



**BUSI 4900A
Auditing III
Fall 2014**

Part 1: Administrative

Professor: Bailey Church
E-Mail: bchurch@kpmg.ca
Office:
Phone: (613) 212-3698
Class: Tuesday, 6:05PM to 8:55PM (Tory Building 240 *)
** - please verify location on Carleton Central*

Office hours: Following class (8:55PM onwards)
By appointment (any time)
Please contact me via e-mail to set an appointment.

Prerequisites:
Prerequisite: BUSI 3007 with a grade of C- or higher. **The School of Business enforces all prerequisites.**

Required Texts

Contemporary Auditing: Real Issues and Cases, Ninth Edition 2012 by Michael C. Knapp

Background Reading:

1. Auditing An International Approach, Sixth Edition 2012, by Wally J. Smieliauskas and Kathryn Bewley, The McGraw-Hill Ryerson Limited
2. The CICA Handbook – Assurance; Auditing Recommendations and Guidelines.
3. Articles posted on the CuLearn.
4. CA Magazine and CICA web presentations (as indicated).

You will also be responsible to study the material that professor will hand out in class, and to read all cases **IN ADVANCE** of their discussion in class, as well as the information from the content of the group/team presentations.

Grading Scheme

Mid-term Examination (Oct 14th)	25%
Group Seminar Presentation	30%
Final Exam (Dec 2nd)	35%
Class Participation	<u>10%</u> 100%

Test and Final Examination:

There will be one midterm (2 hour) examination (25%) written during a regular class period, and it will cover any material covered to that point in the course.

The final examination (35%) will be set to enable a complete assessment of your grasp of the whole course material. In order to pass this course you must have minimum score on the final exam of 45%.

Deferred Examination:

Deferred examinations will be granted by the University on a case by case basis based upon the written request of the student, and sufficient supporting documentation to support the students claim, such as death in the family or medical emergency. This request must be made to the Registrar's Office within five (5) working days after the original exam or the due date of the take-home examination. To be eligible for a deferred final, the student must have received a passing grade on the midterm (in excess of 45%), a grade in excess of 60% on the group seminar, and a participation mark over 60%. See undergraduate calendar for details.

Part II: Academic

Course Objectives:

This course is a third auditing course in a three course package, and seeks to integrate and apply the concepts learned in previous auditing courses to cases and scenarios. This course is a pre-professional studies course, to prepare students with the technical knowledge and writing skills required to pursue a professional designation in accounting and auditing. The objectives of this course are to:

1. Examine and consider the role of the auditing profession and the auditor in society.
2. Develop a reasonable knowledge of select current and emerging issues facing the auditing profession today.
3. Develop a greater understanding of the general assurance framework, and its underlying theories.
4. Review specific topics that build upon general auditing concepts.

Course Approach:

The approach taken in this course is a form of co-operative learning, based on cases, readings, lectures, seminars and debates. This approach requires you to prepare assigned readings and cases in advance of each class, and it requires your active participation and involvement in class discussions, cases, seminars and debates. The case discussions and seminars are designed to facilitate sharing and cooperation.

cuLearn:

You will be using CuLearn in this course. It is critical to use this learning tool on a regular basis. We will be using CuLearn as follows:

- to communicate with students on regular basis(e-mail icon, announcements icon, front page messages)
- to post PP slides for the current Chapter (**slides that students are required to read before each class**)
- to post problems or “critical readings” material
- to post group presentation slides
- to post notes of an administrative nature as the course progresses or corrections in the course outline, if required.

Leadership of Seminar and Group Case:

There will be group seminar presentation in class (30 %). Approximately 10 groups/teams have to be formed during the first class and the schedule must be set following the course coverage.

Each team (group) will do a 1 hour in-class presentation on a research topic or an assigned case in a seminar format, as indicated on the course schedule. In addition to leading the seminar, each group will be required to prepare and distribute to the class a 7-10 page handout (including appendices) summarizing the key aspects of their seminar, and to make their overheads available to the class via the CuLearn one week prior to the class session. Groups doing the assigned cases will be responsible for presenting the facts of the case to the class, and then leading the class in discussing key assigned questions related to the case.

The seminar and the handouts, and any assigned readings by the group related to the topic, will be graded together based upon the seminar’s content, interpretation or analysis, presentation style, visual aids and handouts (see appendix 2). It is **MANDATORY** the professor be provided with a one-page outline of your seminar two weeks prior to class. All students are expected to participate in the group work, though the degree to which each student is involved in the seminar presentation is a group decision. The seminar material is subject to test and examination.

