



Carleton
UNIVERSITY

SPROTT
SCHOOL OF BUSINESS

ACCT 5125 A & B
ADVANCED ASSURANCE
MAY - JUNE 2020

Professor: Merridee Bujaki, MBA, FCPA, FCA, PhD
E-Mail: merridee.bujaki@carleton.ca
Office/Office Phone: Not applicable
Location: Online through CULearn and Zoom
Usual Class Times: **Section A** - Mondays and Wednesdays 8:30 a.m. – 11:30 a.m. EDT
(see detailed schedule for exceptions) **Section B** – Mondays and Wednesdays 2:30 p.m. – 5:30 p.m. EDT
Office hours: Thursdays 1 p.m. – 2 p.m. (online) or by appointment
(Please contact me via e-mail to set up an appointment)

Calendar Description: ACCT 5125 [0.5 credit]

Advanced Assurance

Assurance concepts are applied to a range of assurance and auditing engagements, including auditing financial statements and non-financial statement assurance engagements. Current trends in assurance are also explored.

Course Description

This course in assurance integrates and applies assurance concepts, with a focus on the development and application of professional judgment. Through a series of activities and simulations (cases), as well as targeted research, students are exposed to all aspects of an assurance engagement. The course ensures students have covered the CPA Competencies in Assurance at the level required by the Professional Education Program Elective Module in Assurance (see Appendix A for the mapping of the course to CPA Competencies).

Course Prerequisites: [ACCT 5120](#).

Required Texts:

1. The CPA Canada Handbook – *Assurance* available through the Carleton Library at <http://edu.knotia.ca.proxy.library.carleton.ca/>
2. The CPA Ontario Student Code of Conduct https://media.cpaontario.ca/stewardship-of-the-profession/pdfs/Regulations-9-1_9-2-APPENDIX-D.pdf
3. The CPA Ontario Code of Professional Conduct <https://cdn.agilitycms.com/cpa-ontario/stewardship-of-the-profession/pdfs/CPA-Ontario-Code-of-professional-conduct.pdf>
4. Assurance cases (to be posted to CULearn in pdf format)

Suggested Text (for reference): *Auditing: The Art and Science of Assurance Engagements*, Canadian 14th edition, Pearson, by A.A. Arens, R.J. Elder, M.S. Beasley, C.E. Hogan and J.C. Jones **OR** other introductory Canadian assurance textbook.

Exam date: Friday June 19, 2020 9:00 a.m. – 1:00 p.m.

Drop Course Policy: The deadline for academic withdrawal is the last day of classes each term.

Grading Scheme:

Contribution to class experience	10%
Weekly online discussion posts (5 x 2% each)	10%
Case plans – max. 2 pages (5 picked up randomly; best 4 count 2.5% each)	10%
Group seminar presentation	20%
Individual case submissions (2 x 10%)	20%
Final case exam	<u>30%</u>
Total	<u>100%</u>

Final exam date: Friday June 19, 2020 9:00 a.m. – 1:00 p.m.

Missed assignments and term work:

Students who claim illness, injury or other extraordinary circumstances beyond their control as a reason for missed term work are held responsible for immediately informing the instructor concerned and for making alternate arrangements with the instructor and in all cases this must occur no later than three (3.0) working days after the term work was due. The alternate arrangement must be made before the last day of classes in the term. Normally, any deferred term work will be completed by the last day of term.

Deferred Final Examination:

Students unable to write a final examination because of illness or other circumstances beyond their control must contact the instructor and the MAcc office in writing to request a deferred exam. Permission may be granted when the absence is supported by a medical certificate and or appropriate document/s to support the reason for the deferral.

Course Schedule: See Detailed Course Schedule at the end of this outline for a detailed class by class course schedule.

Course Learning Objectives:

1. Examine the role of the assurance profession and the assurance provider in society.
2. Deepen knowledge of current and emerging issues facing the profession.
3. Deepen understanding of the assurance framework and activities required to complete assurance engagements.
4. Demonstrate competence in simulated assurance engagements.

