



Macquarie University
Division of Economic and Financial Studies

Unit Outline
ACCG 847
Forensic Accounting

Year and Semester: 2007 - Semester 1
Unit Convenor: Mr Allan Drummond

Prerequisites / Co-requisites : There are no formal prerequisites or co-requisites for this unit however students are assumed to have an advanced knowledge of accounting procedures and systems; corporate structures; accounting for investments in associates and consolidation accounting

Students should read this unit outline carefully at the start of semester. It contains important information concerning the unit. If anything is unclear please consult the teaching staff of the unit,

ABOUT THIS UNIT



Unit Description

Forensic Accounting covers two broad areas

- (i) (i) Litigation Support and
- (ii) (ii) Investigative Accounting.

This unit focuses on the investigative accounting aspects of forensic Accounting.

Investigative Accounting involves determining whether criminal matters such as employee theft, securities fraud, financial statement fraud, identity theft and insurance fraud have occurred. The unit considers these issues from both local and international perspectives.

Topics

- Fraud perpetrators and their motivation
- Conceptual backdrop and white collar crime
- Fraud symptoms
- Evidence collection and evaluation
- Legal elements of fraud
- Financial Statement Fraud
- Fraud prevention and Fraud Policies

TEACHING STAFF



Mr Allan Drummond. Contact ' adrummon@efs.mq.edu.au '

CLASSES



Number and length of Classes:

One three hour seminar per week.

The timetable for classes can be found on the University web site at

<http://www.timetables.mq.edu.au/>

Students must attend 80% of all classes in order to be considered eligible for a passing or better grade in this unit

REQUIRED AND RECOMMENDED TEXT AND SUPPLEMENTARY MATERIALS



Prescribed Text :

Albrecht, Steve W. ,Conan C. Albrecht and Chad O. Albrecht

"Fraud Examination", Thompson South Western, Cincinnati, Ohio, 2006.

Available through the Macquarie branch of the Co-op Bookshop.

Supplementary references:

- CPA Australia *"Auditing and Assurance Handbook"* Current edition. Pearson.
Robert Hayes, Michael Eburn *"Criminal Law and Procedure in New South Wales"* 2nd Edition , Butterworths
- Additional readings and materials may also be provided by the lecturing staff either in hard copy format or electronically through the unit Web page.

Students will be expected to extend their studies by reference to on-line journals and other materials available through the library



UNIT WEB PAGE

Please note that the web site for this unit is used as a communication tool between staff and students. The web site does not replace the need to attend seminars.

LEARNING OUTCOMES



After successful completion of this unit students should understand how to:

- Respond to issues associated with an allegation of fraud
- Appreciate the social /legal context of fraud
- Examine documents, assemble evidence and write reports
- Understand and use sources of information
- Identify high risks and management weaknesses from a fraud perspective
- Minimise fraud
- Develop and implement an organisational fraud policy

In addition to the specifically discipline based learning objectives all programmes at Macquarie seek to further develop students generic skills in a range of areas, the intention being to have students develop their abilities in the following areas

- Communication skills
- Interpersonal skills
- Self awareness ie an appreciation of the students personal mind set and understanding.
- Critical analysis skills
- Creative thinking skills
- Problem solving abilities ie thinking “outside the square” involving the synthesis of the foregoing skills to generate viable solutions to unique problems within the cultural context.

TEACHING AND LEARNING STRATEGY



- The unit is taught in a three hour seminar style. Each seminar will address weekly readings and related materials supplied by the teaching staff.
- Students are expected to participate in the seminars through having read the materials prior to each seminar. Individual students may be chosen to lead the discussion on one of the weekly readings. Case studies will also be discussed and analysed during seminars.
- It is usual for students to need to undertake personal study at a minimum rate of three hours of private study for each hour in the

classroom. Accordingly we expect that in addition to the three contact hours per week students will need to study a further nine hours to gain a sufficient understanding of the subject.