Since the work on the presentation is a team work, all group members will be required to complete a peer evaluation, and class-mate evaluation following the presentation in which you will be required to evaluate the participation of all group members and their contribution to the team work. This will be considered by the Professor in establishing the overall participation marks.

Other:

The midterm will be marked within 2 weeks from the submission.

Cheating or plagiarism will not be tolerated. All infractions will be dealt with according to University regulations. These regulations are found in the university calendar.

Teaching Assistants

Teaching assistants might be available for consultations on the marked midterm. Their availability and office hours will be announced on cuLearn.

PROFESSIONAL DEPARTMENT

This course forms an important part of an accounting student's professional education. As such it is expected that student's behavior will meet professional standards for attendance, attentiveness, courtesy and respect for others, particularly during other classmates presentations.

Unprofessional behaviour during class, such as talking during a lecture or presentation, will be penalized with a 10% reduction to the student's class participation mark for each incident, at the professor's discretion.

Further, as aspiring professionals, accounting students are called to maintain a high standard of ethical behavior. This requires students to avoid all types of academic dishonesty, including plagiarism, cheating, and submitting someone else's work as your own. This also requires students to advise the professor of any instances of academic dishonesty of which they become aware.

To assist you in fulfilling your ethical responsibilities as a student, the ethical standards for this course require: group work to be performed exclusively by members of the group and all group members must contribute their fair share to each assignment; all exams must be the exclusive work of the individual student. If outside research is performed, sources are to be cited and information discovered via outside research is to be clearly labeled as such. The professor will report all suspected instances of academic dishonesty to the appropriate University officials.

WEEK	DATE	TOPIC	CASES, SEMINARS, DELIVERABLES	READINGS/ WEBINARS FOR DISCUSSION
1	Sept 9 th	State of the profession, and the changing basis of accounting & auditing standards	Material to be provided by professor on CuLearn	<p>CA Magazine, December 2013, It's a global village, <i>Robert Colapinto</i> http://www.camagazine.com/archives/print-edition/2013/dec/features/camagazine76926.aspx</p> <p>CA Magazine, October 2013, What's trending today, <i>Mary Teresa Bitti</i> http://www.camagazine.com/archives/print-edition/2013/oct/features/camagazine76083.aspx</p> <p>CA Magazine, CA "it" factor – <i>Lorie Murdoch</i>. January to February 2011 http://www.camagazine.com/archives/print-edition/2011/january-february/features/camagazine45002.aspx</p> <p>CA Magazine, April 2011, “CEO Roundtable”, Edited by Okey Chigbo</p>
2	Sept 16 th	Auditing the Auditors and Special Audit Considerations	Case 7.1 - Ligard Pharmaceuticals Case 7.6 - First Securities	<p>CA Magazine, March 2013, Enhancing Audit Quality, <i>Mary Teresa Bitti</i> http://www.camagazine.com/archives/print-edition/2013/march/features/camagazine72709.aspx</p>

3	Sept 23 rd	Assurance services and reporting (other forms) Auditing in a recovering economy	Case 1.11, New Century Financial Corporation	
4	Sept 30 th	Emerging accounting issues in the public sector		http://www.oag-bvg.gc.ca/internet/English/parl_oag_201405_e_39319.html http://www.kpmg.com/Ca/en/industry/PublicSector/Documents/downsizing-on-government-brochure-fy13-en-final.pdf
5	Oct 7 th	Deep Dive on Independence & Fraud Awareness	Case 1.12 – Madoff Securities	http://www.canadianjusticereviewboard.ca/article-Canadian_fraud_cases_drag_on.htm http://www.nytimes.com/2009/01/08/business/worldbusiness/08satyam.html
6	Oct 14 th	MIDTERM EXAMINATION		
8	Oct 21 st	Auditing and Corporate Governance - audit committees (Seminar Group 1) Olympus Fraud Scandal (Seminar Group 2)		READINGS TO BE PROVIDED BY SEMINAR GROUPS
9	Oct 28 th	FALL BREAK – NO CLASS		