Course Learning Outcomes:

By the end of this course students will be able to:

1. Identify and respond to ethical dilemmas
2. Assess the need for an engagement or project
3. Develop and perform engagement procedures
4. Understand how technology impacts assurance engagements
5. Document and report results of providing assurance services
6. Apply concepts such as risk, materiality, and internal control
7. Understand how governance plays a key role in assurance
8. Research topics in assurance

Method of Instruction

Mix of seminars, cases, lectures (online and video) and class discussion (in online classes and in discussion posts). Individual and group work. Independent research will be required.

The professor will post a short (5 minute) video each week to highlight plans for the upcoming week and any upcoming deliverables.

CULearn:

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

- To post video and powerpoint lectures and seminar documents (some of this material will be viewed asynchronously – i.e. outside of class sessions)
- To communicate with students on regular basis (e-mail, announcements, etc.)
- To submit assignments and case plans
- To post contributions to discussion forums
- To post problems or readings
- To post notes of an administrative nature or updates to the course outline, if required

To access CULearn, type in the following URL: <https://www.carleton.ca/culearn/>

Zoom:

Zoom will be used as the primary platform for synchronous class sessions (i.e. all at the same time). We will be using Zoom as follows:

- To host synchronous class discussions and case discussions
- To present group seminar presentations
- To host office hours (though CULearn's Big Blue Button may also be used)
- For the professor to meet individually with students or small groups

Contribution to Class Experience (10 percent)

The success of the course depends on active, thoughtful participation by the members through contributing to course discussions, whether through Zoom or through asynchronous discussion forums. Note that required discussion posts are assessed separately (see below), however, commenting on or responding to posts made by your classmates are considered as part of your contribution to the class experience.

The expectation is that you will attend course sessions having already thought through and analyzed the case(s) assigned for the class. This way, we can devote the bulk of our time to thinking and responding to each other's analyses of the case and only the necessary minimum to getting the facts out. Active student participation in case discussions is encouraged. Most students typically tend to underestimate rather than overestimate the worth of what they have to say. Thus, if you are ever in doubt, you are encouraged to speak up rather than stay quiet.

When possible, we will use the breakout facility within Zoom to allow small groups to briefly discuss case issues prior to moving into full class discussions of the cases. These small group sessions will be a good opportunity for you to test out some of your ideas and to contribute to the class experience. The professor will 'visit' the breakout groups to answer questions and get a sense of class members' engagement in the group discussions.

Evaluation of Contribution to Class Experience The vast majority of professional accountants' interactions with others are oral. Depending on the specialty, they may spend very little time reading

and even less time writing reports. For this reason, the development of oral skills is given a high priority in this course. Oral communication skills are especially important in a virtual world. The course should be considered a laboratory in which you can test your ability to convince your peers of the appropriateness of your views. Some of the characteristics of effective participation (whether oral or written) are as follows:

- (1) Are the points that are made relevant to the discussion in terms of increasing everyone's understanding, or are they merely regurgitation of case facts?
- (2) Do the comments take into consideration the ideas offered by others earlier in the discussion, or are the points isolated and disjointed? The best contributions tend to be those which reflect not only excellent preparation, but good listening, and interpretative and integrative skills as well.
- (3) Do the comments show evidence of a thorough reading and analysis of the case/reading?
- (4) Does the participant distinguish among different kinds of data; that is, facts, opinions, assumptions, and inferences?
- (5) Is there willingness to test new ideas or are all comments cautious/'safe'?
- (6) Is the participant willing to interact with other class members by asking questions or challenging conclusions?

Clearly, you must participate in class and discussion forums if you are going to share your ideas with others. There is no need to contribute in every class or to comment on every discussion post. Some of the best contributors in the past have been those who participated in only three or four sessions. Their contributions, however, were insightful and persuasive. The issue is one of quality not quantity or frequency.

Given below is a description of how your class contributions will be assessed:

Outstanding contributor: Contributions in class or to the discussion forums reflect thorough preparation. Ideas offered are usually substantive, provide one or more major insights as well as direction for the class. Arguments, when offered, are well substantiated and persuasively presented. If this person were not a member of the class, the quality of the discussions would be diminished significantly.

