

DEPARTMENT Business & Office Administration

COURSE OUTLINE – Fall 2024

AC4600 (A2): Principles of Auditing – 3 (3-0-1) UT 60 Hours for 15 Weeks

Northwestern Polytechnic acknowledges that our campuses are located on Treaty 8 territory, the ancestral and present-day home to many diverse First Nations, Metis, and Inuit people. We are grateful to work, live and learn on the traditional territory of Duncan's First Nation, Horse Lake First Nation and Sturgeon Lake Cree Nation, who are the original caretakers of this land.

We acknowledge the history of this land, and we are thankful for the opportunity to walk together in friendship, where we will encourage and promote positive change for present and future generations.

INSTRUCTOR: Chelsea Antonio, CPA, MBA

PHONE: 780-539-2862

OFFICE: E308

E-MAIL: CAntonio@nwpolytech.ca

OFFICE HOURS: Tuesday & Thursday 1:00 – 2:30pm, or by appointment

CALENDAR DESCRIPTION:

This course investigates the role of both the external and internal auditor in financial reporting and internal control. Audit objectives, planning, risk, and materiality are examined with a focus on the development of professional judgement and ethical decision-making skills required in today's complex business environment.

PREREQUISITE: BA2120 Intermediate Accounting II

REQUIRED TEXT/RESOURCE MATERIALS:

1. PRINT TEXT/E-BOOK + Wiley PLUS

Moroney, R., Campbell, F., Hamilton, J. & Warren, V. (2021). *Auditing: A practical approach* (4th Can. ed.). Toronto, ON: John Wiley & Sons Canada Ltd.

This textbook includes WileyPLUS online access. Both the textbook and WileyPLUS will be used extensively. Please read the chapters prior to class and bring the textbook to every class.

This course will also explore Data Analytics Topics and Tools in the context of the course materials using materials provided by CPA Canada

2. FINANCIAL CALCULATOR

Texas Instruments (BA II Plus), Hewlett-Packard (HP-10B II), *or* Sharp (EL-738) (recommended & used in BA1050). The above calculators and pre-approved translation devices are the *only* electronic devices allowed during quizzes, tests, and examination(s). ***Cell phones, programmable calculators, and other electronic devices are not permitted in quizzes, testing, or examinations.***

3. COMPUTER

This course requires the use of a Microsoft-based computer.

For device, software, and network requirements, please visit the following link: [Student Technical Support | Northwestern Polytechnic \(nwpolytech.ca\)](http://www.nwpolytech.ca/StudentTechnicalSupport)

DELIVERY MODE: On-campus (face-to-face)

This type of course will be delivered on campus in a specific location which will be indicated on the student timetable. Students are expected to fully attend in person.

The course will introduce current financial statement auditing theory and practice with an emphasis on the practical application of auditing techniques and procedures from the perspective of the auditor. The decision-making processes as it relates to auditing practice and the exercise of professional judgement in the context of practical situations will be major components of this course.

LEARNING OUTCOMES:

Upon successful completion of this course, the student will be able to demonstrate knowledge, understanding and application, where appropriate, of:

- The auditing profession, its history, its present and its future including different types and levels of Assurance services and the auditor's responsibility
- Ethical considerations and legal liabilities of auditors
- Fundamentals of audit planning, risk assessment and materiality
- Audit evidence
- The role of sampling in audit
- Overview of the risk response phase of the audit
- The importance of and the testing of clients' internal control systems
- Performance of substantive procedures
- The role of data analytics in audit and the data analytic process
- Application of the audit process to the sales and collection cycle
- Application of the audit process to other financial statement cycles
- Completion of the audit, interpretation of findings and the audit report

TRANSFERABILITY:

Please consult the Alberta Transfer Guide for more information. You may check to ensure the transferability of this course at the Alberta Transfer Guide main page

<http://www.transferalberta.alberta.ca>.

** Grade of D or D+ may not be acceptable for transfer to other post-secondary institutions. **Students are cautioned that it is their responsibility to contact the receiving institutions to ensure transferability**

EVALUATIONS:

Assignments	15%
Comprehensive Case	25%
Term Test	25%
Final Exam	35%
Total	100%

Evaluation Policies:

- Assignments must be submitted by the due date. Late assignments will not be accepted and missed assignments will receive a grade of zero. No extensions or re-writes will be granted.
- The Term Test is tentatively scheduled for **October 24, 2024**, during the scheduled lecture. Do not plan activities or trips on this date.
 - Unexcused absences during a quiz or term test will be assigned a grade of zero. No rewrites will be granted for missed or unsuccessful attempts.
 - For excused absences, the weighting of a term test *may* be transferred to the final exam at the instructor's discretion. Students with absences in excess of 6 classes will be refused the ability to move any test weightings to the final exam.
- The 3-hour final exam will be written as scheduled by the Registrar's Office during the exam period from **December 12-19, 2024**. Do not plan activities or trips during this period. Re-writes or extensions for the final exam will *not* be granted, and any unexcused absences will be assigned a grade of zero.