10	Nov 4 th	First time Audits (Seminar Group 3) Going concern & audit impact (Seminar Group 4)		READINGS TO BE PROVIDED BY SEMINAR GROUPS
11	Nov 11 th	Small business auditing (Seminar Group 5) Audit Failures and the Financial Institutions Crisis (Seminar Group 6)		READINGS TO BE PROVIDED BY SEMINAR GROUPS
12	Nov 18 th	Not-for-profit & Public sector auditing (Seminar Group 7) Audit impact of transitions in basis of accounting (Seminar Group 8)		READINGS TO BE PROVIDED BY SEMINAR GROUPS
13	Nov 25 th	The changing role of the internal auditor (Seminar Group 9) Specific Topics: Related Party Transactions; Audit of Estimates; Contingent Liabilities (Seminar Group 10)		READINGS TO BE PROVIDED BY SEMINAR GROUPS
13	Dec 2 nd	FINAL EXAMINATION IN CLASS		

Appendix 1
Individual Class Participation Assessment

Name: _____

In one paragraph, demonstrate your engagement in our Auditing III class and your passion for the profession of auditing:

Provide an honest assessment of your overall class participation: /10

Provide any comments on the participation of your group members in the group project:

Appendix 2

Seminar Presentation Evaluation

Presenter: _____

Topic: _____

Factor	Grade	Comments
Case Overview <ul style="list-style-type: none"> • completeness • focus on key issues • demonstrated understanding 	/10	
Analysis/ Interpretation/ Conclusions <ul style="list-style-type: none"> • analysis vs mere description • critical and knowledgeable interpretations • Canadianization of standards • connection to course • conclusion 	/10	
Presentation/Style <ul style="list-style-type: none"> • clarity of ideas • use of examples when appropriate • speaking style • time management • able to engage audience • professionalism • creativity 	/10	
Visual aids <ul style="list-style-type: none"> • appropriate use of overheads/slides/board • clarity • quality of visual aids • grammar & spelling 	/5	
Class involvement <ul style="list-style-type: none"> • encourage active participation by class • pose questions to class • elicit input from the class • incorporate class comments in subsequent discussions • manage class discussions 	/15	
Total	/50	

Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100	B+ = 77-79	C+ = 67-69	D+ = 57-59
A = 85-89	B = 73-76	C = 63-66	D = 53-56
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52
F = Below 50	WDN = Withdrawn from the course		

ABS = Student absent from final exam

DEF = Deferred (See above)

FND = (Failed, no Deferred) = Student could not pass the course even with 100% on final exam

Academic Regulations, Accommodations, Plagiarism, Etc.

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

Requests for Academic Accommodations

Academic Accommodations for Students with Disabilities

The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your **Letter of Accommodation** at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (*if applicable*). After requesting accommodation from PMC, meet with me to ensure accommodation arrangements are made. Please consult the PMC website for the deadline to request accommodations for the formally-scheduled exam (*if applicable*).
- The deadlines for contacting the Paul Menton Centre regarding accommodation for final exams for the December 2014 exam period is November 7, 2014 .

For Religious Obligations:

Students requesting academic accommodation on the basis of religious obligation should make a formal, written request to their instructors for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory event.

Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student.

Students or instructors who have questions or want to confirm accommodation eligibility of a religious event or practice may refer to the Equity Services website for a list of holy days and Carleton's Academic Accommodation policies, or may contact an Equity Services Advisor in the Equity Services Department for assistance.

For Pregnancy:

Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. The student must then make an appointment to discuss her needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

Academic Integrity

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another's ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated. Penalties may include expulsion; suspension from all studies at Carleton; suspension from full-time studies; a refusal of permission to continue or to register in a specific degree program; academic probation; and a grade of Failure in the course, amongst others. Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at <http://www2.carleton.ca/sasc/advisingcentre/academic-integrity/>.

Assistance for Students:

Student Academic Success Centre (SASC): www.carleton.ca/sasc

Writing Tutorial Services: <http://www1.carleton.ca/sasc/writing-tutorial-service/>

Peer Assisted Study Sessions (PASS): www.carleton.ca/sasc/peer-assisted-study-sessions

Important Information:

- Students must always retain a hard copy of all work that is submitted.
 - All final grades are subject to the Dean's approval.
 - Please note that you will be able to link your CONNECT (MyCarleton) account to other non-CONNECT accounts and receive emails from us. However, for us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CONNECT address. Therefore, it would be easier to respond to your inquiries if you would send all email from your connect account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://portal.carleton.ca/>
-