Good contributor: Contributions in class or to the discussion forums reflect thorough preparation. Ideas offered are usually substantive, provide good insights and sometimes direction for the class. Arguments, when presented, are generally well substantiated and are often persuasive. If this person were not a member of the class, the quality of the discussions would be diminished considerably.

Adequate contributor: Contributions in class or to the discussion forums reflect satisfactory preparation. Ideas offered are sometimes substantive, provide generally useful insights, but seldom offer a major new direction for the discussion. Arguments are sometimes presented, and are fairly well substantiated and sometimes persuasive. If this person were not a member of the class, the quality of the discussions would be diminished somewhat.

Non-participant: This person has said little or nothing in class or in the discussion forums. Hence, there is no adequate basis for evaluation. If this person were not a member of the class, the quality of the discussions would not be changed.

Unsatisfactory contributor: Contributions in class or to the discussion forums reflect inadequate preparation. Ideas are often obvious or restatement of case facts with limited interpretation and analysis or reflect inadequate reading of the case. Ideas offered are seldom substantive, provide few, if any, insights; and never a constructive direction for the class. Integrative comments and effective arguments are absent. Class contributions are, at best, 'cherry-picking' efforts making isolated, obvious, and confusing points. If this person were not a member of the class, valuable air time would be saved.

Brief preliminary feedback on contribution to the classroom environment will be provided to each student at the approximate mid-point of the course. Students are able to speak with the instructor at any point during the term should they wish additional feedback on this component of their course grade.

An additional component of contribution to the class experience is the extent to which you monitor, access and participate in online components of the course. For example, your engagement with course materials posted online, such as video lectures, seminar slides and handouts, participation in general or specific discussion forums etc., is important. In addition, you are encouraged to monitor the weekly discussion forums and to comment or respond to your classmates' posts in a thoughtful, respectful and professional manner. Note that the professor will monitor your online activity in CULearn and your grade for contribution to the class experience will consider your online, asynchronous engagement in the course, as well as your contributions in synchronous Zoom-based course activities.

Weekly Online Discussion Posts (5 weeks x 2% each; total 10 percent)

Each week you will be required to post to a course discussion forum. These posts should be **200 - 250 words** in length and may take the form of a brief personal introduction, a reflection on a course concept or case, a reaction to a brief article, question or statement posted by the professor as a prompt, among other options. Each week you will be given additional guidance on the specific topic for that week's discussion post. These weekly discussion posts are to help build the class community, allow us to get to know each other, and to encourage thoughtful reflection on course concepts or emerging issues in assurance.

Discussion posts must be submitted by **6:00 p.m. each Thursday** (with the exception of Thursday May 28, 2020)

Case Plans (5 graded randomly, count best 4 x 2.5%; total 10 percent)

An important part of this course is case-based writings and discussions. This is to ensure students have practice in applying assurance concepts and have opportunities to develop their professional judgment. To encourage case preparation, case plans (**maximum 2 pages** in length) of 5 of the assigned case summaries will be assessed at random. Grades for the best 4 case summaries will be used in the calculation of the course grade.

One of the most important requirements for this course is a thorough preparation and analysis of the assigned cases and reading material. Each student is expected to prepare cases before each class. Case plans are to be completed individually. The learning will focus more on the thought process in identifying (including prioritizing), analyzing and addressing assurance situations). In order to derive maximum benefit from the cases, it is essential that you mentally 'get inside' the case situation. **NO LATE CASE SUMMARIES WILL BE ACCEPTED. MAKE-UP SUBMISSIONS ARE NOT PROVIDED.**

Case plans will be submitted through CULearn assignment drop boxes prior to each class. Case plans are **due by 6:00 p.m. the day before each case is to be discussed in class** (i.e. by 6:00 p.m. on Sunday for a case to be discussed in a Monday class and by 6:00 p.m. on Tuesday for a case to be discussed in a Wednesday class). Written feedback on each of the randomly selected case plans will be provided. While I strive to provide this feedback before the case is discussed in class, there may be occasions when this is not possible. In these instances, feedback will be provided as soon as possible after the case discussion.

A template for how case plans will be assessed is included on CULearn.

