Business Administration

Course Number:	**BUAD 463**
Course Title:	**INTERNAL CONTROL AND AUDITING**
Credits:	3
Calendar Description:	Learners develop and evaluate an internal control system and learn how to conduct an audit. Learners apply audit techniques by completing an audit case scenario using a working paper software program. (*also offered by Distance Education*)
Semester and Year:	**FALL 2022**
Prerequisite(s):	BUAD 363, 273
Corequisite(s):	No
Prerequisite to:	No
Final Exam:	Yes
Hours per week:	3
Graduation Requirement:	BBA, Accounting Specialty - Elective
Substitutable Courses:	No
Transfer Credit:	CPA (credit with BUAD 363)
Special Notes:	Students with credit for BUAD 364 or BUAD 420 cannot take BUAD 463 for additional credit.
Originally Developed:	October 2014
EDCO Approval:	May 2017
Chair's Approval:	

Professors

Name	Phone number	Office	Email
Knoll, Mary-Ann ***Course Captain***	**Please use my email**	**K: C135**	**mknoll@okanagan.bc.ca**

Learning Outcomes

Upon completion of this course students will be able to

- implement internal controls which prevent or detect misstatements in a business environment.
- design tests for the cycles and accounts listed in the course objectives using Canadian Auditing Standards.
- describe procedures completed at end of engagement using Canadian Auditing Standards.
- differentiate between audit engagement and other engagements performed in public practice.

Course Objectives

This course will cover the following content:

- Sales and collection cycle, and accounts receivable
- Acquisition and payment cycle, and accounts payable, accruals, capital assets, and related party transactions
- Human resource and payroll cycle, and payroll liabilities, payroll accruals, and payroll expenses
- Inventory and distribution cycle
- Capital acquisition and repayment cycle, and notes payable, share capital, retained earnings and dividends
- Cash
- Audit completion
- Review and compilation engagements
- Special reports
- Working paper software program

Evaluation Procedure

Term Work: CaseWare Case Pre and post class work Special Reports Presentation	 20% 15% 5%
Mid-term Exam	25%
Final Exam	35%
Total	100%

Notes

Students will need CaseWare data file used in BUAD 363 and will need to utilize CaseWare 2021 outside of class. There will be two options for this – students will have the opportunity to download the software to their personal computer provided it is a Windows based environment. CaseWare will also be available on the library computers.

Required Texts/Resources

Auditing: The art and science of assurance engagements, 15th Canadian Edition, Arens, Pearson, 2022
Please do not buy the 14th edition
CICA standards and guidance collection, chartered professional accountants Canada, link provided via Moodle

Course Schedule

Date		Topic	Textbook
2022 Week of		Classes Start: Wednesday, September 7 STAT Friday, September 30 STAT Monday, October 10 STAT Friday, November 11 Last day of regularly scheduled Classes: Tuesday, December 6	
Sept	7-10	Critical concepts review (no class this week, this section is completed independently using videos and activities in Moodle) Audit Case – Compilation Engagement	
	11-17	Risk Response: Audit Strategy, Overall Approach, and Audit Program Audit Case – Overall Audit Strategy September 16 – last day for course changes	Chp 10
	18-24	Audit of the Revenue Cycle Audit Case – Sales Control Testing	Chp 12
Sept/Oct	25-1	Audit of the Revenue Cycle Audit Case – A/R Confirmations	Chp 12
Oct	2-8	Audit of the Acquisition and Payment Cycle Audit Case – Payable and expense testing	Chp 13
	9-15	Audit of the Acquisition and Payment Cycle Audit Case – Payable and expense testing continued	Chp 13
	16-22	Audit of the Inventory and Distribution Cycle Audit case – Inventory testing	Chp 14
	23-29	Midterm Exam October 28 – last day to withdraw from a course	
Oct/Nov	30-5	Audit of the Human Resources and Payroll Cycle	Chp 15
Nov	6-12	Audit of Cash and Cash Equivalents Audit Case – Bank Reconciliation Testing	Chp 16
	13-19	Audit of Financing (Capital Acquisition and Repayment)	Chp 20
	20-26	Completing the Audit Audit Case – Summary of Identified Misstatements and forming an Opinion	Chp 17
Nov/Dec	27-3	Other Audits, Assurance Engagements and Related Services	Chp 19
Dec	4-6	Other Audits, Assurance Engagements and Related Services	Chp 19
Exams		December 8 to 19 - See Final Exam Schedule	

