

ACCT 473 – Financial Statement Auditing

Spring 2022: Monday/Wednesday–10 am JFF 414; Friday labs: 11 am JFF 233

Units: 2 semester units (Monday, March 7th -Wednesday, April 27th)

Professor: Rose Layton

Office Hours: Mondays: 12:30-1:50pm in ACCT 112; Sundays: 7-8:00 pm Zoom;

<https://uscmarshall.zoom.us/j/96085396310?pwd=TEpCYXZQd1Jmc1o1Y1ZsbGxKSjRTdz09> or by appointment. Student IAs hours and zoom rooms are posted on Blackboard

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Course Description

Introduction to Auditing and Assurance Services will be discussed from the perspectives of management and other users of the financial statements and other reports, as well as, the external auditor and other assurance professionals.

Learning Objectives

1. Select and appraise the appropriate management assertions and evidence-gathering procedures to gather appropriate sufficient audit evidence for identified company transactions and accounts.
2. Understand the concepts of sampling and analysis and apply them to gathering evidence using CAATs (Computer Assisted Audit Techniques).
3. Predict the various risks in an audit and explore identifying higher risk areas.
4. Understand Professional Judgment and Professional Skepticism to develop conclusions on evidence gathered.
5. Identify the steps necessary to complete and conclude on an audit through class examples and discussions.

Required Materials

Course Materials: ACC 473 – textbook via Blackboard – Wiley Plus. Johnson, R., & Wiley, L. *Auditing: A practical approach with data analytics*. 2019. Purchased in ACCT 373.

Prerequisites Preparation:

ACC 373

Grading Policies:

“If you do something long enough, with as much **variety** as possible, you will begin to learn it”. Unknown.

I believe that a variety of skills are necessary to be an excellent professional. Therefore, there are several components to your overall grade.

Components	Percent
Presentations, Participation, and in-class activities	15%
Homework & Cases	15%
Midterm	35%
Final	35%
Total	100%

Accounting electives' mean GPA target is a 3.5.

After each grade is posted or returned, you will have **one week to challenge** your grade in writing. After this time, the grades will become final.

Class participation and class activities-in person (15%)

Attend class at the regularly scheduled time, participate in the class activities, share in the during class session and earn participation points. Each student will also be part of a group consisting of approximately four students that will present assigned material from the textbook and lead problem discussions. The textbook problems that are covered in class help you to apply the concepts that are learned in each of the chapters. Please notify me as possible if you are to miss class or attend on Zoom due to illness so accommodations can be made.

Friday Classes are required:

You will be asked to do readings and an assignment in advance of the sessions.

Homework and cases (15%)

There are various homework assignments that are detailed in the syllabus under module details that includes due dates and points. The Wiley assignments are available through Blackboard and all other assignments will be posted and submitted on Blackboard. You are responsible for making sure you turn-in assignments when due. You are welcome to submit homework late for 50% of the assigned points. The homework assignments have been designed to help you apply many of the concept that you have learned in class. You will receive more details in class and on Blackboard.

Midterm 35% and Final Exam 35%

The test format and topics will be discussed in class. The exam will be given through Blackboard **in person** using the Respondus lock-down screen. More details will be shared in the classroom.

Please make sure you have a laptop available that can be used with Respondus lockdown software. This software does not work on a tablet. Please reach out in advance if this is a concern.

Important Dates for Second-Half Courses:

Session Dates (session code 442)

First day of classes:

Monday, March 7, 2022

Last day to add:

Wednesday, March 16, 2022

Last day to drop without a mark of "W" and receive a refund:

Wednesday, March 16, 2022
Last day to withdraw without a "W" on transcript or change pass/no pass to letter grade:
Tuesday, March 29, 2022
Last day to drop with a mark of "W":
Friday, April 15, 2022
Last day of classes:
Tuesday, April 26, 2022
End of session:
Wednesday, May 11, 2022

Classroom Policies

Class attendance and participation is important in developing a coherent view of the materials covered in the course. We will often engage in classroom activities.