Seminar (20 percent)

Students will be placed into groups and each group will be required to research and present a seminar of approximately **30 minutes** on one of the assurance seminar topics indicated in the Detailed Course Schedule. In addition, each group will be required to prepare and distribute to the class the slide deck from the presentation as well as a **2-page handout** summarizing key aspects of the seminar. These will be provided to the professor, who will make the documents available to the class via CULearn. The professor should be provided with a **one-page outline of your seminar** by 6:00 p.m. on the date indicated in the Detailed Course Schedule to allow for feedback and direction before you delve too deeply into your seminar topic. The seminar material is subject to examination.

Written feedback on the seminar will be provided to all members of the group within one week of the presentation. This feedback will be returned electronically.

Individual case submissions (2 x 10%; total 20 percent)

Students will each be required to prepare and submit a response to two cases on the dates identified in the detailed course schedule. The intention is to give students timely feedback on their case analysis and writing skills to assist them to improve these skills. Details for the case submission deadlines are provided in the Detailed Course Schedule.

Case submissions will be via CULearn. Feedback will be provided electronically.

The first individual case submission will be graded in two parts: 1. Grade based on initial case submission (5%) and 2. Grade for a 1-page personal reflection on how insights from the initial case submission and resulting case feedback will guide your approach to case reading, planning, writing and debriefing for future cases (5%).

The grade for the second individual case submission (10%) will be based on the case submission's effectiveness in identifying and addressing case issues, as well as writing appropriately given the role to be assumed in the case and the intended audience in the case.

Final Examination (30 percent)

The Final examination will be written as outlined in the Detailed Course Schedule. The final examination will be 4 hours in length. The exam is case-based and will be written and submitted in accordance with MAcc program requirements.

ADDITIONAL INFORMATION

Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

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			

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

Academic Regulations

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 Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

Pregnancy obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

Religious obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

Academic Accommodations for Students with Disabilities

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC 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 your instructor as soon as possible to ensure accommodation arrangements are made. carleton.ca/pmc

Survivors of Sexual Violence

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: carleton.ca/sexual-violence-support

Accommodation for Student Activities

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: students.carleton.ca/course-outline

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; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, 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: <https://carleton.ca/registrar/academic-integrity/>.

Centre for Student Academic Support

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: carleton.ca/csas.

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.
- 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 CARLETON address. Therefore, in order to respond to your inquiries, please send all

email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://carleton.ca/its/get-started/new-students-2/>

ACCT5125 A & B
DETAILED COURSE SCHEDULE
Summer 2020

Date	Topic	Readings/ Competency & Level	Other	Cases/ Deliverables
1. Monday May 4, 2020	Introduction, Review of Key Assurance Concepts, & Concepts of Control (Part 1)	CAS 220; 230; 260; 265; 315; 402; 600, CSQC-1; CPA Canada Guidance of Criteria of Control Board/ 2.1.1 B; 2.1.2 A; 2.1.3 A; 4.1.1 A; 4.1.2 A	Group Norms Orientation to Assurance Handbook	Wicon Waste (1996 UFE)
2. Wednesday May 6, 2020	Concepts of Control (Part 2) Communication with those Charged with Governance	CAS 220; 230; 260; 265; 315; 402; 600, CSQC-1; CPA Canada Guidance of Criteria of Control Board/ 2.1.1 B; 2.1.2 A; 2.1.3 A; 4.1.1 A; 4.1.2 A	Writing Auditing Cases	Winners Lottery (2005 UFE) Individual Case 1 – Part 1 (5%) during class time Discussion post 1 due Thursday May 7 6:00 p.m.
3. Monday May 11, 2020	Ethics, Association, Standard setting & Recent Developments	CSOA 5000, S. 5021; CAS 210; 320; AuG-48; CPA Ontario CPC; International Ethics Standards Board for Accountants/ 1.1.4 B; 4.2.2 B		Bedrock Quarries (1996 UFE)
4. Wednesday May 13, 2020	Computer- Assisted Auditing/ Data Analytics	CAS 240; 300; 315; 330; 550; 20 Questions about IT; ISACA Standards and Guidelines for Audit and Assurance/ 4.1.2 A	Video Guest speaker	TripleB Security (2002 UFE) 1 page seminar outline due May 13 6:00 p.m. Discussion post 2 due Thursday May 14 6:00 p.m.
Monday May 18		Victoria Day – No Classes		Individual Case 1 – Part 2 (5%) due Tuesday May 19 6:00 p.m.
5. Wednesday May 20, 2020	Assurance services	CSAE 3000, 3001; CAS 200; 510; 720/1.2.3 A; 1.2.4 B; 4.2.1 A; 4.3.1 A; 4.3.2 A; 4.3.3 A CAS 800, 805, 810; S. 5925		Prime Developments (1999 UFE) Individual Case 2 (10%) due by midnight Wednesday May 20, 2020 Discussion post 3 due Thursday May 21 6:00 p.m.

