

Fakulteit Ekonomiese en Bestuurswetenskappe  
Faculty of Economic and Management Sciences

Department of Auditing

Information brochure

Application for admission to  
MPhil (Internal Auditing)

*In association with Absa a member of  
Barclays*

2015



UNIVERSITEIT VAN PRETORIA  
UNIVERSITY OF PRETORIA  
YUNIBESITHI YA PRETORIA  
Faculty of Economic and Management  
Sciences



ESAA  
Erasmus School of  
Accounting & Assurance  
*Erasmus*



[www.up.ac.za](http://www.up.ac.za)

## IMPORTANT DATES

- |                          |  |                                    |
|--------------------------|--|------------------------------------|
| <input type="checkbox"/> | Submission deadline  | <b>31 July 2014</b>                |
| <input type="checkbox"/> | First meeting  | TBA : February 2015                |
| <input type="checkbox"/> | Registration: All postgraduate students <b>MUST</b> register <b>online</b> | Before 28 February each year       |
| <input type="checkbox"/> | Lectures: 1 <sup>st</sup> semester 2015                                    | Will be announced at first meeting |
| <input type="checkbox"/> | Lectures: 2 <sup>nd</sup> semester 2015                                    | Will be announced at first meeting |
| <input type="checkbox"/> | Lectures: 1 <sup>st</sup> semester 2016                                    | To be announced in 2015            |
| <input type="checkbox"/> | Admission of research proposal   | 31 October 2016                    |

## APPLICATION PROCESS FOR ADMISSION TO THE MASTER'S PROGRAMME (SUMMARY)

- 1 Apply for admission to the degree at the University of Pretoria (UP) at [www.up.ac.za/apply](http://www.up.ac.za/apply). *This is the only way of applying for admission to the University.*
- 2 The Department of Auditing will receive your application. You will be contacted by the Department, at which stage you will either be required to complete a Departmental application form, or you will be informed that your application was unsuccessful.
- 3 After you have submitted the Departmental application form to Mrs Rika Grobler (see details on next page), you will be contacted by the Department, at which stage you will be notified whether your application was successful or not, or whether you are invited to attend an interview.
- 4 All applications will be considered after the closing date of 31 July 2014.
- 5 You will receive a formal letter from the Department informing you of the final outcome of your application.

# **MASTER'S PROGRAMME 2015**

## **(COURSE CODE 07255230)**

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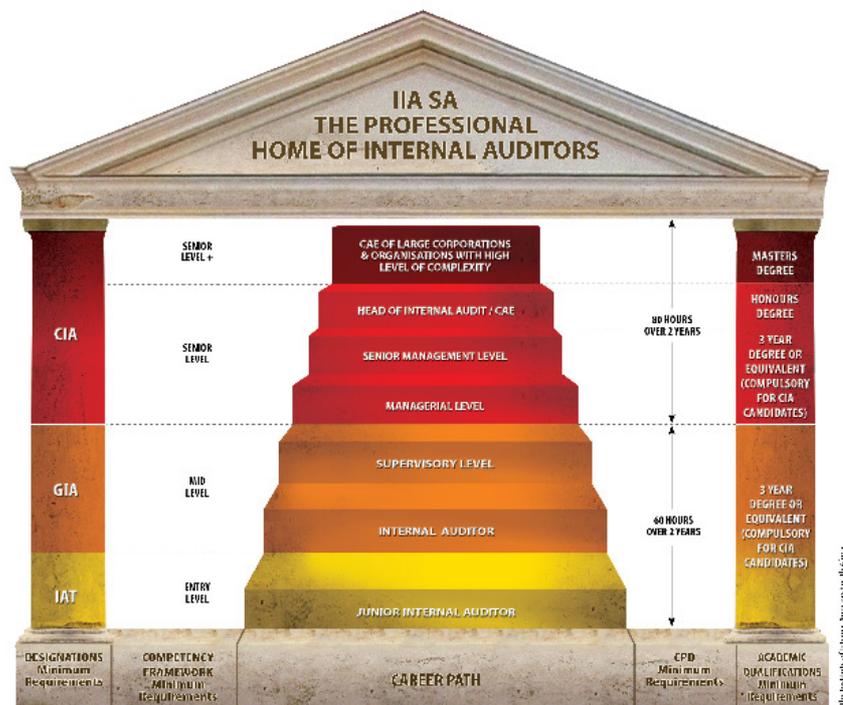
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# 1 INTRODUCTION

The role of internal auditors has increasingly come into focus as stakeholders are putting more pressure on organisations to optimise performance and ensure sustainable business success. In addition, regulatory and legal requirements in the private and public sectors are prescriptive, particularly regarding the need for improved corporate governance. This has led to the increased demand for professional internal auditors worldwide, especially at a senior level where individuals are required to not only be ‘super’ internal auditors, but to hold their own on various other spheres within the organisation.

