



**Carleton**  
University

**Sprett**  
School of Business

CARLETON UNIVERSITY  
**BUSI 3007R**  
SUMMER 2024  
**Auditing 1**

**Instructor:** Naomi Fernando, CPA (she/her/hers)

**Office:** Nicol building 7036

**Office Hours:** On Microsoft teams: Book a meeting with me [here!](#)

Alternatively, office hours can be available upon request.

**Email:** [naomifernando@cunet.carleton.ca](mailto:naomifernando@cunet.carleton.ca)

**Modality:** Online, asynchronous

**Pre-requisites & precluded Courses:** BUSI 2001

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**Course Calendar description from the [2023/2024 University calendar](#):**

Found here: <https://calendar.carleton.ca/undergrad/courses/BUSI/>:

Auditing theory, methodology and application.

**Course Description:**

This course examines the factors affecting assurance services and the practice of auditing financial statements. First, we will look at the demand for assurance services and at the professional dimension of assurance services. Second, we will go over the concepts that underlie the planning phase of a financial statement audit (objectives, risk assessment, materiality, internal control...). Third, we will explore the audit process and develop plans for evidence collection in different audit areas (revenue, accounts payable, inventory, payroll expense, cash...). Finally, we will discuss other types of engagements.

**Learning Outcomes:**

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

- Describe the demand for assurance and explain the audit process;
- Plan an audit engagement and assess risk and materiality;
- Design and apply audit procedures, including control tests and substantive tests;
- Evaluate the audit report;
- Apply professional standards and develop an appreciation for ethical judgment in auditing; and
- Compare financial statement audits to other types of engagements.

### Reading(s)/Textbook(s)/Required Materials

1. Auditing: The Art and Science of Assurance Engagements, Canadian 15th edition, Pearson, Arens, Elder, Beasley (9780136691976)

Other:

2. [The CPA Canada Handbook – Accounting & Assurance](#)
3. [The CPA Ontario Code of Professional Conduct](#)
4. [The CPA Ontario Student Code of Conduct](#)
5. Other material posted to our Brightspace page.

Course requirements and methods of evaluation:

Reference	Component	%	Due date(s)
A	Participation	10%	Deadlines each week starting May 13 <sup>th</sup>
B	Quizzes (2)	5%	<i>Quiz 1 available: June 3<sup>rd</sup></i> <i>Quiz 1 due: June 7<sup>th</sup></i>
			<i>Quiz 2 available: July 1<sup>st</sup></i> <i>Quiz 2 due: July 5<sup>th</sup></i>
C	Individual Assignment	25%	June 17 <sup>th</sup>
D	Team Project (report and presentation)	20%	Report: July 15 <sup>th</sup>
			Presentations: July 24 <sup>th</sup>
E	Final Exam	40%	Scheduled during the week of August 19 - 25

Each component of your grade will be assigned a percentage score. Your final course grade will be a weighted average of each of these components. All submissions must be made in Brightspace.

### Late work policy:

Sometimes, despite our best efforts, we cannot meet our deadlines. You have two days of grace that you can apply to the individual assignment (only to be used for the individual assignment). If you wish to use these days of grace, send me an email by the deadline indicating you plan on submitting the assignment late. Once the two days have been used, no further lateness will be accepted and any late submissions at that stage will receive 0.

### **A. Participation (10%)**

Participation will be assessed using the following items:

Practice problems and cases: *(Total available marks to earn: 18)*

- For each of the 12 topics, there will be practice problems and/or short cases to solve each week. In order to perform well in this course, it is critical not only to try solving these problems/cases but also to debrief your work and compare what you did to the official solution so that you can progress, improve the structure of your response, and familiarize yourself with the type of cases you will have to solve for the individual assignment and final exam.

You can submit your attempt at solving these problems/cases in Brightspace each week starting May 13<sup>th</sup> *(each submission is worth 0.5 mark for a maximum of 6 marks)*.

A Word file and/or an Excel spreadsheet should be used to complete the work.

After each deadline, I will post documents so that you can debrief your work during the tutorial. During the tutorial, you will attempt the problem and debrief your work. You will use the time within the tutorial to comment on your work (you can use the comment function in Word in your original document, for example), and submit your reviewed work in Brightspace.

**\*You MUST attend the tutorial to receive the 1 mark available for debriefs\***

Each submission (reviewing and commenting on your original work for the problems/cases for one given topic) is worth 1 mark, for a maximum of 12 marks. Even if you did not submit your attempt at solving the problem/case before the first deadline, you can still submit your debriefing work before the second deadline.

- Discussion forum: (*Total available marks to earn: 1*)

In Brightspace, there is a distinct discussion forum called “Sharing experience”. You can contribute by 1) posting about your practical experience with some of the topics covered in the course (if you have experience as an auditor or an auditee, for example); and 2) posting about a situation, a problem, or an event discussed in the media that is relevant to the course and; 3) responding meaningfully to other students’ posts. Each of your posts are worth 0.5 mark, for a maximum of 1 *mark*.

