



## Course Outline

A POLYTECHNIC INSTITUTION

School of Business

Program: Financial Management

Option: Accounting

**FMGT 3310**

**Auditing 1**

**Start Date:** September 2007

**End Date:** December 2007

**Course Credits:** 3

**Term/Level:** 3

**Total Hours:** 45

**Total Weeks:** 15

**Hours/Week:** 3

**Lecture:** 2

**Lab:** 1

**Shop:**

**Seminar:**

**Other:**

### Prerequisites

Course No.	Course Name
FMGT 2100	Accounting 2 (PTS)
FMGT 2190	Accounting 1/2 (PTS)
FMGT 2105	Accounting 2 (FTS)

### Prerequisite for:

Course No.	Course Name
FMGT 4310	Auditing 2

### Course Description

This course discusses auditing principles and generally accepted auditing standards. Students study the meaning and purpose of the audit function and are introduced to audit assertions, types of evidence and auditing techniques. Topics include history/overview of auditing services, materiality, risk, audit evidence, audit planning, internal control, audit considerations in various computerized environments, reports on audited financial statements, ethics, professional conduct and auditor's legal liability.

### Evaluation

Final Examination	45%
Mid-term Examination	30%
Class Participation	5%
Assignments and Quizzes	<u>20%</u>
<b>TOTAL</b>	<b><u>100%</u></b>

### Participation:

Attendance will be required for all classes. Students are expected to participate in class discussions and arrive prepared to discuss the questions/cases assigned by the Instructor. Auditing cannot be learned solely by reading the textbook. Students will develop confidence in analyzing and evaluating issues by becoming involved in the class. We encourage you to be an active participant.

### Course Goals

- Introduce the core concepts and basic principles of auditing.
- Emphasize the importance of auditing to society.
- Develop a framework for analyzing problems.
- Develop and improve written and oral communication skills.

### Course Learning Outcomes and Competencies

Having successfully completed this course, students should:

- understand the purpose of an audit;
- understand the ethical, legal and professional environments within which auditors work;
- understand the importance of planning in all audit engagements;
- understand and apply the concepts of risk and materiality;
- understand the standard audit report and potential modifications;
- understand the need for professional judgment in various audit situations; and
- communicate clearly and effectively; verbally and written.

### Course Content Verification

I verify that the content of this course outline is current, accurate, and complies with BCIT Policy.

Developed  
by:

  
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Christine Smales, BA., CA Instructor


Date: August 2007

Reviewed  
by:

  
\_\_\_\_\_  
Matthew Haussmann, MBA, CMA, Program Head

Date: August 2007

Approved  
by:

  
\_\_\_\_\_  
Tim Edwards, Dipl.T, MBA, CMA Associate Dean

Date: August 2007

## Instructor

Christine Smales, CA

Office No.: 318

Office Phone: 604-432-8599

E-mail address: Christine\_Smales@bcit.ca

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## Required Learning Resources

*Arens, Elder, Beasley, & Spletstoeser-Hogeterp, Auditing and Other Assurance Services, (Canadian Tenth Edition)* Pearson Education; Canada

*Instructor's Course Lecture Notes and Handouts* – on BCIT Shareout

*CICA Handbook* - BCIT Intranet

## Student Information on Policies and Procedures

**COURSE OUTLINES:** This course outline may assist you in the future to receive credit for all or part of a course from another post-secondary institution or from a professional program. It is strongly recommended that this course outline be safely filed for future reference.

**EXAMINATIONS:** Recently there has been a greater tendency for students to miss scheduled examinations. Students who miss examinations often request that they be allowed to write make-up examinations. This is often unfair to those who wrote the scheduled examination and time-consuming for the instructor who is asked to prepare alternative examinations.

In an effort to be consistent within Financial Management, the Department has adopted the following policy to deal with mid-term and final examinations.

It is imperative that students write examinations on either the scheduled day per the course outline or the date and time as determined by the Registrar during the formal examination periods. Please make a note of the following Departmental policy:

Subject to circumstances outlined below, a student who fails to write an examination on the scheduled date and time will receive a zero on that examination.