Date	Topic	Readings/ Competency & Level	Other	Cases/ Deliverables
9. Monday June 1, 2020	Services for publicly traded companies	S. 7060; 7150; 7200; 7170; AuG-5; AuG-6; AuG-16/ 1.2.3 A; 1.2.4 B; 1.4.1 A; 1.4.2 A; 1.4.3 B; 4.3.3 A; 4.3.4 A; 4.3.5 A; 4.3.6 A; 4.3.7 A; 4.3.8 A; 4.3.9 A; 4.3.10 A; 4.3.11 A; 5.1.1 A	Seminar – Publicly Traded Companies (Group 5)	Aquatic Biotechnology (2002 UFE) Atlantic Canada Aquaculture (Accounting Perspectives)
Wednesday June 3, 2020		No class scheduled		Discussion post 4 due Thursday June 4 6:00 p.m.
10. Monday June 8, 2020	Investigative and forensic audits	Standards of Practice for Investigative & Forensic Accounting/ 1.2.3 A; 1.2.4 B; 4.3.3 A; 4.3.4 A; 4.3.5 A; 4.3.6 A; 4.3.11 A	Seminar – Investigative & Forensic Audits (Group 6) Reading: Hogan, Rezaee, Riley & Velury 2008, AJPT	Cale Manufacturerers (1997 UFE)
11. Wednesday June 10, 2020	Environmental audits	CAS 250; 315; 580; 620; CSAE 3000; 3001; 3410; Director Briefings Climate Change; Sustainability/ 1.2.3 A; 1.2.4 B; 4.3.3 A; 4.3.4 A; 4.3.5 A; 4.3.6 A; 4.3.11 A	Seminar – Environmental Audits (Group 7)	Perennial Group (1999 UFE) In class case – small group and individual work Discussion post 5 due Thursday June 11 6:00 p.m.
12. Monday June 15, 2020	Risk Management & Governance, Wrap Up	CPA Canada Risk Oversight and Governance Collection/ 4.1.1 A; 4.3.5 A	Seminar – Risk Management & Governance (Group 8)	Price Power (SOA)
Friday June 19, 2020	Final Exam	9:00 a.m. – 1:00 p.m.		

Appendix A

Competency Map Coverage

Competency	Topic	Coverage in Core	Coverage in Elective
Authoritative Literature		Handbook, CPC, Ethics, CSQC-1	Special Reports, Public Sector, CSAE3000, 3001
4.1.1	Entity's risk assessment processes	Yes Risk Assessment process	Yes
4.1.2	Information system	-	Yes
4.2.1	Advises on assurance needs	-	Yes
4.2.2	Implications of changes in assurance standards	-	Yes
4.3.1	Issues related to undertaking engagement	Yes Client acceptance Audit risk Association	Yes
4.3.2	Which criteria to apply	IFRS or ASPE only	Yes
4.3.3	Which standards to apply	GAAS only	Yes
4.3.4	Assesses materiality	Yes Concepts and mechanics Review and audit	Yes Application to audit
4.3.5	Assesses risk	Yes Concepts	Yes Application to audit
4.3.6	Develops procedures	Yes Concepts	Yes Application to audit
4.3.7	Performs the work plan	Yes Review and compilation	Yes Audit and special reports
4.3.8	Evaluates evidence	Yes Review and compilation	Yes Audit and special reports
4.3.9	Documents work performed	Yes Review and compilation	Yes Audit and special reports
4.3.10	Draws conclusions and communicates results	-	Yes Audit and special reports
4.3.11	Prepares or interprets information for stakeholders		Yes Audit and special reports
4.4.1	Applies comprehensive auditing techniques		Yes Public sector