GRADING CRITERIA:

Grades will be assigned on the Letter Grading System. Please note that most universities will not accept your course for transfer credit **IF** your grade is **less than C-**.

Alpha Grade	4-point Equivalent	Percentage Guidelines	Alpha Grade	4-point Equivalent	Percentage Guidelines
A+	4.0	95-100	C+	2.3	67-69
A	4.0	85-94	C	2.0	63-66
A-	3.7	80-84	C-	1.7	60-62
B+	3.3	77-79	D+	1.3	55-59
B	3.0	73-76	D	1.0	50-54
B-	2.7	70-72	F	0.0	00-49

COURSE SCHEDULE/TENTATIVE TIMELINE:

The course schedule is approximate and may vary slightly at the discretion of the instructor.

Week Beginning	Topic	Required Reading
Sept 2	Introduction	Chapter 1
Sept 9	Ethics, Legal Liability and Client Acceptance Audit Planning I	Chapter 2 Chapter 3
Sept 16	Audit Planning II	Chapter 4
Sept 23	Audit Evidence	Chapter 5
Sept 30	<i>National Day for Truth & Reconciliation – No Class Sept 30</i> Audit Evidence	Chapter 5
Oct 7	Sampling & Overview of the Risk Response Phase	Chapter 6
Oct 14	<i>Thanksgiving – No Class Oct 14</i> Understanding and Testing Internal Controls	Chapter 7
Oct 21	Execution of the Audit – Performing Substantive Procedures Term Test	Chapter 8 Chapters 1-8
Oct 28	Audit Data Analytics	Chapter 9
Nov 4	Auditing Sales and Receivables	Chapter 10
Nov 11	Remembrance Day and Fall Break	
Nov 18	Auditing Purchases, Payables and Payroll	Chapter 11
Nov 25	Auditing Inventories and PPE	Chapter 12
Dec 2	Auditing Cash and Investments	Chapter 13
Dec 9	Completing the Audit Report	Chapter 14
Dec 12-19	Comprehensive Final Exam (Cumulative, all chapters)	All Chapters

STUDENT RESPONSIBILITIES:

Registered students are expected to abide by the rules and regulations of NWP. It is the student's responsibility to be fully acquainted with and adhere to NWP's policies, procedures or rules; see <https://www.nwpolytech.ca/about/administration/policies/> and <https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=69>

STATEMENT ON ACADEMIC MISCONDUCT:

Academic Misconduct will not be tolerated. For a more precise definition of academic misconduct and its consequences, refer to the Student Rights and Responsibilities policy available at <https://www.nwpolytech.ca/about/administration/policies/index.html>.

**Note: all Academic and Administrative policies are available on the same page.

ADDITIONAL INFORMATION:

Attendance

Students are expected to attend all scheduled classes, arrive on time, and remain for the duration of the scheduled class. Students may be refused permission to write the final examination on the advice of the instructor. This usually happens when absences are more than six absences, *or* if significant assessments like assignments, quizzes, tests, and/or exam(s) are not completed; see Examination Policy and Debarred from Examinations; <https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=37>.

Time Management

The expectation for this course is that students read/review the course material before class. Adopting and adhering to effective learning habits in this course will likely take up a great deal of time so plan your schedule accordingly. See **Course Schedule/Tentative Timeline** section above.

Course materials and announcements will be available on myClass, Wiley PLUS, and NWP Webmail. Students are responsible for checking all three websites regularly.

Cell Phones, Recording and Photos

The use of cell phones during class time is unprofessional and distracting to the instructor as well as fellow students. Cell phones must be turned off or set to silent and placed out of sight during class time.

Recording lectures or taking photos in class is prohibited unless advance permission is obtained from the instructor and any guest presenter(s). In the event permission is granted, such recordings may only be used for individual study, and may not be reproduced, transferred, distributed, or displayed in any public manner. Any images taken without instructor consent will need to be deleted immediately.

Email

Students may contact the instructor by NWP Webmail. Webmail will be answered within three business days. Webmail correspondence must be sent to your instructor from your NWP Webmail account.

Webmail should be professionally formatted with correct spelling and grammar. Webmail must include a subject line and reference to the course code and material(s) and/or textbook pages, etc.

Copyright

NWP respects Canadian and International laws and agreements with respect to the use of copyright materials. It is the responsibility of the individual using copyrighted materials to ensure said use is compliant with Canadian law, the Use of Copyright Materials Policy, and the Copyright Practices Guide for NWP instructors and Staff. See <https://www.nwpolytech.ca/about/administration/policies/index.html> and <https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=71>.

Study Skills Hub

Adopting and adhering to effective learning habits in this course will likely take up a great deal of time so plan your schedule accordingly.

The NWP Study Skills Hub will help you develop the skills you need to succeed in your program and cope with the demands of higher education. Click on the following link for free access:

<https://libguides.nwpolytech.ca/learningportal/studyskills>