- Posting about your experience: Briefly summarize a situation that you have encountered in which one (or multiple) of the concepts covered in the course are at play. In a short post, describe the situation and identify the course concepts.
- Posting about a situation, a problem, or an event relevant to the course: Briefly summarize the situation, problem, or event, explain how it connects with the course content, and add a link to the article or website where the issue was discussed.
- Responding meaningfully to others’ posts: You can contribute to the discussions by replying to other students’ posts and identifying additional course concepts in their situation or highlighting how the situation they have described relate (or differ) to one that you have encountered (using similar concepts).

As you may have noted, the total available participation marks total 19 marks. However, the maximum achievable mark is 10/10. Thus, you can decide how to invest your time and efforts depending on your interests. However, I strongly recommend that you prioritize solving and debriefing the problems and cases.

### **Tutorials**

Tutorials will begin the SECOND week of classes. At each tutorial, you can expect to cover weekly practice problems on material covered in the lecture. A TA will be available to assist you as you try the problem on your own first (or with friends). Attempting the problem (and struggling with it) on your own, is essential to the learning process. Have no fear, before the end of the tutorial, the TA will walk through the solution, but at a pace which assumes you have worked on it on your own first.

**B. Quizzes (5%)**

Two quizzes are scheduled throughout the term to help you keep up with the breadth of the course material and make sure that you master the most important concepts and tools. Each quiz is worth 2.5%, and is approximately 30 minutes in length, and consists of multiple-choice questions. The first quiz covers Classes 1-5. The second quiz covers Classes 6-9. See above chart for quiz availability dates and due dates.

**C. Individual Assignment (25%)**

The individual assignment is a case analysis covering Classes 1-5. The individual assignment must be submitted in Brightspace before end-of-day on **June 17<sup>th</sup>**. Additional instructions will be provided in Brightspace.

Assignments are done individually. Students **will NOT put names on their assignments**. I will be able to assess assignments anonymously and help maintain impartiality throughout the marking process.

**D. Team Project (20%)**

Teams of six students will be formed by May 13<sup>th</sup>, 2024. Each team will 1) plan an audit engagement for a Canadian public company and submit its audit plan in Brightspace by **July 15<sup>th</sup> at 11:59 pm**, and 2) submit a recorded presentation of its audit plan in Brightspace by **August 2<sup>nd</sup> at 11:59 pm**.

Each Team will get an online consultation with the instructor to informally present the company chosen and its industry, to test preliminary analyses and ideas, and to ask questions.

At the end of the term, you should complete and submit an Evaluation Form where you will evaluate every team member's contribution to the team effort (including your own). Consistent poor peer evaluations may result in reduced individual grades on team assignments. Thus, your final individual grade for the Team Project will be based on:

- (1) the quality of the audit plan/presentation; and
- (2) peer evaluation.

Additional instructions will be provided in Brightspace.

**E. Final Exam (40%)**

A final examination will take place during the university scheduled final exam period. The final exam is cumulative with some emphasis on the concepts covered in classes 6-12. University policy with respect to examinations will be strictly adhered to. Supplemental and grade-raising examinations are not available.

**If the mark on the final exam is less than 50%, the final grade for the course will be an F.**

**e-Proctoring:** The University's e-proctoring system (CoMaS) will be used to administer the final exam. Details about this system and your requirements will be laid out well before the exams so that you are ready. You can find more information at <https://carleton.ca/ses/e-proctoring/>.

The minimum computing requirements for e-proctoring service are as follows:

- Hardware: Laptop/desktop
- OS: Windows 10, Mac OS 10.14, Linux Ubuntu 18.04
- Internet Browser: Google Chrome, Mozilla Firefox, Apple Safari, or Microsoft Edge

Note: Tablets, Chromebooks and Smartphones are not supported at this time. Windows-based tablets are not supported at this time. You will receive clear instructions on how to install and test Co-Mas one week before the final exam.

Long used by Carleton, Co-Mas is not invasive AI-based software, but tools focused on delivering support, transparency, and flexibility. It is the responsibility of each student to install and test CoMas before the final date.

If CoMas is not working properly the day of the final, a penalty will be applied.

More information will be provided in Brightspace.

