group (max of three students)
Length	2,200 words (+/- 10%)
Learning Outcomes	c) Analyse case-based scenarios by identifying and evaluating risk factors and their implications for audit planning and evidence gathering. d) Design an audit strategy to address the risks of errors in financial statements via analysis of appropriate audit evidence. e) Analyse and evaluate the internal controls and substantive testing procedures as appropriate to various audit scenarios. f) Critically evaluate the evidence gathered during the auditing process, propose an appropriate audit opinion and choose the appropriate audit report to be issued based on the results of an audit.
Submission	By 11:55pm AEST/AEDT Sunday of Week 10
Weighting	25%
Total Marks	100 Marks

Task Summary

Students are required to work in the group with maximum of three members. The assessment is designed to assess the subject learning outcomes above including students' ability to research audit related issues and apply their knowledge to real cases. Students are expected to develop a professional report addressing tasks within following areas:

- i. Inherent risk identification
- ii. Audit procedures in response to inherent risks identified
- iii. Analytical review of the financial statements with the purpose of identifying areas of concern or comfort
- iv. Substantive audit procedures addressing the identified risks
- v. Audit report, its basis and legal issues

The report should include an Executive summary, Introduction, Body (covering all tasks) and Conclusion.

Context:

The case study requires students to work in a group and develop a professional report.

A key aspect in your group's choice of format/layout should be to ensure you impart your key messages effectively (i.e., complete the requirements) and efficiently (i.e., it should be succinct and take into account the word limit).

The report should be coherent and consistency is expected throughout (e.g., formatting, language style, linkages between the parts).

Note, groups who split up the requirements and work independently are likely to have more difficulty accomplishing this objective compared to groups who work on each of the parts collaboratively (i.e., as an 'audit team').

Referencing

It is essential that you use appropriate APA style for citing and referencing research. Please see more information on referencing :

http://library.laureate.net.au/research_skills/referencing

Submission Instructions:

Complete all tasks and submit your answers electronically using the link on BlackBoard under assessments overview and submission. Include the names and student ID numbers of the team members on the assignment cover sheet. Only one version of the assessment is to be submitted on behalf of the group. Please ensure that your submission is in compliance with all of Torrens Policies.

Instructions:

Review the Financial Year 2019 audited annual reports including financial statements presented to the shareholders for the following organisations:

- Ramsay Health Care Ltd
- Telstra Ltd

Assume that your audit team is responsible for planning the audits for both companies for the most recent financial year. Discuss your strategies addressing each of the tasks below:

1. Identify at least three inherent risks that you would have to consider for each company in the audit planning phase and justify your answer. Cite the relevant ASAs/ISAs to support your answer. **(16 Marks)**
2. Which audit procedures and/or tasks would you have planned to carry out in response to the inherent risks identified above? Cite the relevant ASAs/ISAs to support your answer. **(20 Marks)**
3. Carry out an analytical review on the financial statements of these companies in the planning phase and identify areas of concern (high risk, problem areas) or comfort. Identify at least three areas for each company and justify your answer. **(16 Marks)**
4. Which audit procedures and/or tasks would you have planned to carry out in response to the high risks or problem areas identified above? Alternatively, in relation to which area would you have minimised your evidence gathering procedure? **(16 Marks)**
5. Discuss ethical and legal responsibilities/liabilities of the auditors in case they would have given an inappropriate audit opinion. Discuss safeguards available to the auditors. **(12 Marks)**

Effective communication, Presentation quality and peer review

(10 Marks + 5 Marks + 5 Marks)

The report should be expertly presented, persuasive, logical communication, coherent and consistency is expected throughout (e.g., formatting, language style, and linkages between the parts).

Each group member is required to assess other members on the basis of collaboration and contribution towards the assessment tasks. Please include the peer review commentary at the end of your assessment after the conclusion section. Peer review marks have to be allocated in line with the learning rubric placed at the end of the assessment brief.



