

Auditing and Other Assurance Services
AP/ADMS 4551.03
Section M, N, O and Z Winter 2020-21

Course instructors, Contact Information, Webinar Times

Section	Day and Time of Live Webinar*	Course Director	E-Mail
M	Wed 7-10pm	Akolisa Ufodike	ufo@yorku.ca
N	Mon 4-7 pm	Bartosz Amerski	bamerski@rogers.com
O	Thurs 11:30am - 2:30pm	Akolisa Ufodike	ufo@yorku.ca
Z	Fri 9:30am – 12:30pm	Liona Lai	liona@yorku.ca

Delivery Method and Remote Classroom:

Please note that this is a course that depends on remote teaching and learning. **There will be no in-person interactions or activities on campus.** Classes will be conducted using the Zoom platform and will be delivered synchronously during class scheduled times. Throughout the entire each Zoom lecture, students will be required to have their camera turned on and need to be visible (no black screens). Audio must also be available. During the class time, students will be engaged in various activities which will require speaking to the entire class, completing assigned tasks and submitting them to eClass. Links to the Zoom meetings will be posted each week on the course website.

Part of the lectures may also be pre-recorded and will be posted on eClass.

Technical Requirements for the Remote Classroom:

In addition to being able to access resources on eClass (including documents, recorded lecture videos and quizzes) students are encouraged to attend the weekly live webinars (through Zoom) and to participate with a stable, higher-speed internet connection through the use of a webcam and microphone

Equipment requirements: This course will be delivered remotely through scheduled classes over the Zoom platform. You will **need** the following equipment to successfully partake in the course:

- laptop/desktop computer;
- webcam and microphone;
- reliable internet connection.

Please note, using a tablet device **is not permissible** as it will not provide you with the necessary functionality to conduct required in-class activities.

Internet speed: Zoom recommends 800kbps/1.0Mbps (up/down) bandwidth for group calls. You can test their Internet speed through tests, such as [Speedtest](#), or typing into Google ‘what is my Internet speed?’

Please review the following link for full details of Zoom [system requirements](#). Minimum computer requirements are 2GHz dual core processor and 4Gb of RAM.

Quiet space: All classes will require video to be turned on and as such you will need to have access to a **quiet space** for the duration of your class times.

Zoom username: For participation tracking purposes, please also ensure your zoom user name contains your legal name. If you go by a different name please include both names with your legal name in brackets.

Zoom help guides: In order to prepare for your zoom classes you may wish to partake in various training videos offered by zoom - [Zoom Help and Guides](#).

The following links provide details of zoom best practices and an additional YorkU user guide:

- [Zoom@YorkU Best Practices](#)
- [Zoom@YorkU User Reference Guide](#)

Organization of the course

The entire course, including the submission of assignments, participation/discussion and test-taking, will take place on eClass. Each section is scheduled to meet at a particular time and day each week, and attendance will be taken.

This course is divided into 12 weekly sessions that sequentially introduce the topic of auditing to students as well highlights some the requirements under generally accepted auditing standards and various Rules of Professional Conduct (Modules 1-2). Next we will discuss the planning of an audit (Sessions 3-5) which will be followed by the execution of an audit (Sessions 7, 8, 9, 10 and 11) concluding with the reporting phase of a financial statement audit as well identifying other assurance engagements that can be performed (Session 12).

For each session there is a series of assigned readings from the text that must be completed. You are encouraged to start each week by completing these readings and any pre-recorded lectures. You will be provided with detailed slides. To help you make sense of the assigned readings, and the slides a number of pre-recorded video lectures will be provided each week on the key topics for that module.

There will be assigned discussion/practice questions from the course textbook and other questions posted on eClass that should then be attempted before the start of the live weekly webinar. The questions assigned are to help you assess whether you understand the material and to help you prepare for the quizzes, assignment and exams.

During the weekly live webinars the instructor will briefly summarize the main topics for the module and answer any questions students have. Although attendance will be taken at the weekly live webinars, the webinars will be recorded and students can listen to them at their convenience. The vast majority of the weekly webinars will be spent having students in breakout rooms to work on answering questions either from the text or posted on eClass. These questions will be taken up in the webinar. You are encouraged to actively participate during the weekly webinar especially during the discussion of the responses to the questions from the text and the questions posted on eClass that are taken up in the webinar.