**Preliminary Course Schedule:**

*Please note that this schedule is subject to change.*

Week #	Class Dates	Topic	Required Readings	Related Assessment
1	May 6 - 10	Introduction	1,2	
2	May 13 - 17	Audit Objectives and Audit Report	4,18	
3	May 20 - 24	Ethics, Client Acceptance, and Preliminary Planning	3 and part of 6	
4	May 27 - 31	Risk Assessment	7, 8,9	
5	June 3 - 7	Materiality and Risk Response	Part of 6 and 10	Quiz 1 due by June 7 at 11:59 pm
6	June 10 - 14	Audit Evidence and Sampling Concepts	5,11	
7	June 17 - 21	Audit Revenue and Receivables	12	Individual Assignment due by June 17 at 11:59 pm
8	June 24 - 28	Audit Accounts Payable	13	
9	July 1 - 5	Audit Inventory	14	Quiz 2 due by July 5 at 11:59 pm
10	July 8 - 12	Audit Payroll	15	
11	July 15- 19	Audit Cash and Cash Equivalents	16	Final report due by July 15 at 11:59 pm
12	July 22 - 26	Completing the Audit Cycle	17	
	July 29 - August 2	Submit Final Presentations		Final presentations submitted by July 29 <sup>th</sup> at 11:59 pm
13	August 5 - 9	Audit Reports on Financial Statements and Review	18	

## ***Other***

### **Brightspace**

Brightspace will be used in this course. It is critical to use this learning tool on a regular basis. This is how I will communicate important information, so please make sure to check on a regular basis.

We will be using Brightspace as follows:

- To communicate with students on regular basis (e-mail, announcements, etc.)
- To post weekly agendas outlining recommended readings, deliverables, etc. each week
- To post notes of an administrative nature or updates to the course outline, if required
- To provide a place for you to upload your deliverables

To access Brightspace, type in the following URL: <https://brightspace.carleton.ca>

### **Marking**

The assignments and final exam will be marked by the teaching assistants and the instructors together and follow a rigorous quality control process that reasonably assures that the grade awarded is fair. However, no system is 100% error-free, so it is possible that you may wish to call into question a grade that has been awarded. In this circumstance, please write a brief email describing the difficulty with the awarded grade to the instructor no later than seven calendar days following the date the assignments/tests were handed back. Please be sure to include your student number in the email to enable us to properly identify it.

### **Reduction of Bias**

I make an effort to reduce unintentional bias in grading by, for example and when possible, grading anonymously, using clear and specific rubrics, and grading tests one question at a time (grading all of question 1 before grading any of question 2), etc.

### **Student's Responsibilities with regards to deadlines**

It is your responsibility to ensure that you meet the following deadlines:

1. Participation deadlines provided in Brightspace.
2. Quiz deadlines.
3. Individual assignment deadline.
4. Group assignment deadlines.
5. The final exam date and time.

Simply enter these deadlines into your calendar, whether on your smartphone or paper agenda. You have two flex days for the individual assignment. These are the only accommodations I will provide in terms of deadlines. Failure to meet a deadline as listed will result in a grade of zero.



**Contribution to Learning Goals of the Program ([BCom](#), [BIB](#)):**

<b>Program Learning Goal</b>	<b>Competencies Not Covered</b>	<b>Competencies Introduced (only)</b>	<b>Competencies Taught But Not Assessed</b>	<b>Competencies Taught and Assessed</b>
<b>CHECK (X) ONE PER ROW</b>				
<b>BC1 Knowledge</b> <i>Graduates will be skilled in applying foundational business knowledge to appropriate business contexts.</i>				<b>X</b>
<b>BC2 Collaboration</b> <i>Graduates will be collaborative and effective contributors in team environments that respect the experience, expertise and interest of all members.</i>				<b>X</b>
<b>BC3 Critical Thinking</b> <i>Graduates will be discerning critical thinkers, able to discuss different viewpoints, challenge biases and assumptions, and draw conclusions based on analysis and evaluation.</i>				<b>X</b>
<b>BC4 Communication</b> <i>Graduates will be effective and persuasive in their communications.</i>				<b>X</b>
<b>BI5 Global Awareness (BIB ONLY)</b> <i>Graduates will be globally-minded.</i>	<b>X</b>			

## 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.

### Grading

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 Accommodation

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](https://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](https://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](mailto: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](https://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](https://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](https://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.

Process: If an alleged violation occurs, all relevant documentation will be forwarded to the Dean. If the allegation proves true, the 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. **For a first offence, at a minimum, the penalty assigned will normally be a zero on the submitted work and at least a minimum full grade reduction of the final course grade. For a second offence, at a minimum, the penalty assigned will normally lead to a suspension from studies.**

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/>.

### **Sprott Student Services**

The Sprott Undergraduate Student Services Office offers program advising and overall student success support. Our team is available to discuss your academic goals and your program progression plans. We can also work with you to develop strategies for success, including study skills for Business. If you experience any difficulty this term or if you would like to access support, please contact our team at [bcom@sprott.carleton.ca](mailto:bcom@sprott.carleton.ca) or at [bib@sprott.carleton.ca](mailto:bib@sprott.carleton.ca).