SKILLS ACROSS THE BUSINESS CURRICULUM

The Okanagan School of Business promotes core skills across the curriculum. These skills include reading, written and oral communications, computers, small business, and academic standards of ethics, honesty and integrity.

STUDENT CONDUCT AND ACADEMIC HONESTY

What is the Disruption of Instructional Activities?

At Okanagan College (OC), disruption of instructional activities includes student "conduct which interferes with examinations, lectures, seminars, tutorials, group meetings, other related activities, and with students using the study facilities of OC", as well as conduct that leads to property damage, assault, discrimination, harassment and fraud. Penalties for disruption of instructional activities include a range of sanctions from a warning and/or a failing grade on an assignment, examination or course to suspension from OC.

What is Cheating?

"Cheating includes but is not limited to dishonest or attempted dishonest conduct during tests or examinations in which the use is made of books, notes, diagrams or other aids excluding those authorized by the examiner. It includes communicating with others for the purpose of obtaining information, copying from the work of others and purposely exposing or conveying information to other students who are taking the test or examination."

Students must submit independently written work. Students may not write joint or collaborative assignments with other students unless the instructor approves it in advance as a group/team project. Students who share their work with other students are equally involved in cheating.

What is Plagiarism?

Plagiarism is defined as "the presentation of another person's work or ideas without proper or complete acknowledgement." It is the serious academic offence of reproducing someone else's work, including words, ideas and media, without permission for course credit towards a certificate, diploma, degree and/or professional designation. The defining characteristic is that the work is not yours.

"Intentional plagiarism is the deliberate presentation of another's work or ideas as one's own." Intentional plagiarism can be a copy of material from a journal article, a book chapter, data from the Internet, another student, work submitted for credit in another course or from other sources.

"Unintentional plagiarism is the inadvertent presentation of another's work or ideas without proper acknowledgement because of poor or inadequate practices. Unintentional plagiarism is a failure of scholarship; intentional plagiarism is an act of deceit."

What are the Students' Responsibilities to Avoid Plagiarism?

Students have a responsibility to read the OC Academic Integrity Policy outlined in the OC calendar, which is available online OC Academic Integrity Policy. Students must acknowledge the sources of information used on all their assignments. This usually involves putting the authors' name and the year of publication in parentheses after the sentence in which you used the material, then at the end of your paper, writing out the complete references in a Reference section.

"Students are responsible for learning and applying the proper scholarly practices for acknowledging the work and ideas of others. Students who are unsure of what constitutes plagiarism should refer to the UBC publication "*Plagiarism Avoided; Taking Responsibility for your Work".* This guide is available in OC bookstores and libraries.

Students are expected to understand research and writing techniques and documentation styles. The Okanagan School of Business requires the use of the APA or MLA style, but suggests that students cite references using the APA guidelines (see Publication Manual of the American Psychological Association, 7th edition (2019). A copy of the APA manual is available in the reference section and also available for circulation from OC libraries. The library website has access to these two major citing styles.

What are the Penalties for Plagiarism and Cheating?

The Okanagan School of Business does not tolerate plagiarism or cheating. All professors actively check for plagiarism and cheating and the Okanagan School of Business subscribes to an electronic plagiarism detection service. All incidents of plagiarism or cheating are reported and result in a formal letter of reprimand outlining the nature of the infraction, the evidence and the penalty. The Dean of the Okanagan School of Business and the Registrar record and monitor all instances of plagiarism and cheating. Penalties for plagiarism and cheating reflect the seriousness and circumstances of the offence and the range of penalties includes suspension from OC.