Course Website: eClass

Virtual office hours:

Virtual office hours will vary by course director and will be announced in the 1st weekly webinar as well as posted on each section's eClass site.

Expanded course description:

This course provides an introduction to auditing and other assurance services for students who have not had significant exposure to auditing concepts or significant auditing experience.

The primary emphasis of the course is on the auditor's decision-making process and the nature and amount of audit evidence needed to render an opinion on the fairness of an organization's financial statements. Topics include professional standards, rules of conduct, ethical considerations, legal liability, audit and review objectives, the audit risk model, audit evidence, development and execution of compliance and substantive audit strategies, sampling methods and audit reports.

Course Objectives and Learning Outcomes:

Course Objectives

Upon completion of this course, you will be able to:

1. *Present a general overview of the role of auditing and assurance in society*
2. *Explain how the preparation or use of accounting information is influenced by different stakeholder needs, and related ethical considerations.*
3. *Explain the roles and responsibilities of professional accountants to protect the public interest in regards to financial information, including the applicable generally accepted auditing standards, professional ethics codes of conduct, and auditors' legal liability.*
4. *Explain the reasonable assurance, audit risk and materiality concepts*
5. *Describe what an independent assurance engagement involves and the conditions required for a public accountant to accept and perform one*
6. *Apply auditing concepts and techniques to develop an appropriate plan for a financial statement audit*
7. *Explain how the auditor's understanding of business information systems and internal control concepts and techniques is used in audit risk assessment and planning*
8. *Relate weaknesses in internal control to risks of material misstatements in financial statements*
9. *Explain how to execute a financial statement audit plan that gathers sufficient appropriate audit*

evidence to reduce the risk of not detecting material misstatement to an appropriately low level, and how to document the audit work.

10. Determine how to evaluate financial statement audit findings and communicate these to stakeholders

11. apply the foundation knowledge required for advanced study in auditing.

Learning Outcomes

Upon the successful completion of this course, students will be able to:

- Explain the roles and responsibilities of professional accountants to protect the public interest in regards to financial information
- Summarize the ethical, examination and reporting standards that make up generally accepted auditing standards as set out in the CPA Canada Standards and Guidance Collection-Assurance
- Describe the various rules of professional conduct as established by [CPA Ontario](#) to be adhered to by public accounting firms
- Explain management's responsibilities for the financial statements versus the auditor's responsibilities for the same document
- Describe the types of audit procedures for gathering audit evidence
- Explain the relevance of materiality in an audit and how materiality is determined
- Discuss the various risks that impact a financial statement audit and explain the auditor's response to those risks
- Relate weaknesses in internal control to risks of material misstatements in the financial statements
- Explain the role of professional judgment in audit sampling decisions
- Identify the key audit procedures to be undertaken when auditing revenues, accounts receivable, inventory, expenses and accounts payable
- Describe the various audit reports
- Distinguish between an audit and a review engagement

Course readings

1. Alvin A. Arens, Randal J. Elder, Mark S. Beasley, Chris E. Hogan and Joanne C. Jones, (2018), Auditing: The Art and Science of Assurance Engagements, Canadian Fourteenth Edition, Pearson.

2. CPA Canada Accounting and Assurance Handbooks [Part I and Part II] - Available on-line through York Library e-resources. Students must have a Passport York account to access the Handbook remotely.

Any additional required reading materials will be posted on the course web site.

Warning: Photocopying more than 10% of a textbook is illegal and may involve penalties. Do not duplicate textbooks or obtain these photocopies. Students are reminded of York University's policy regarding academic dishonesty as outlined in the York student calendars.

Evaluation

<u>Course Work</u>	<u>Due Date</u>	<u>Weight</u>
Class Attendance and Participation (See below for details)	All modules	10%
Quizzes (best 4 out of 5)		12%
Midterm Exam (covers Sessions 1 - 5)	All sections – Sunday Feb 21 1:00pm – 3:00 pm	20%
Audit Analytics Group Assignment - Part 1		5%
Audit Analytics Group Assignment - Part 2		13%
Individual Assignment		10%
Final Exam (covers Sessions 1 – 12)	TBA - during regular final exam period April 14-28	30%
Total		100%

Course policies

PREREQUISITES/CO-REQUISITES:

Prerequisites: 1) For students in an Honours program, 78 credits including AP/ADMS 2511 3.00, AP/ADMS 3585 3.00, AP/ADMS 3595 3.00, AP/ECON 1000 3.00, or 2) for other students, these above-listed courses and an average grade of C+ or better in AP/ADMS 3585 3.00 and AP/ADMS 3595 3.00. AP/ADMS 4535 3.00 is not required, but strongly recommended. Course credit exclusions: None.