### **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](http://carleton.ca/csas).

### **Important Information:**

- Students must always retain a 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/>

### **Deferred exams:**

Deferred exams can be scheduled through SES and take place outside of class time and on weekends. Please include this in your course outline. (More information on the deferral process will be provided)

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## IMPORTANT DATES AND DEADLINES

Date	Activity
SUMMER TERM 2024	
March 1, 2024	Last day for receipt of applications for admission to an undergraduate degree program for the summer term.
April 29, 2024	Deadline for course outlines to be made available to students registered in early summer and full summer courses.
May 1, 2024	Last day for receipt of applications for undergraduate degree program transfers for the summer term.
May 6, 2024	Summer term begins. Early summer and full summer classes begin.
May 10, 2024	Last day for registration and course changes (including auditing) in early summer courses.  Graduate students who have not electronically submitted their final thesis copy to the Faculty of Graduate and Postdoctoral Affairs will not be eligible to graduate in spring 2024 and must register for the summer 2024 term.
May 17, 2024	Last day for registration and course changes (including auditing) in full summer courses.
	Last day to withdraw from early summer courses with a full fee adjustment.
May 17-29, 2024	Full winter, late winter, and fall/winter term deferred final examinations will be held.
May 20, 2024	Statutory holiday. University closed.

May 31, 2024	Last day to withdraw from full summer courses with a full fee adjustment.
June 1, 2024	Last day for academic withdrawal from early summer courses.
	Last day to request Formal Examination Accommodations for June examinations from the Paul Menton Centre for Students with Disabilities. Note that it may not be possible to fulfil accommodation requests received after the specific deadlines.
June 11, 2024	Last day for summative tests or examinations, or formative tests or examinations totaling more than 15% of the final grade in early summer term undergraduate courses before the official examination period (see examination regulations in the Academic Regulations of the University section of the Undergraduate Calendar/General Regulations of the Graduate Calendar).
June 18, 2024	Last day of early summer classes. (NOTE: full summer classes resume July 2.)
	Last day for take-home examinations to be assigned, with the exception of those conforming to the examination regulations in the Academic Regulations of the University section of the Undergraduate Calendar/General Regulations of the Graduate Calendar.
	Last day that can be specified by a course instructor as a due date for term work for early summer courses.
June 19-20, 2024	No classes or examinations take place.
June 21-27, 2024	Final examinations in early summer courses and mid-term examinations in full summer courses will be held. Examinations are normally held all seven days of the week.
June 25, 2024	Deadline for course outlines to be made available to students registered in late summer courses.

June 27, 2024	All final take-home examinations are due on this day, with the exception of those conforming to the examination regulations in the Academic Regulations of the University section of the Undergraduate Calendar/General Regulations of the Graduate Calendar.
July 1, 2024	Statutory holiday. University Closed.
July 2, 2024	Late summer classes begin and full summer classes resume.
July 8, 2024	Last day for registration and course changes (including auditing) in late summer courses.
July 15, 2024	Last day to withdraw from late summer courses with a full fee adjustment.
July 19-21, 2024	Early summer term deferred final examinations will be held.
July 22, 2024	Last day for graduate students to submit their supervisor-approved thesis, in examinable form to the department.
August 1, 2024	Last day for academic withdrawal from full and late summer courses.
	Last day to request Formal Examination Accommodations for August final examinations from the Paul Menton Centre for Students with Disabilities. Note that it may not be possible to fulfil accommodation requests received after the specified deadlines.
August 5, 2024	Statutory holiday. University closed.
August 7, 2024	Last day for summative tests or examinations, or formative tests or examinations totaling more than 15% of the final grade in late summer and full summer term undergraduate courses, before the official examination period (see examination regulations in the Academic Regulations of the University section of the Undergraduate Calendar/General Regulations of the Graduate Calendar).

August 7, 2024	Last day for summative tests or examinations, or formative tests or examinations totaling more than 15% of the final grade in late summer and full summer term undergraduate courses, before the official examination period (see examination regulations in the Academic Regulations of the University section of the Undergraduate Calendar/General Regulations of the Graduate Calendar).
August 14, 2024	Last day of late summer and full summer classes.
	Classes follow a Monday schedule.
	Last day for final take-home examinations to be assigned, with the exception of those conforming to the examination regulations in the Academic Regulations of the University section of the Undergraduate Calendar/General Regulations of the Graduate Calendar.
	Last day that can be specified by a course instructor as a due date for term work for late summer and full summer courses.
August 15-16, 2024	No classes or examinations take place.
August 17-23, 2024	Final examinations in late summer and full summer courses will be held. Examinations are normally held all seven days of the week.
August 23, 2024	All final take-home examinations are due on this day, with the exception of those conforming to the examinations regulations in the Academic Regulations of the University section of the Undergraduate Calendar/General Regulations of the Graduate Calendar.
September 20-22, 2024	Full summer and late summer term deferred final examinations will be held.

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