For technical support please see:

- **USC Systems** (Blackboard, USC Login, MyUSC, USC Gmail, GoogleApps)
For assistance with your USC login or other USC systems, please call +1 (213) 740-5555 or email Consult@usc.edu. They are open Mon – Fri 9:30am – 5pm and weekends from 8am - 5pm (all Pacific time).
- **Marshall Systems** (MyMarshall, Marshall Outlook email)
For assistance with Marshall systems you can call +1 (213) 740-3000 Mon-Fri 8am-6pm (Pacific), email HelpDesk@marshall.usc.edu, or use our self-help service portal as shown below. The portal allows you to get immediate assistance by searching for the information you need. You can also use it to chat with a technician or input a request. To access the service portal, follow these steps:
 - On a computer or mobile device, go to [MyMarshall Home Page](#) and click the “**Help**” link on the upper right.
 - Log in using your Marshall username and password.
(If you don’t know your Marshall login please follow the onscreen instructions pertaining to login issues)If your computer does not have Microsoft Word, Office 365 package is available to you free of charge and allows you to install Word, Excel, PowerPoint, Outlook, OneNote, Publisher, and Access on up to 5 PCs or Macs and Office apps on other mobile devices including tablets. Office 365 also includes unlimited cloud storage on OneDrive. To download Office 365 log into your student (University) email through a web browser, choose Settings (top right corner), and select software. If you have further questions or need help with the software, please contact the USC ITS service portal.

Retention of Graded Coursework

Final exams and all other graded work which affected the course grade will be retained for one year after the end of the course *if* the graded work has not been returned to the student. If I returned a graded work electronically to you, it is your responsibility to file it.

USC Statement on Academic Conduct and Support Systems

Academic Conduct:

Students are expected to make themselves aware of and abide by the University community’s standards of behavior as articulated in the [Student Conduct Code](#). Plagiarism

– presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, “Behavior Violating University Standards” <https://policy.usc.edu/scampus-part-b/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

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Use of Recordings

Pursuant to the USC Student Handbook (www.usc.edu/scampus, Part B, 11.12), students may not record a university class without the express permission of the instructor and announcement to the class. In addition, students may not distribute or use notes or recordings based on University classes or lectures without the express permission of the instructor for purposes other than personal or class-related group study by individuals registered for the class. This restriction on unauthorized use applies to all information that is distributed or displayed for use in relationship to the class.

Support Systems:

Counseling and Mental Health - (213) 740-9355 – 24/7 on call

studenthealth.usc.edu/counseling

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call

suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press “0” after hours – 24/7 on call

studenthealth.usc.edu/sexual-assault

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office for Equity, Equal Opportunity, and Title IX (EEO-TIX) - (213) 740-5086

eeotix.usc.edu

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298

usc-advocate.symlicity.com/care-report

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office for Equity,

Equal Opportunity, and Title for appropriate investigation, supportive measures, and response.

The Office of Student Accessibility Services (OSAS) - (213) 740-0776

osas.usc.edu

OSAS ensures equal access for students with disabilities through providing academic accommodations and auxiliary aids in accordance with federal laws and university policy.

USC Campus Support and Intervention - (213) 821-4710

campussupport.usc.edu

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity, Equity, and Inclusion - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call

dps.usc.edu

Non-emergency assistance or information.

Office of the Ombuds - (213) 821-9556 (UPC) / (323-442-0382 (HSC)

ombuds.usc.edu

A safe and confidential place to share your USC-related issues with a University Ombuds who will work with you to explore options or paths to manage your concern.

Occupational Therapy Faculty Practice - (323) 442-3340 or otfp@med.usc.edu

chan.usc.edu/otfp

Confidential Lifestyle Redesign services for USC students to support health promoting habits and routines that enhance quality of life and academic performance.

Modules Detail:

Module	Dates	Readings/Sources See Blackboard Due same day	Homework/In-class Activities- See Blackboard/ Wiley
Introduction	Class 1: M 3/7	None	Module 7 introduced (AP7.3)
Module 7: Audit Data Analytics	Class 2: W 3/9	Module 7 Readings: Chapter 7	Cash Confirmations Introduced (15 points-due 3/28) Points -4 (class activity)
Spring Break	3/14 & 3/16	Enjoy!!	
Module 7: Audit Data Analytics Module 8: Risk Response – Tests of Control	Class 3: M 3/21	Module 8 Readings: Chapter 8	Chapter 7 presentation Groups 1-5-includes - Analysis problems AP7.4,5,6,7,9 (in-class) (note: presenters get 15 points, total of 30 points- they present two times) Module 8 introduced (AP8.1) Points -4 (class activity)
Module 8: Risk Response – Tests of Control Module 9: Risk Response- Performing Substantive Procedures	Class 4: W 3/23	Module 8 Readings: Chapter 8	Chapter 8 presentation Groups 6-9-includes Analysis problems AP8.2,3,4,5,8 (in-class) Module 9 introduced (AP9.1) HW7.1 (Wiley) due 3/25 (5 points) Points -4 (class activity)
Module 9: Risk Response- Performing Substantive Procedures Module 10: Risk Response- Evaluating Audit Data	Class 5: M 3/28	Module 9 Readings: Chapter 9	Chapter 9 presentation Groups 10-12-includes Analysis problems AP8.3,5,10 (in-class) HW8.1 (Wiley) due 3/28 (5 points) Module 10 introduced (AP10.1) Cash confirms due 3/28 BB (15 points) Points -4(class activity)
Module 10: Risk Response- Evaluating Audit Data Analytics and Audit Sampling for Substantive Tests	Class 6: W 3/30	Module 10 Readings: Chapter 10 (not appendix)	Chapter 10 presentation Groups 1-4-includes Analysis problems AP7.3,5,7 (in-class) HW9.1 (Wiley) due 3/30 (10 points) Points -4 (class activity)

Module	Dates	Readings/Sources See Blackboard Due same day	Homework/In-class Activities- See Blackboard/ Wiley
Possible Speaker	Class 7 F 4/1	Speaker with activity	11 am Points -5
Review	Class 8: M 4/4	Review for midterm Modules 7,8,9,10 Readings:	HW10.1 (Wiley) due 4/4 (5 points) Points -4 (class activity)
Midterm	Class 9: W 4/6	Modules 7, 8, 9, 10	Bring personal computer loaded with Respondus Points-175
Module 11: Auditing the Revenue Process	Class 10: M 4/11	Module 11 Readings: Chapter 11	Module 11 introduced (AP11.1) Chapter 11 presentation Groups 5-9-includes Analysis problems AP7.2,3,4,5 (in-class) Module 12 introduced (AP11.1) A/R confirmation Activity Points -4(class activity)
Module 12: Auditing Purchasing	Class 11 W 4/13	Module 12 Readings: Chapter 12	Chapter 12 presentation Groups 10-12-includes Analysis problems AP12.2,3,4 (in-class) HW11.1 (Wiley) due 4/13 (5 points) Search for Unrecorded liabilities Activity BB Points -4(class activity)
Possible Friday speaker	Class 12: F 4/15	Speaker with activity	10 am Points -5
Module 13: Legal Liability	Class 13: M 4/18	Module 13 Readings: Chapter 2: pp.26-40	HW12.1 (Wiley) due 4/18 (5 points) Module 13 presented Legal Liability activity Points -4(class activity)
Module 14: Completing the Audit	Class 14: W 4/20	Module 14 Readings: Chapter 14	HW13.1 (Wiley) due 4/20 (5 points) Module 14 presented Client rep letter activity Points -4(class activity)
Module 14: Completing the Audit Catch- up	Class 15: M 4/25	Module 14 Readings: Chapter 14	HW14.1 (Wiley) due 4/25 (5 points) Points -4 (class activity)
Review for Final	Class 16: W 4/27	Modules 11, 12, 13, 14	ACL due 4/27 (points-10)
Final	FINAL 5/9	Monday May 9th 8 am	Take final exam Modules 11, 12, 13, 14

LSOA STUDENT LEARNING OBJECTIVES

OBJ 1	Technical Knowledge Heavy (473)	Students will demonstrate technical proficiency in the accounting discipline, including the use of technical accounting knowledge to help solve problems and make decisions.
OBJ 2	Research, Analysis and Critical Thinking Heavy (473)	Students will demonstrate the ability to research, critically analyze, synthesize, and evaluate information including professional standards for decision making in the local, regional and global business environment.
OBJ 3	Ethical Decision Making Light (473)	Students will demonstrate an understanding of ethics, ethical behavior and ethical decision-making.
OBJ 4	Communication Moderate (473)	Students will demonstrate the ability to communicate ideas both orally and in writing in a clear, organized and persuasive manner.
OBJ 5	Leadership, Collaboration and Professionalism Moderate (473)	Students will demonstrate leadership skills and the ability to work cooperatively and productively to accomplish established goals.
OBJ 6	6. Technology Moderate (473)	Students will demonstrate an understanding of technology issues and utilize relevant technology tools and applications to gather and evaluate information, analyze and solve problems, work interactively with other people, and develop and present conclusions.