WEEKLY SCHEDULE



<u>Week/</u>	<u>Date</u>	<u>Topic</u>
1	01/03/07	Course Overview An Introduction to Forensic Accounting
2	08/03/07	The social context White collar and Corporate Crime An overview of Fraud What it is and who gets involved <i>Chapters 1 & 2</i>
3	15/03/07	The Fraud Triangle Fraud reduction principles. . <i>Chapters 3 & 4</i>
4	22/03/07	Fraud recognition. Fraud Detection & Concealment The role of Forensic Accountants. <i>Chapters, 5, 6 & 8</i>
5	29/03/07	Financial Statement Fraud – An Overview <i>Chapter 11</i>
6	05/04/07	Mid Semester Exam - (Closed book)
		- Mid –Semester break –
7	26/04/07	Financial Statement Fraud – Revenue & Inventory related <i>Chapter 12</i>
8	03/05/07	Financial Statement Fraud – Liability & Asset Related <i>Chapter 13</i>
9	10/05/07	Financial Statement Fraud – Expenses (<i>Handout</i>) In Class Essay - (Closed Book)
10	17/05/07	Fraud against Organisations <i>Chapter 15</i>
11	24/05/07	Fraud in E-Commerce <i>Chapter 17</i>
12	31/05/07	The Forensic Accountant as an Expert Witness (<i>Handout</i>) <i>Chapter 18</i>
13	07/06/07	Final Exam – (Closed Book)

	%
Mid Semester Exam	25
Individual Essay (Closed book –in class)	15
Final Exam (Closed book)	<u>60</u>
	<u>100%</u>

(Remember you must also attend at least 80% of the weekly seminars)

Mid Semester examination

The mid semester examination will be held in class in week 6. The exam will be eighty Minutes (one hour and twenty minutes) in duration and will cover materials drawn from weeks 2, 3 & 4 (No alternative arrangements can be made to undertake this assessment task)

Individual Essay

Students will be required to complete an essay style question in class in week 9. (No alternative arrangements can be made to undertake this assessment task).

The time allowed will be sixty minutes (one hour) and no books or other aids will be permitted. The essay topic will be supplied to students in class on in week 6 in order to give time for students to undertake relevant research studies to equip themselves to address issues implied by the question.

Final Examination

The final exam will be held in class in week 13 and will be of one hundred and thirty five minutes (two hours and fifteen minutes). It will cover materials from lectures 5 to 11. Further details will be supplied in class in week 11.

The University defines plagiarism in its rules: “Plagiarism involves using the work of another person and presenting it as ones own. “Plagiarism is a serious breach of the University’s rules and carries significant penalties. You should read the University’s practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at:

<http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is and how to avoid it, the procedures that will be undertaken in cases of suspected plagiarism, and the penalties if a student is found guilty. Penalties may include a deduction of marks, failure of the unit, and/or referral to the University Discipline Committee.



The University Academic Senate has a set of guidelines on the distribution of grades across the range from 'high distinction' to 'fail'. Your final result will include one of these grades together with a 'Standardised Numerical Grade' (SNG).

On occasion your raw mark for the unit for the unit (i.e. the aggregate of your marks for each assessment item) may differ from the SNG awarded. Under senate guidelines results may be scaled to ensure a degree of comparability across the University and so that units with the same past performance of their students should achieve similar results.

It is important for you to be aware that the policy does not require that a minimum number of students be failed in any unit. In fact the policy supports the opposite outcome in that it requires examiners to justify their decisions should more than 20% of students fail any unit.

The scaling process does not change the rank ordering of marks between students. A student receiving a higher raw mark than another will also receive a higher scaled mark.

For an explanation of the policy see'

<http://www.mq.edu.au/senate/MQUonly/Issues/Guidelines2003.doc> or

<http://www.mq.edu.au/senate/MQUonly/Issues/detailedguidelines.doc>

STUDENT SUPPORT SERVICES



Macquarie University provides a range of Academic and other Student Support Services. Details can be obtained from <http://www.student.mq.edu.au>

