



A POLYTECHNIC INSTITUTION

School of Business

Program: Diploma - Financial Management

Option: Accounting

Course Outline

FMGT 4310

Auditing 2

Start Date: January, 2007

End Date: May, 2007

Course Credits: 5.5

Term/Level: 4

Total Hours: 80

Total Weeks: 20

Hours/Week: 4

Lecture: 2

Lab: 2

Shop:

Seminar:

Other:

Prerequisites

Course No. FMGT 3310
Course Name Auditing 1

Prerequisite for:

Course No. FMGT 7310
Course Name Advanced Auditing

Course Description

This course teaches the student additional auditing principles and specific audit procedures. It uses the principles from Auditing 1 and applies them to the financial statement audit.

Evaluation

Audit Case	14%
Participation	4%
Quizzes	12%
Midterm Exam (Term A)	30%
Final Exam (Term B)	40%
TOTAL	<u>100%</u>

Course Learning Outcomes/Competencies

Having successfully completed this course, students should understand:

1. the auditor's increased responsibility for the detection of fraud.
2. the nature and business function of each of the revenue, disbursement, payroll, and inventory cycles.
3. the importance of proper sample selection process for both test of controls and substantive testing.
4. the effect EDP systems have on the planning and execution of the audit.
5. the specific audit procedures to be completed on each of the accounts included in the financial statements.
6. the special reports and other services provided by an auditor to his/her client.
7. the importance of exercising professional judgment.

Course Content Verification

I verify that the content of this course is current.

Date: _____

Instructor

I verify this course outline has been reviewed.

Date: Dec 21, 2006

Ralph Smales
Program Head – Accounting

I verify that this course outline complies with BCIT Policy

Date: Dec 21/06

[Signature]
Associate Dean

Note: Should changes be required to the content of this course outline, students will be given reasonable notice.

Required Learning Resources

Text:

Arens, Elder, Lemon, Spletstoesser-Hogeterp: *Auditing and other Assurance Services (Canadian Tenth Edition)*, Pearson Education Canada

CICA Handbook (accessible from any BCIT terminal) at: <http://edu.knotia.ca>

Audit Case:

The Bon Vivant Barbecue Company Audit Case, McGraw-Hill, 2007, Parker

**** Note:** This resource will be split between groups of 2 students each.

Other:

Additional “stand-alone” audit case handouts will be provided by the Instructors as the course progresses.

Instructors

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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.

Unannotated dictionaries will be allowed on exams.

Term A:

Week #	Topic / CICA HB Section Covered	Reference/Reading
Week of	The Audit Case schedule and administration will be announced separately. Students will complete the audit case in teams of 2.	
1 Jan 3	Course outline and Audit Case introduction Note: BCIT closed Jan 1st and 2nd	
2 Jan 8	Audit Sampling Concepts	Chapter 12
3 Jan 15	Audit Sampling Concepts – cont'd	Chapter 12 cont'd
4 Jan 22	Fraud Auditing Quiz #1	Chapter 10
5 Jan 29	Audit of the Sales and Collection Cycle: Tests of Controls	Chapter 13
6 Feb 5	Completing the Tests in the Sales and Collection Cycle: Accounts Receivables	Chapter 14
7 Feb 12	Audit of Cash Balances Quiz #2	Chapter 15
8 Feb 19	Audit of the Payroll and Personnel Cycle	Chapter 16
9 Feb 26	Midterm review Note: Wed, February 28, 2007 BCIT PD day – no classes	
10 Mar 5	Mid-term Exam - 2 hours (Chp 10, 12, 13, 14 & 15)	
11 Mar 12	Spring Break – no classes	

Term B:		
12 Mar 19	Midterm debrief in detail Audit case work	
13 Mar 26	Audit of the Acquisition and Payment Cycle	Chapter 17
14 April 2	Completing the Tests in the Acquisition and Payment Cycle: Verification of Selected Accounts Quiz #3 Note: BCIT closed Good Friday, April 6, 2007	Chapter 18
15 April 9	Audit of the Inventory and Warehousing Cycle Note: BCIT closed Easter Monday, April 9, 2007	Chapter 19
16 April 16	Audit of the Capital Acquisition and Repayment Cycle	Chapter 20
17 April 23	Completing the Audit Quiz #4	Chapter 21
18 April 30	Assurance Services: Review and Compilation Engagements	Chapter 22
19 May 7	Final course review	
20/21		
May 14 May 21	Final Exam - 2 hours (All Chapters, with emphasis on Chapters 16, 17, 18, 19, 20, 21, & 22)	

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