

ACCT 3280
Auditing I
Fall 2019
0.5 Credits

General Course Information

Instructors:	Mary Jo Fedy (Section 01) Adeel Mahmood (Section 02)
Email	Mary Jo Fedy: mfedy@uoguelph.ca Adeel Mahmood: mahmood@uoguelph.ca
Office Location	MAC 217
Office Hours	After class, or by appointment
Department/School	Department of Management
Class Schedule:	Section 01: Mondays and Wednesdays from 8.30 AM to 9.50 AM Section 02: Wednesdays from 7.00 PM to 9.50 PM
Pre-requisites:	ACCT 3330
Restrictions:	-

Course Description

Auditing I is an examination of the principles and theory underlying the practice of auditing. Concepts of materiality and audit risk are examined and discussed. Sources and techniques for gathering auditing evidence will also be examined. Modern organizations rely on information systems, technology and internal controls to manage and monitor their operations and the impact of these systems on the quality of information produced and on the scope of audits are important elements of this course.

Course Learning Outcomes

Upon successfully completing this course, you will be able to:

1. Compare the use and purpose of the different types of assurance engagements.
2. Apply relevant ethical and legal principles to situations involving ethical or legal elements.
3. Identify and assess issues related to the acceptance of an audit engagement.
4. Demonstrate how to gain an understanding of an audit client and its internal control in order to assess the risk of material misstatement through error or fraud, set materiality appropriately, and devise an overall audit strategy.
5. Assess the risks of the project, or, for audit engagements, assesses the risks of material misstatement at the financial statement level and at the assertion level for

classes of transactions, account balances, and disclosures.

6. Assess risks at an assertion level and plan suitable evidence-gathering procedures, including tests of controls, substantive tests of details, and analytical procedures.
7. Evaluate audit evidence and results of audit tests.
8. Describe analytical procedures appropriate for the identified risk of material misstatement.
9. Describe the procedures required to complete an audit and formulate an opinion in support of an appropriate audit report.

During this course you will also practice and develop the following skills, in accordance CPA Competency Map:

- Demonstrate a cohesive process for using professional judgment to solve problems and make decisions. (Competency Map – Section 2.1)
- Write and speak to enhance work performed (Competency Map – Section 3.2)
- Work effectively as a team member. (Competency Map – Section 5.2)

Summary of Course Content and Materials

Date	Chapters/Topics/Deliverables	Due*
Week of Sep 9	<ul style="list-style-type: none"> • Introduction • Ch. 3: Professional Ethics and Legal Liability 	-
Week of Sep 16	<ul style="list-style-type: none"> • Ch. 4: Audit Responsibilities and Objectives • Ch. 6: Client Acceptance, Planning, and Materiality 	Q1
Week of Sep 23	<ul style="list-style-type: none"> • Ch. 7: Assessing the Risk of Material Misstatement • Ch. 8: Internal Control and COSO Framework 	Q2 ICA1
Week of Sep 30	<ul style="list-style-type: none"> • Ch. 9: Assessing Control Risks and Designing Tests of Controls • Ch. 10: Develop Risk Response: Audit Strategy and Audit Program 	Q3 ICA2
Week of Oct 7	<ul style="list-style-type: none"> • Ch. 11: Audit Sampling Concepts 	ICA3
Oct 16, 2019	MIDTERM TEST (Written on Campus)	-
Week of Oct 21	<ul style="list-style-type: none"> • Ch. 5: Audit Evidence • Ch. 16: Audit of the Capital Acquisition and Repayment Cycle 	-

Week of Oct 28	<ul style="list-style-type: none"> Ch. 12: Audit of the Revenue Cycle Ch. 17: Audit of Cash Balances Project Proposal Due by 11.59 PM Guelph Time on Oct 31, 2019	Q4 ICA4
Week of Nov 4	<ul style="list-style-type: none"> Ch. 13: Audit of the Acquisition and Payment Cycle Ch. 14: Audit of the Inventory and Distribution Cycle 	Q5 ICA5
Week of Nov 11	<ul style="list-style-type: none"> Ch. 15: Audit of the Human Resources and Payroll Cycle Ch. 18: Completing the Audit 	ICA6
Week of Nov 18	<ul style="list-style-type: none"> Ch. 19: Audit Reports on Financial Statements Ch. 20: Other Assurance and Non-assurances Services GROUP PROJECT Due by 11.59 PM Guelph Time on Nov 24, 2019	Q6
Week of Nov 25	<ul style="list-style-type: none"> Review 	-
-	FINAL EXAM as Scheduled by the Office of the Registrar	
* Q1, Q2, etc. refer to Online Quizzes, while ICA1, ICA2, etc. refer to In-Class Activities. See below for more detail.		