Students are personally responsible to ensure that they have the required prerequisites as stated in the course outline or in the course calendar.

NOTE: Students who do not have the prerequisites will be contacted the first two weeks of the course and are at risk of being dropped from the course at any time during the course. The department will not be responsible for refunds resulting from students being dropped from a course due to a lack of the appropriate prerequisites

Students must complete the Group Assignment and Individual Assignment by the deadlines. Failure to do so will result in a zero grade

Reallocation of Marks if a Midterm Examination is missed for a Valid Reason

If a midterm examination is missed due to a valid reason such as illness or other reason approved by the Course Director, the midterm mark allocation of 20% will be added to the final

examination percentage.

The documentation required to support this reallocation are as follows:

1. For illness, a completed medical form (physician's statement) provided by the Registrar's Office, <http://www.yorku.ca/laps/council/students/documents/APS.pdf> OR for another valid reason, the documentation requested by the Course Director (unless suspended by the University due to COVID-19), AND
2. A signed statement stating that you are aware that your final examination will be worth 50%. This signed statement is to be attached to the documentation provided in (1) above.

NOTE: Physician statements need to be from the same day as the midterm or the day immediately after. Physician statements older than one day after the date of the midterm exam will not be accepted.

Academic honesty and integrity

In this course, we strive to maintain academic integrity to the highest extent possible. Please familiarize yourself with the meaning of academic integrity by completing SPARK's [Academic Integrity module](#) at the beginning of the course. Breaches of academic integrity range from cheating to plagiarism (i.e., the improper crediting of another's work, the representation of another's ideas as your own, etc.). All instances of academic dishonesty in this course will be reported to the appropriate university authorities, and can be punishable according to the [Senate Policy on Academic Honesty](#).

Turnitin

To promote academic integrity in this course, students will be normally required to submit their written assignments to Turnitin (via eClass) for a review of textual similarity and the detection of possible plagiarism. In so doing, students will allow their material to be included as source documents in the Turnitin.com reference database, where they will be used only for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin service are described on the Turnitin.com website.

Course information

All students are expected to familiarize themselves with the following information:

- [Student Rights & Responsibilities](#)
- [Academic Accommodation for Students with Disabilities](#)

Refer to pages 7-9 of this course outline for relevant regulations regarding exam deferrals, academic honesty, graded feedback, examinations, and student accommodation policies

Schedule of readings and activities

Details posted on outline posted on eClass.

RELEVANT UNIVERSITY REGULATIONS

Deferred Exams: Deferred standing may be granted to students who are unable to write their final examination at the scheduled time or to submit their outstanding course work on the last day of classes. Details can be found at <http://myacademicrecord.students.yorku.ca/deferred-standing>

Any request for deferred standing on medical grounds must include an Attending Physician's Statement form; a "Doctor's Note" will not be accepted.

DSA Form: http://www.registrar.yorku.ca/pdf/deferred_standing_agreement.pdf

Attending Physician's Statement form: <http://registrar.yorku.ca/pdf/attending-physicians-statement.pdf> (Unless suspended by the University)

In order to apply for deferred standing, students must register at <https://sas-app.laps.yorku.ca>

Followed by handing in a completed DSA form and supporting documentation directly to the main office of the School of Administrative Studies (282 Atkinson) or by email at apsas@yorku.ca and add your ticket number to the DSA form. The DSA and supporting documentation must be submitted no later than five (5) business days from the date of the exam. These requests will be considered on their merit and decisions will be made available by logging into the above mentioned link. No individualized communication will be sent by the School to the students (no letter or e-mails).

Students with approved DSA will be able to write their deferred examination during the School's deferred examination period. No further extensions of deferred exams shall be granted. The format and covered content of the deferred examination may be different from that of the originally scheduled examination. The deferred exam may be closed book, cumulative and comprehensive and may include all subjects/topics of the textbook whether they have been covered in class or not.