Other than in emergency situations, a student must provide his/her instructor with a reason acceptable to the instructor for missing an examination at least 24 hours prior to the scheduled time of the examination. Should such notice be given and should the reason be acceptable to the instructor, the student may, subject to the discretion of the instructor, be permitted to either write an alternative examination or have an agrotat mark established. It is the student's responsibility to contact the instructor by phone, fax, e-mail, etc.

It is impossible to list every acceptable reason. However, for greater certainty, reasons such as being unprepared or having too many other examinations in the same week will not be accepted. Written documentation, i.e., doctor's notes, will be required in all cases of missed examinations.

**Instructors are asked to promptly notify the program head or the academic coordinator of any student who misses an examination together with any supporting documentation.**

**PHOTO IDENTIFICATION:** To write exams, students are required to produce photo-identification at examination centres. Photo identification must be placed on the desk before an exam will be issued to the student and must remain in view on the desk while writing the exam for inspection by invigilators. Students should bring a BCIT OneCard or alternatively two pieces of identification, one of which must be government photo I.D. such as a drivers license.

**CHEATING, PLAGIARISM AND DISHONESTY:** Acts of cheating, plagiarism and dishonesty are not tolerated; the degree of punitive action may range from a written warning to withdrawal from the program. These penalties may also be applied to a student who knowingly contributes to the act of dishonesty, cheating and plagiarism. (Refer to the current BCIT Calendar.)

Programmable calculators and calculators with alphabetic capability **will not be allowed** in exams.

English language dictionaries, paper based or programmable, **will not be allowed** in exams unless previously approved by the instructor.

## FMGT 3310 Schedule: Pre- Midterm

Week # / Week beginning	Course Topic CICA Handbook Sections	Reference/Readings
<b>Week 1</b> Sept 4	Course Overview	
<b>Week 2</b> Sept 10	<b>PART I: The Auditing Profession (Chapters 1-3)</b> Introduction to Auditing & Professional Relationships/Codes of Conduct	Chapter 1 CICA HB Sections 5021,5025,5030,5100  Chapter 2 CICA HB Sections 5030, 5100
<b>Week 3</b> Sept 17	The Auditor's Report	Chapter 3 CICA HB Sections 5400,5405,5510
<b>Week 4</b> Sept 24	<b>PART II: The Audit Process (Chapters 5-9,&amp; 11)</b> Auditor Responsibilities and Objectives <i>Note: Shinerama, Wednesday September 26, 2007</i>  <b>Assignment #1 Due</b>	Chapter 5 CICA HB Sections 5110,5135,5136,5300
<b>Week 5</b> Oct 2	Audit Evidence  <b>Quiz #1 (covering Chapters 1,2 &amp; 3)</b>	Chapter 6 & Appendix B CICA HB Sections 5143,5300,5301,5303
<b>Week 6</b> Oct 9	Audit Planning and Documentation <i>Note: Thanksgiving Day: Monday, October 8, 2007</i>	Chapter 7 CICA HB Sections 5141,5145, 5150
<b>Week 7</b> Oct 15	<b>Midterm Review</b>	
<b>Week 8</b> Oct 22	<b>MID-TERM EXAM - 2 hours</b> (Chapters 1,2,3,5,6,7)	

## FMGT 3310 Schedule: Post-Midterm

<b>Week 9</b> Oct 29	Materiality and Risk	Chapter 8, Appendices C & D CICA HB Sections 5095,5141,5142 Assurance Guideline 41
<b>Week 10</b> Nov 5	Internal Controls and Control Risk	Chapter 9 & Appendix E CICA HB Sections 5141,5143,5220
<b>Week 11</b> Nov 12	Internal Controls and Control Risk – cont'd <i>Note: Remembrance Day: Monday, November 12, 2007</i>	
<b>Week 12</b> Nov 19	Overall Audit Plan and Audit Program  <b>Quiz #2 (covering Chapters 8 &amp; 9)</b>	Chapter 11
<b>Week 13</b> Nov 26	Legal Liability  <b>Assignment #2 Due</b>	Chapter 4
<b>Week 14</b> Dec. 3	<b>Final Course Review (all Chapters)</b>	
<b>Week 15</b>  Dec 10	<b>FINAL EXAM – 2 hours</b>  (All chapters covered with emphasis on Chapters 8,9,11, and 4)	

**Note:** Should changes be required to the course schedule, students will be given reasonable notice.