Course Assessment

			Associated Learning Outcomes	Due Date / Location
Assessment 1:	5%	Online Quizzes	LO 3, 4, 5, 6	Refer to schedule / Online
Assessment 2:	10%	In-Class Activities	LO 1, 3, 4, 5, 6	Refer to schedule / In Class
Assessment 3:	25%	Midterm Test	LO 2 – 5	Oct 16, 2019 / In class
Assessment 4:	20%	Group Project	LO 4, 5, 8	<i>Proposal:</i> Oct 31, 2019 / online <i>Project:</i> Nov 24, 2019 / online

Assessment 5:	40%	Final Exam	LO 1 – 7, 9	Dec 12, 2019 / On campus
----------------------	-----	------------	-------------	-----------------------------

Total	100%
--------------	-------------

Teaching and Learning Practices

Lectures	<p>Learning in this course results primarily from in-class discussion and problem-solving, and out-of-class analysis and group work. Students will be encouraged to think, analyze, evaluate, and solve problems – that is, not memorize. Students are expected to come to class on time and be prepared for the class (having read the assigned reading and done the associated problems).</p> <p>A list of suggested homework problems is provided online on the course website along with the solutions. These problems provide excellent review of the key concepts discussed in class.</p>
Online Quizzes	<p>There are six (6) quizzes in total in a multiple-choice format, and they are due online by the start of the class they are scheduled for. Each quiz will have test-style questions and will be timed when written online. The best five (5) grades out of six will be used in computing your mark for this component.</p>
In-Class Activities	<p>In-Class Activities are problem-solving activities conducted in class on the scheduled topic, allowing students to participate and get graded on their performance in the activity. More details of the format, structure, and content coverage will be provided during the term.</p> <p>There are six (6) such activities in total, and they are completed <u>in groups</u>. The best five (5) grades out of six will be used in computing your mark for this component. See Group Project below for information on group formation.</p>
Midterm Test	<p>The Midterm Test is written on campus on an individual basis. The test will cover introduction plus chapters 3, 4, 6, 7, 8, 9, 10, and 11.</p>
Final Exam	<p>The Final Exam is also written on campus on an individual basis. The exam will cover all course content including chapters 3 to 20.</p>
Group Project	<p>Students will form <u>groups</u> for this component. The group will also complete the In-Class Activities above.</p> <p>The Group Project will allow the students an opportunity to engage in audit planning for a reference company, perform audit data analytics, and submit a report documenting their work.</p> <p>As a part of the project deliverables, each student group will submit a proposal outlining the reference company and the rationale for selecting it.</p>

The company will be used to provide the context for audit planning and data analytics.

Course Resources

Required Text:

Arens, et. al., **Auditing: The Art & Science of Assurance Engagements**, 14th Canadian Edition, Pearson Canada, 2018:

- The text may be purchased in a physical or an online 'eBook' version. Note that the e-book purchase may not provide permanent access.
- ISBN: 9780134894805 (Hard cover), 9780134897141 (Loose leaf), 9780134835013 (E-book access card)

CPA Canada Handbook:

- Electronic access to the CPA Canada Handbook can be obtained through the University of Guelph library. A hardcopy version is not recommended.

Course Policies

Grading Policies

If a student misses a quiz or the Midterm Test for a valid reason, the weight of the missed quiz or test will be added to that of the Final Exam. A student missing the Final Exam is subject to the same policies and procedures as those outlined in the Academic Calendar for missed final exams.

It is expected that all group members contribute equally to group work. If peer evaluations completed at the end of the course indicate otherwise, individual group members may not receive the same marks as the group marks.

If a group misses the Group Project deadline for a valid reason applicable to each group member, a deadline extension may be granted. Otherwise, there is a 25% marks penalty for every 24 hours (or a fraction rounded UP) that the Group Project is submitted late. Each group member must provide the instructor with the required documentation within one week of the missed submission deadline.

University Policies

Academic Consideration

When you find yourself unable to meet an in-course requirement because of illness or compassionate reasons, please advise the course instructor in writing, with your name, id#, and e-mail contact. See the academic calendar for information on regulations and procedures

for Academic Consideration:

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-ac.shtml>

Academic Misconduct

The University of Guelph is committed to upholding the highest standards of academic integrity and it is the responsibility of all members of the University community, faculty, staff, and students to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring.

University of Guelph students have the responsibility of abiding by the University's policy on academic misconduct regardless of their location of study; faculty, staff and students have the responsibility of supporting an environment that discourages misconduct. Students need to remain aware that instructors have access to and the right to use electronic and other means of detection. Please note: Whether or not a student intended to commit academic misconduct is not relevant for a finding of guilt. Hurried or careless submission of assignments does not excuse students from responsibility for verifying the academic integrity of their work before submitting it. Students who are in any doubt as to whether an action on their part could be construed as an academic offence should consult with a faculty member or faculty advisor.

The Academic Misconduct Policy is detailed in the Undergraduate Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-amisconduct.shtml>

Accessibility

The University of Guelph is committed to creating a barrier-free environment. Providing services for students is a shared responsibility among students, faculty and administrators. This relationship is based on respect of individual rights, the dignity of the individual and the University community's shared commitment to an open and supportive learning environment. Students requiring service or accommodation, whether due to an identified, ongoing disability or a short-term disability should contact Student Accessibility Services as soon as possible.

For more information, contact SAS at 519-824-4120 ext. 56208 or email sas@uoguelph.ca or see the website: <https://wellness.uoguelph.ca/accessibility/>

Course Evaluation Information

Please refer to the [Course and Instructor Evaluation Website](#)

Recording of Materials

Presentations which are made in relation to course work—including lectures—cannot be recorded or copied without the permission of the presenter, whether the instructor, a classmate or guest lecturer. Material recorded with permission is restricted to use for that course unless further permission is granted.

Drop date

The last date to drop one-semester courses, without academic penalty, is Nov 29, 2019. For regulations and procedures for Dropping Courses, see the Academic Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-drop.shtml>

Date Submitted to Chair:	
Chair Signature (Approval):	Sandra Scott
Date Approved by Chair:	27 August 2019