Learning Rubric: Assessment ACCT6006 Case Study

Assessment Criteria	Fail (Unacceptable) 0-49%	Pass (Functional) 50-64%	Credit (Proficient) 65-74%	Distinction (Advanced) 75 -84%	High Distinction (Exceptional) 85-100%
Knowledge and understanding (technical and theoretical knowledge) 20 %	Limited understanding of required concepts and knowledge. Key components of the assignment are not addressed. 0 – 5.5 Marks	Knowledge or understanding of the field or discipline. Resembles a recall or summary of key ideas. Often confuses assertion of personal opinion with information substantiated by evidence from the research/course materials. 6 – 7.5 Marks	Thorough knowledge or understanding of the field or discipline/s. Supports personal opinion and information substantiated by evidence from the research/course materials. Demonstrates a capacity to explain and apply relevant concepts. 8 – 8.5 Marks	Highly developed understanding of the field or discipline/s. Discriminates between assertion of personal opinion and information substantiated by robust evidence from the research/course materials and extended reading. Well demonstrated capacity to explain and apply relevant concepts. 9 – 9.5 Marks	A sophisticated understanding of the field or discipline/s. Systematically and critically discriminates between assertion of personal opinion and information substantiated by robust evidence from the research/course materials and extended reading. Mastery of concepts and application to new situations/further learning. 10 -12 Marks
Evaluation of information selected to support the case study 60%	Limited understanding of key concepts required to support the case study. Confuses logic and emotion. Information taken from reliable sources but without a coherent analysis or synthesis. Viewpoints of experts are taken as fact with little questioning.	Resembles a recall or summary of key ideas. Often conflates/confuses assertion of personal opinion with information substantiated by evidence from the research/course materials. Analysis and evaluation do not reflect expert judgement, intellectual independence, rigor and adaptability.	Supports personal opinion and information substantiated by evidence from the research/course materials. Demonstrates a capacity to explain and apply relevant concepts. Questions viewpoints of experts.	Discriminates between assertion of personal opinion and information substantiated by robust evidence from the research/course materials and extended reading. Well demonstrated capacity to explain and apply relevant concepts. Viewpoint of experts are subject to questioning. Analysis and evaluation reflect growing judgement,	Systematically and critically discriminates between assertion of personal opinion and information substantiated by robust evidence from the research/course materials and extended reading. Information is taken from sources with a high level of interpretation/evaluation to develop a comprehensive critical analysis or synthesis. Identifies gaps in knowledge.



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	0 – 17.5 Marks	18 - 23 Marks	23.5 - 26.5 Marks	intellectual independence, rigor and adaptability. 27- 30.5 Marks	Exhibits intellectual independence, rigor, good judgement and adaptability. 31- 36 Marks
Effective Communication 10 %	Difficult to understand, no logical/clear structure, poor flow of ideas, argument lacks supporting evidence. Line of reasoning is often difficult to follow. 0 – 2.95 Marks	Information, arguments and evidence are presented in a way that is not always clear and logical. Line of reasoning is often difficult to follow. 3 – 3.45 Marks	Information, arguments and evidence are well presented, mostly clear flow of ideas and arguments. Line of reasoning is easy to follow. 3.5 – 4.45 Marks	Information, arguments and evidence are very well presented; the communication is logical, clear and well supported by evidence. 4.5 - 5 Marks	Expertly presented; the communication is logical, persuasive, and well supported by evidence, demonstrating a clear flow of ideas and arguments 5.5- 6 Marks
Correct citation of key resources and evidence 5 %	Demonstrates inconsistent use of good quality, credible and relevant resources to support and develop ideas. 0 – 1.45 Marks	Demonstrates use of credible and relevant resources to support and develop ideas, but these are not always explicit or well developed. 1.5 – 1.90 Marks	Demonstrates use of high quality, credible and relevant resources to support and develop ideas. 1.95 – 2.20 Marks	Demonstrates use of good quality, credible and relevant resources to support and develop arguments and statements. Shows evidence of wide scope within the organisation for sourcing evidence 2.25- 2.45 Marks	Demonstrates use of high-quality, credible and relevant resources to support and develop arguments and position statements. Shows evidence of wide scope within and without the organisation for sourcing evidence 2.5- 3 Marks
Peer Review 5 %	The student has shown no real effort and contribution to the team. Other team members had to contribute more as a result of it and take on some of the tasks agreed to be delivered by this member of the group. 0 – 1.45 Marks	The student has completed part of the agreed task and has overlooked some. The student has not been initiating much of the team group effort and has been more passive member of the group. 1.5 – 1.90 Marks	The student has been following instructions of one or more team members. The student has contributed to the team efforts as per agreed tasks, but has not gone beyond that. 1.95 – 2.20 Marks	The student has been a very valuable member of the team actively contributing to the team effort and the group assessment outcome. 2.25- 2.45 Marks	The student has been a key member of the group. Taking initiative and extensively contributing to the group assessment effort. 2.5- 3 Marks