The Institute of Internal Auditors (IIA Inc) is the international professional body representing the internal audit profession and is based in Florida in the United States of America (USA), with an affiliated Institute in South Africa, the IIA (SA), based in Johannesburg. The Certified Internal Auditor (CIA) qualification is the highest professional internal audit qualification in the world. The IIA has experienced tremendous growth in member numbers as well as in the number of members qualifying as CIAs globally. In South Africa, there is an increased demand, which surpasses the supply for knowledgeable, skilled and experienced professional internal auditors in the field of governance, risk and control. To address this need, the IIA (SA) has revisited the career path for internal auditors, highlighting the need for senior internal auditors’ increased level of competency.

## CAREER PATH FOR INTERNAL AUDITORS



The internal audit programme at UP has been accredited as a centre of excellence in the IIA Inc's Internal Auditing Educational Partnership (IAEP) programme – one of only five in the world. The internal audit education programmes at UP are also supported by the IIA (SA), which plays an active role in advocating the internal audit profession. The MPhil (Internal Auditing) builds on this programme, offering a world-class postgraduate degree for senior internal auditors. UP is proud to offer the first master's programme in internal auditing in South Africa that is aimed at a global audience. To provide a quality learning experience to students, the programme only accommodates 50 students. Successful candidates will receive expert training from some of the best South African and European internal auditors and business academics.

The Department of Auditing takes responsibility for the internal audit programmes which are offered by a professional, well-qualified team of lecturers. An outcomes-based learning approach is used emphasising competency and focusing on knowledge, skills and attitude of the learners. The IAEP programme is locally relevant and internationally competitive and aspires to provide a superior level of internal audit education that equips internal audit learners with the competencies and ability to significantly contribute to the enhancement of the internal audit profession and all its stakeholders.

## **2 PARTNERS**

To achieve the above, the University partnered with various institutions.

As a financial institution, Absa Bank Limited noted the scarcity of internal audit skills, especially at a senior level. Absa supports the programme financially to ensure that the content is relevant, study material is updated, and expert lecturers and guest speakers can be invited to participate, to name a few contributions.

To address the limitation of the knowledge and skills within the Department of Auditing, the Gordon Institute of Business Science (GIBS), an institution ranked high on the worldwide list of business schools, and the Erasmus School of Accounting and Assurance (ESAA), part of Erasmus University in Rotterdam, the Netherlands, also a Centre for Internal Audit Excellence, was asked to partner with the University. Both these institutions will be participating in the programme.

### **3 SELECTION AND ENROLMENT OF STUDENTS**

#### **3.1 Selection criteria**

Entrance to the programme is based on the individual's internal audit experience, tertiary as well as professional qualifications. A multidisciplinary approach will be followed due to the diverse nature and applicability of internal auditing. Therefore individuals from all backgrounds working in internal auditing will be considered. Although selection of students is not restricted to individuals with a bachelor's degree in commerce, the following is a guidance of the minimum requirements:

- a three-year degree with a NQF 7 recognised audit-related professional qualification and a minimum of five years' internal audit experience in a senior position\*; or
- a four-year degree with a NQF 8 recognised audit-related professional qualification and a minimum of three years' internal audit experience in a senior position\*; or
- a honours degree in an audit-related field with a NQF 8 recognised audit-related professional qualification and a minimum of two years' internal audit experience in a senior position\*.

