

ACC 3404 , AUDITING 2.

COWAN 206: W 4 – 6:20 PM

INSTRUCTOR: Prof. Don Schraeder, MBA, CPA.

OFFICE: COWAN 204      OFFICE PHONE: 272-7102 Ext. 291      HOME PHONE: 454 - 3479

**OFFICE HOURS:** M,W,F 10:30-11; M, W Noon – 3; TH. 4:30 -6; also by appointment on Tue., Fri. or other times. You may call me at the office or at home and leave your phone # for an appointment. You can also e-mail me at [schraederd@qborocollege.edu](mailto:schraederd@qborocollege.edu) but I prefer phone calls since sometimes e-mails get lost.

**COURSE DESCRIPTION:** This course is the second of 2 courses which involve the study of procedures, objectives, professional standards, ethics, and reporting requirements involved in the examination of an organization's financial statements and supporting records of operations in order to provide an auditor's opinion on the fairness of those statements.

**Textbook:** Auditing –A Business Risk Approach, Rittenberg/Schwieger/Johnstone 6 ed. (Thomson/Southwestern Publishers).

**PURPOSE :** To achieve an understanding of Auditing theory and procedures.

**PREREQUISITES:** ACC 3402 & a desire to work hard and learn

**METHOD OF INSTRUCTION:** Lecture and class discussion of assigned readings with review of selected exercises and problems with the aid of computers when possible.

**STUDENT EVALUATION TECHNIQUES:****A. Exam ( E ) points:**4 Exams at 100 points each..... **400**Final (100) & Post-test Cum. Exam.(50)..... **150****subtotal 550****B. Non-exam ( NE ) points:**11 Bilrite Cases at 25 pts. each..... **275**9 Chapter Assignments 15 pts. per chap. **135**Class participation &/or other items..... **40****subtotal 450**Total possible points..... **1,000****GRADING:**

550 ( E ) + 450 ( NE ) = 1,000

A: 1,000 - 900

B: 899 - 800

C: 799 - 700

D: 699 - 600

F: &lt; 600

(+ OR – GRADES , to be determined based on class results.)

**NOTES:**

1. Exams: The exams may be a mixture of Matching Columns, True-False, Multiple Choice, Short problem answers, statements, journal entries, or essays drawn from class exercises/problems or the study guide.

**( GOOD, BETTER, BEST.....NEVER LET IT REST, ..... UNTIL THE GOOD IS BETTER AND THE BETTER, BEST. )**

<u>DATE &amp; TIME</u>	<u>TOPICS &amp; ASSIGNMENT(S) DUE THIS MEETING.</u> ( Subject to change as necessary. )
(1) W. 1.16	INTRODUCTION–SYLLABUS: OUTLINE OF COURSE.
(2) W. 1.23	READ CH. 11, AUDITING REVENUE & RELATED ACCOUNTS. READ BILTRITE PRACTICE CASE (BPC): MOD. V: ACCOUNTS RECEIVABLE AGING ANALYSIS.
(3) W. 1.30	(1) COMPLETE BPC MOD. V. READ CH. 12, AUDIT OF ACQUISITION CYCLE AND INVENTORY.
(4) W. 2.6	EXAM 1: CH. 11 & 12 READ BPC MOD. VI: SALES AND PURCHASE CUTOFF TESTS. READ BPC MOD. VII: SEARCH FOR UNRECORDED LIABILITIES.
(5) W. 2.13	(2) & (3) COMPLETE BPC MODS. VI & VII. READ CH. 13, AUDIT OF CASH AND OTHER LIQUID ASSETS. READ BPC MOD. VIII: DALLAS DOLLAR BAND-BANK RECONCILIATION. READ BPC MOD. IX: ANALYSIS OF INTERBANK TRANSFERS. READ BPC MOD. X: ANALYSIS OF MARKETABLE SECURITIES.
(6) W. 2.20	(4), (5) & (6) COMPLETE BPC MODS. VIII, XI, & X. READ CH. 14, AUDIT OF LONG-LIVED ASSETS AND RELATED EXPENSE ACCOUNTS.
(7) W. 2.27	EXAM 2: CH. 13 & 14 READ BPC MOD. XI: PLANT ASSET ADDITIONS AND DISPOSALS.
(8) W. 3.5	SPRING BREAK WEEK.

<u>DATE &amp; TIME</u>	<u>TOPICS &amp; ASSIGNMENT(S) DUE THIS MEETING.</u> ( Subject to change as necessary. )
(9) W. 3.12	READ CH. 15, AUDIT OF ACQUISITIONS, RELATED ENTITY TRANSACTIONS, LONG-TERM LIABILITIES, AND EQUITY. READ BPC MOD. XII: ESTIMATED LIABILITY FOR PRODUCT WARRANTY. READ BPC MOD. XIII: MORTGAGE NOTE PAYABLE AND NOTE PAYABLE TO BANK TWO.
(10) W. 3.19	(7), (8) & (9) COMPLETE BPC MODS. XI, XII & XIII. READ CH. 16, COMPLETING THE AUDIT. READ BPC MOD. XIV: WORKING TRIAL BALANCE.
(11) W. 3.26	EXAM 3: CH. 15 & 16.
(12) W. 4.2	(10) COMPLETE BPC MOD XIV. READ CH. 17, COMMUNICATING AUDIT AND ATTESTATIONS RESULTS. READ BPC MOD. XV: AUDIT REPORT
(13) W. 4.9	(11) COMPLETE BPC MOD XV. READ CH. 18, PROFESSIONAL LIABILITY.
(14) W. 4.16	EXAM 4: CH. 18 & 19.
(15) W. 4.23	READ CH. 19, INTERNAL AUDITING AND OUTSOURCING.
=====	
(16) WED. 4. 30	4:00 – 6:00 or t.b.a.
<u>FINAL (EXAM 5) : CH. 19 WITH OTHER CHAPTER REVIEW AS ANNOUNCED. &amp; POST-TEST .</u>	
=====	