Appendix B: CPA Canada Knowledge Topics Covered in Acct 5125

Most of the following knowledge topics will be covered in ACCT 5125

SECTION 2: STRATEGY AND GOVERNANCE

Role of Governance

b) Auditor role

- Role of the internal auditor in ensuring good internal governance
- Role of the external auditor (including audit risk model and audit liability)
- Audit report follow-up/decisions made

SECTION 4: AUDIT AND ASSURANCE (Updated December 2017)

Audit and Assurance Process

d) Risk assessment process

- Internal control
 - o Control environment (CAS 260, CAS 265)
 - o Control frameworks (e.g., COSO, COCO, ITGC, COBIT)
 - o Management of internal controls (CAS 402):
 - o Objectives of internal controls:
 - o IT functions and controls

e) Audit procedures

- Nature, timing, and extent of procedures (CAS 510, 540, 550, 560, 600, 610, 620, 710)
 - o Test of controls, substantive tests (CAS 330)
 - o Analytical procedures (CAS 520)
- Sampling approach (CAS 530)
- Confirmation (CAS 505)
- Computer-assisted techniques

f) Evidence (CAS 500, 501, 580)

- Sufficiency

g) Documentation (CAS 230)

h) Audit conclusions (CAS 450, 570, 700, 701, 705, 706, CSRS 4460)

Types of Engagements

a) Assurance engagements related to financial statements:

- An audit of general-purpose financial statements (CAS 200, 210, 220, 240, 250, 300, 315, 320, 720)
- An audit of special-purpose financial statements
- An audit of financial statements prepared in accordance with special-purpose frameworks (CAS 800)
- An audit of single financial statements and specific elements of a financial statement (CAS 805)
- An engagement to report on summary financial statements (CAS 810)

b) Other assurance engagements:

- Reporting on controls at a service organization (CSAE 3416)
- Assurance on other matters (i.e., not financial statements or financial information) (CSAE 3000, 3001, 3410)
 - An audit on compliance with agreements, statutes, and regulations (CSAE 3530, 3531)
 - An audit on compliance with legislative and related authorities in the public sector
 - An audit of internal controls over financial reporting that is integrated with an audit of financial statements (5925)

- c) Review engagements:
 - A review of general-purpose financial statements (CSRE 2400)
 - A review of special-purpose financial statements
 - A review of financial information other than financial statements
 - A review of non-financial information
 - A review of compliance with agreements and regulations (CSAE 3530, 3531)
 - Auditor review of interim financial statements (7060)
- d) Other engagements:
 - Compilation engagements (9200, AUG 5)
 - Compilation of a financial forecast or projection (AUG 16)
 - Reports on the results of applying specified auditing procedures to financial information other than financial statements (9100)
 - Agreed-upon procedures regarding internal control over financial reporting (9110)
 - Reports on application of accounting principles (7600)
 - Auditor's involvement with offering documents, including assistance to underwriters and others, consent to use of report, etc. (7060, 7150, 7170, 7200, AUG 6)
- e) Comprehensive audit engagements:
 - Operational audits
 - Continuous auditing engagements
 - Forensic audits
 - Comprehensive auditing, including value-for-money (VFM) audits
 - Environmental audits

Authoritative Literature (5021)

- c) *CPA Canada Handbook* — Assurance:
 - Canadian Auditing Standards (all specifically referred to above)
 - Other Canadian standards
 - o General assurance and auditing (except for those specifically mentioned above) (CSOA 5000)
 - o Specialized areas (see types of engagements)
 - o Review engagements (all specifically referred to above)
 - o Related services (all specifically referred to above)
 - o Public sector (PS 5000-6420)
 - Assurance and related services guidelines (except for those specifically mentioned above)