(\*) – *Commonly referred to as Senior Internal Auditor or Internal Audit Manager*

#### **3.2 General guidelines for application and admission**

A maximum of 50 students will be allowed to register for the programme. Students will be admitted after the following selection process was followed:

- Students must first apply to UP for admission to the degree at [www.up.ac.za/apply](http://www.up.ac.za/apply). *This is the only way of applying for submission to the University.* Please follow the steps carefully. Also note that an application fee is payable and is not refundable.
- Closing date for application at UP is 31 July 2015.
- The Department of Auditing will receive all applications forms and will contact each individual to inform them of the outcome of their application, and if applicable, of the next step. This will only occur after the closing date of 31 July 2014.
- Successful candidates will be required to complete a Departmental application form which must be accompanied by a comprehensive curriculum vitae (CV). It is possible that individuals will be invited for an interview before a final decision is made.
- The completed application form must be submitted to Mrs Rika Grobler.

#### **3.3 Registration**

Registration will take place in January/February 2015. Students can only register online at [www.up.ac.za](http://www.up.ac.za). Details will be communicated to students by the Faculty Administration.

## 4 COURSE COMPILATION

The programme will be offered on a part-time basis over a two-year period within four semesters. All subjects are compulsory, except for Forensic Auditing and Performance Auditing, where students must select only one.

Subject Code	Description	Semester	Presenter Institution	Credits	Contact hours
IOK 811	Advanced Internal Auditing	One	UP	15	24
IOK 812	Governance	One	GIBS	10	16
IOK 813	Industry-specific Knowledge (*)	One	UP	10	16
IOK 823	Risk Management	One	GIBS	10	16
IOK 814	IT Auditing	Two	UP	15	24
IOK 815	Financial Management & Analysis	Two	GIBS	10	16
IOK 816	Project Management	Two	GIBS	10	16
IOK 822	Strategic Management	Two	GIBS	10	16
IOK 821	Business Communication	Three	UP	10	16
IOK 817	Organisational Behaviour	Three	UP	10	16
IOK 819	Forensic Auditing (**)	Three	UP	10	16
IOK 820	Performance Auditing (**)	Three	UP	10	16
NME 806	Research Methodology	Three	ESAA	0	40
IOK 895	Research paper	Four	UP/GIBS/ESAA	30	0

(\*) – Student must choose to attend one of the following sessions: Public Sector or Private Sector

(\*\*) – Choose one of the two subjects

## 5 LECTURE TIMES AND DATES

The subject courses for the programme will be presented in two blocks of four days each per semester in the first three semesters (this will be communicated to students during the first meeting). This will accommodate individuals who are in senior positions and cannot be absent from the office for more than two executive working days. The only exception is for Research Methodology, where an additional block will be scheduled in the third semester. This block will be three to five days as an international lecturer presents this course.

No lectures are scheduled for the fourth semester, accommodating each individual to work at his/her own pace.

All the courses presented by GIBS will be hosted at the GIBS offices:

26 Melville Road  
Illovo  
Johannesburg

All other courses will be hosted at the University of Pretoria's Hatfield Campus:

Cnr Lynnwood Road and Roper Street  
Brooklyn  
Pretoria

## 6 FEES

The course fee is R44 000,00 payable in the first year of enrolment. A first payment must be paid before registration **each** year (approximately R3 000,00). For the first year, the registration fee will be deducted from the outstanding amount payable. Additional fees may be charged for study material provided and paid for by the University.

## 7 COURSEWORK METHODOLOGY

The education method consists of a virtual classroom as well as contact sessions of two block sessions per semester for the first two semesters and three block sessions for the third semester. World-class subject experts will be co-presenting as guest lecturers. It is therefore vital for all students to attend these sessions as information will be shared that is not available in textbooks.

The virtual classroom will be managed via the Internet. The UP programme, called ClickUP, will be used for the following:

- All content related to a specific subject will be posted on ClickUP. These will include course material, video images and presentations.
  - All communication will be managed via ClickUP and may include announcements, contact with the lecturer, submitting of assignments (\*), informal discussions between students and formal group communication.
  - The creation of a group for the purpose of a group assignment.
- (\*) – *It is important to note that all assignments will be tested for plagiarism. A formal document explaining this will be made available on ClickUP and discussed at the first meeting.*

## 8 EVALUATION AND EXAMINATION

### 8.1 Satisfactory semester work

It will be expected of students to submit case studies or assignments, formal and informal, individual and group projects, during the semester. This information will be shared during the first meeting (see page i) and communicated on ClickUP. Satisfactory performance will be expected of students during the semester before they are allowed to submit the final examination assignment.

