



A POLYTECHNIC INSTITUTION

School of Business

Program: Financial Management

Option: Continuing Education

Course Outline

FMGT 4310

Auditing 2

Start Date: January 2003

End Date: May 2003

Course Credits: 4

Term/Level: 4

Total Hours: 52

Total Weeks: 18

Hours/Week: 4

Lecture: 2

Lab: 2

Shop:

Seminar:

Other:

Prerequisites

Prerequisite for:

Course No.	Course Name
FMGT 3310	Auditing 1

Course No.	Course Name
FMGT 7310	Advanced Auditing

Course Description

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

Evaluation

Assignments/Class Participation/Quizzes	20%
Midterm Exam	35%
Final Exam	45%
TOTAL	100%

Course Learning Outcomes/Competencies

Having successfully completed this course, students should understand:

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

Course Content Verification

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

Developed by:	<u>Scott Sinclair, BComm, CA</u>	Date:	<u>December 2002</u>
	Title		
Revised by:	<u></u>	Date:	<u></u>
	Title		
Approved by:	<u>Tim Edwards, MBA, CMA</u>	Date:	<u>December 2002</u>
	Associate Dean		

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

Instructor(s)

Douglas Yee, CA

Office No.: TBA
Office Hrs.: TBA

Office Phone: TBA
E-mail Address: Douglas_Yee@bcit.ca

Learning Resources

Required:

Arens, Loebbecke, Lemon, Spletstoesser: *Auditing and other Assurance Services* (**Canadian Ninth Edition**),
Pearson Education Canada

Recommended:

Access to CICA Handbook

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 **will be allowed** in exams provided they are presented to the exam invigilator prior to the exam.

Schedule:

Week#/ Week commencing	Outcome/Material Covered	Reference/Reading
1 Jan 6	Basic Audit Refresher, Auditing Automated Information Systems	Chapter 22
2 Jan 13	Audit Sampling	Chapter 11
3 Jan 20	Audit of the Sales and Collection Cycle: Test of Controls	Chapter 12
4 Jan 27	Audit of the Sales and Collection Cycle: Analytical Review	Chapter 13
5 Feb 3	Audit of the Sales and Collection Cycle- Substantive testing	Chapter 14
6 Feb 10	Audit of the Payroll and Personnel Cycle	Chapter 15
7 Feb 17	Audit of the Cash Disbursements Cycle: Test of Controls	Chapter 16
8 Feb 24	Audit of the Cash Disbursements Cycle: Substantive Testing	Chapter 17
9 Mar 3	Midterm Examination (Chapters 11,12,13,14,15,16,22)	
10 Mar 10	MIDTERM BREAK	
11 Mar 17	Audit of the Inventory and Warehousing Cycle	Chapter 18
12 Mar 24	Audit of the Capital Accounts and Retained Earnings	Chapter 19
13 Mar 31	Audit of Cash	Chapter 20
14 April 7	Completing the Audit	Chapter 21
15 April 14	Completing the Audit/Case writing skills	Handouts
16 April 21	Assurance Services: Attest Engagements, Direct Reporting Engagements and Business Advisory Services	Chapter 23/24

17 April 28	Case writing skills	Handouts
18 May 5	Course Review	
19 May 12-23	Final Examinations as scheduled by Registrar All chapters examinable, with emphasis on post midterm material)	

Week#/ Week commencing	Assignments Due
1 Jan 6	None
2 Jan 13	22-18, 22-23
3 Jan 20	11-17,11-22,11-24
4 Jan 27	12-23, 12-24, 12-27
5 Feb 3	13-17, 13-20
6 Feb 10	14-15,14-18
7 Feb 17	15-19,15-21
8 Feb 24	16-16, 16-19(1,2,3,4)
9 Mar 3	Midterm Examination (Chapters 11,12,13,14,15,16,22)
10 Mar 10	MIDTERM BREAK
11 Mar 17	None
12 Mar 24	18-18, 18-20,18-23
13 Mar 31	19-16,19-23
14 April 7	20-20
15 April 14	21-19,21-21,21-22(a,b,c,d,e,f)
16 April 21	None
17 April 28	23-23,23-28

18 May 5	None
19 May 12-23	FINAL EXAMINATION AS SCHEDULED BY REGISTRAR

** Please note that all assignments must be typed and submitted **at the start** of the applicable class.
Other problems may be discussed or assigned as deemed necessary by the instructor.
All chapters are examinable on the final exam, with emphasis on post-midterm material.*