Academic Honesty: The Faculty of Liberal Arts and Professional Studies considers breaches of the Senate Policy on Academic Honesty to be serious matters. The Senate Policy on Academic Honesty is an affirmation and clarification for members of the University of the general obligation to maintain the highest standards of academic honesty. As a clear sense of academic honesty and responsibility is fundamental to good scholarship, the policy recognizes the general responsibility of all faculty members to foster acceptable standards of academic conduct and of the student to be mindful of and abide by such standards. Suspected breaches of academic honesty will be investigated and charges shall be laid if reasonable and probable grounds exist.

Students should review the York Academic Honesty policy for themselves at:

<http://www.yorku.ca/secretariat/policies/document.php?document=69>

Students might also wish to review the interactive on-line Tutorial for students on academic integrity, at:

<https://spark.library.yorku.ca/academic-integrity-what-is-academic-integrity/>

Grading Scheme and Feedback Policy: The grading scheme (i.e. kinds and weights of assignments, essays, exams, etc.) shall be announced, and be available in writing, within the first two weeks of class, and, under normal circumstances, graded feedback worth at least 15% of the final grade for Fall, Winter or Summer Term, and 30% for ‘full year’ courses offered in the Fall/Winter Term be received by students in all courses prior to the final withdrawal date from a course without receiving a grade, with the following exceptions:

NOTE

Last date to add a course without permission of instructor: January 25, 2021

Last date to add a course with permission of instructor: Feb 8, 2021

Last date to drop a course without receiving a grade: March 12, 2021

If you withdraw between March 13 and April 12, the course remains on your transcript without a grade and is notated as “W”.

Note: Under unusual and/or unforeseeable circumstances which disrupt the academic norm, instructors are expected to provide grading schemes and academic feedback in the spirit of these regulations, as soon as possible. For more information on the Grading Scheme and Feedback Policy, please visit: <https://2019-2020.calendars.students.yorku.ca/2019-2020/policies-and-regulations/academic-policies-and-regulations/grading-scheme-and-feedback>

In-Class Tests and Exams - the 20% Rule: For all Undergraduate courses, except those which regularly meet on Friday evening or on a weekend, tests or exams worth more than 20% will not be held in the two weeks prior to the beginning of the official examination period. For further information on the 20% Rule, please visit: <http://secretariat-policies.info.yorku.ca/policies/limits-on-the-worth-of-examinations-in-the-final-classes-of-a-term-policy/>

Reappraisals: Students may, with sufficient academic grounds, request that a final grade in a course be reappraised (which may mean the review of specific pieces of tangible work). Non-academic grounds are not relevant for grade reappraisals; in such cases, students are advised to petition to their home Faculty. Students are normally expected to first contact the course director to discuss the grade received and to request that their tangible work be reviewed. Tangible work may include written, graphic, digitized, modeled, video recording or audio recording formats, but not oral work. Students need to be aware that a request for a grade reappraisal may result in the original grade being raised, lowered or confirmed. For reappraisal procedures and information, please visit the Office of the Registrar site at: <http://myacademicrecord.students.yorku.ca/grade-reappraisal-policy>

Accommodation Procedures: LA&PS students who have experienced a misfortune or who are too ill to attend the final examination in an ADMS course should not attempt to do so; they must pursue deferred standing. Other students should contact their home Faculty for information. For further information, please visit: <http://ds.info.yorku.ca/academic-support-accommodations/>

Religious Accommodation: York University is committed to respecting the religious beliefs and practices of all members of the community and making accommodations for observances of special significance to adherents. For more information on religious accommodation, please visit:

<https://w2prod.sis.yorku.ca/Apps/WebObjects/cdm.woa/wa/regobs>

Academic Accommodation for Students with Disabilities (Senate Policy) The nature and extent of accommodations shall be consistent with and supportive of the integrity of the curriculum and of the academic standards of programs or courses. Provided that students have given sufficient notice about their accommodation needs, instructors shall take reasonable steps to accommodate these needs in a manner consistent with the guidelines established hereunder. For more information, please visit the Counselling and Disability Services website at <https://accessibility.students.yorku.ca/>

York's disabilities offices and the Registrar's Office work in partnership to support alternate exam and test accommodation services for students with disabilities at the Keele campus. For more information on alternate exams and tests please visit <http://www.yorku.ca/altexams/> Please alert the Course Director as soon as possible should you require special accommodations.

Effective date: December 2020