




# Business Administration

Course Number:	<b>BUAD 463</b>
Course Title:	<b>INTERNAL CONTROL AND AUDITING</b>
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. <i>(also offered by Distance Education)</i>
Semester and Year:	<b>FALL 2023</b>
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
Mary Ann Knoll <i>Course Captain</i>	250-762-5445 x4363	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	20%
Pre and post class work	15%
Special Reports Presentation	5%
Mid-term Exam	25%
Final Exam	35%
Total	100%

**Notes**

**For the online delivery**, students will require a computer, stable Internet connection, webcam and microphone. Students are expected to be present in Zoom with their cameras on for class. For the online format, students will find that the CaseWare activities will need to be completed almost entirely outside of class time.

Students will need CaseWare data file used in BUAD 363 and will need to utilize CaseWare 2022 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. However students will find it beneficial to have CaseWare available during class time.

**Required Texts/Resources**

Auditing, A Practical Approach - 4th Canadian Edition, Moroney 2021, with WileyPlus. This text is available in an online format with permanent access or a print format.

CPA Standards and Guidance Collection, Assurance, Canada, 2023 Edition, See Moodle for link CICA standards and guidance collection, chartered professional accountants Canada, link provided via Moodle

## Course Schedule

Date		Topic	Textbook
<b>2023</b> Week of:		Wednesday September 6, First day of class	
		Friday September 15, Last day to register for Fall 2023	
		Monday Oct. 2 & Monday Oct. 9 & Monday Nov. 13, Statutory Holiday (no classes)	
		Friday October 27, Last day to withdraw from class without academic penalty	
		Thursday December 7, Last day of class	
Sept	6-9	Review Exercises and Audit Strategy– See Moodle CW – Performing a compilation	
	10-16	Auditing Sales and Receivables CW – Audit Strategy	10
	17-23	Auditing Sales and Receivables CW – Tests of Controls	10
	24-30	Auditing Purchases, Payables and Payroll CW – A/R confirms	11
Oct	1-7	Auditing Purchases, Payables and Payroll CW – Payables and expenses	11
	8-14	Auditing Property Plant and Equipment	12
	15-21	Audit Data Analytics	9
	22-28	Midterm Chapters 10, 11, 12 (PPE only), 9	
Oct/Nov	29-4	Auditing Inventory CW – Lower of cost and NRV testing	12
Nov	5-11	Auditing Cash CW – Audit of the Bank Rec	13
	12-18	Auditing Investments, Debt and Equity	13/Moodle
	19-25	Completing and Reporting on the Audit CW – Summary of Identified Misstatements	14
Nov/Dec	26-2	Review, Compilation, Special Reports	14
Dec	3-7	Review, Compilation, Special Reports Presentations	14
	11-20	Final Exams - Comprehensive	

## **SKILLS ACROSS THE BUSINESS CURRICULUM**

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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**

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### **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, 7<sup>th</sup> 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.