### 8.2 Examination assignment

No formal examination will be written. It will be required of students to hand in formal written assignments during May/June or October/November of each semester (dates will be communicated in each subject). These assignments will be assessed by both the lecturer and practitioners. These practitioners will be chosen based on their competencies within a specific field. The average between the lecturer's and the practitioners' mark will be the final mark, allocated to the subject.

### 8.3 Research assignment

During the fourth semester students will be expected to work on a research assignment at their own pace. Each student will be assigned to a research supervisor. To pass this subject, it is expected of students to **submit** their research work to an accredited research journal. The research supervisor will be the co-writer of the article. This is compulsory for all students.

## 9 COURSE CONTENT

Please note that the syllabi for each specific subject are still in the process of development. A team consisting of educators and practitioners are meeting on a regular basis to develop the syllabi. Where a syllabus is not yet addressed, a summary will be provided.

### 9.1 Internal Auditing 811 – Advanced Internal Auditing

- Basic internal audit concepts (as introduction)
- Internal auditors as professionals
- Assurance and consulting engagements
- Relationships of the internal auditor
- Establishing the internal audit function
- Managing the internal audit function
- Planning the activities of the internal audit function
- Audit committee
- Combined assurance
- Reporting on internal control
- Control self-assessment
- Role of internal auditing in governance

### 9.2 Internal Auditing 812 – Governance

- What is governance?
- Factors affecting governance
- Governance maturity
- National and international guidance
- Elements of governance
- Internal auditing as part of governance

### 9.3 Internal Auditing 813 – Industry-specific Knowledge

*Students will be required to choose one of the following three sessions:*

- **Public Sector**
  - Public sector as part of the broad economy
  - Governance in the public sector

- Accountability in the public sector
  - Legislation, guidance and circulars in SA public sector
  - The role of auditing
  - Tools and techniques
  - Overview on other guidance and tools
  - Soft skills development
- **Private Sector**
    - Overview of the private sector
    - Legislation and other guidance
    - Emerging issues and risks
    - Health and safety
    - Quality standards
    - International trade
    - Discussion on specific sectors
- **Financial Services**
    - Overview of the financial services sector
    - Legislation and other guidance
    - Emerging risks and issues
    - Specific risks within the sector

#### **9.4 Internal Auditing 814 – Information Technology Auditing**

- IT frameworks
- Information systems
- Information security
- Auditing information systems

#### **9.5 Internal Auditing 815 – Financial Management and Analysis**

Advanced forecasts, valuations, financial analysis and interpretation to identify weaknesses, audit engagement focus areas and fraudulent activities

#### **9.6 Internal Auditing 816 – Project Management**

Managing an internal audit function and internal audit engagement as a project (including time management)

#### **9.7 Internal Auditing 817 – Organisational Behaviour**

The internal auditor within organisations – how to “fit” into the environment, what makes a good internal auditor/manager, people management, marketing the value of internal auditing, conflict management

#### **9.8 Internal Auditing 819 – Forensic Auditing**

- Legal aspects (fraud and corruption, admissibility of evidence, cyber forensics, labor law and the rights of forensic auditors)

- Financial fraud schemes (misrepresentation of financial statements, the detection of financial statement fraud)
- Detection and investigation (red flags and data mining, investigation methodology, writing and presenting the report)
- Auditing anti-money laundering compliance programmes
- Anti-fraud programmes (fraud risk assessment, codes of ethics and conduct, confidential reporting facilities)

### **9.9 Internal Auditing 820 – Operational and Performance Auditing**

Operational and performance audit methodologies, legislative mandate for performance auditing, effective, efficient and economic public administration and management, performance information auditing

### **9.10 Internal Auditing 821 – Business Communication**

Advanced communication techniques including verbal and written, other topics such as presentation skills, business report writing, including professional documents such as audit reports, interpreting external audit reports, management reports and management strategy

### **9.11 Internal Auditing 822 – Strategic Management**

Performance management, strategic management concepts, strategy mapping and implementation

### **9.12 Internal Auditing 823 – Risk Management**

- Principles of risk management
- Risk maturity
- Role of internal auditing
- Risk management process
- Risk-based internal auditing
- Quantitative risk management

### **9.13 Research Methodology NME 806**

How to do research, including topics such as developing a research design, research methodology, literature review, statistical analysis, layout of a formal research document and referencing

### **9.14 Internal Auditing 895 – Research Assignment**

Write a research article that has to be submitted to an accredited (by the Department of Higher Education) research journal