

Minnesota State University Moorhead

ACCT 461: Audit II

A. COURSE DESCRIPTION

Credits: 3

Lecture Hours/Week: 3

Lab Hours/Week: 0

OJT Hours/Week: *.*

Prerequisites:

This course requires the following prerequisite

ACCT 460 - Audit I

Corequisites: None

MnTC Goals: None

Coverage includes the concepts of testing balances, auditing by cycles, audit sampling and applications, and compilation and review engagements. There will be additional coverage of generally accepted auditing standards, audit reports, quality control, fraud detection audit objectives and procedures, management assertions, audit planning, analytical review, risk analysis, internal control evaluation, and tests of controls. The course will include an integrated audit case.

B. COURSE EFFECTIVE DATES: 04/14/2003 - Present

C. OUTLINE OF MAJOR CONTENT AREAS

1. Sampling
2. Completion of audit
3. Assurance services
4. Audit planning
5. Revenue cycle
6. Purchasing cycle
7. Human resource management
8. Inventory management
9. Capital assets
10. Long-term debt and stockholders equity
11. Cash transactions

D. LEARNING OUTCOMES (General)

1. Explain how the financial statement assertions relate to audit objectives and formulate audit procedures.
2. Identify and evaluate the effectiveness of internal controls, analytical procedures, substantive tests of transactions, and substantive tests of ending balances for the sales and collection cycle.
3. Identify and evaluate the effectiveness of internal controls, analytical procedures, substantive tests of transactions, and substantive tests of ending balances for the acquisition and payment cycle.
4. Identify and evaluate the effectiveness of internal controls, analytical procedures, substantive tests of transactions, and substantive tests of ending balances for the payroll and personnel cycle.
5. Identify and evaluate the effectiveness of internal controls, analytical procedures, substantive tests of transactions, and substantive tests of ending balances for the inventory cycle.
6. Identify and evaluate the effectiveness of internal controls, analytical procedures, substantive tests of transactions, and substantive tests of ending balances for the capital acquisition and repayment cycle.
7. Prepare a four-way proof of cash.
8. Analyze bank reconciliations to discover theft of cash.
9. Identify procedures for completing the audit.
10. Distinguish operational and compliance audits from independent audits of financial statements.
11. Explain the role of internal auditors.
12. Identify the requirements under the Single Audit Act.
13. Explain differences between statistical and non-statistical sampling and probabilistic and non-probabilistic sample selection.
14. Develop randomly selected sampling plans and select the sample.
15. Evaluate sample results using attribute sampling and PPS.
16. Prepare ratios, horizontal and vertical analysis in order to compare and contrast the client balances to benchmarks.

E. Minnesota Transfer Curriculum Goal Area(s) and Competencies

None

F. LEARNER OUTCOMES ASSESSMENT

As noted on course syllabus

G. SPECIAL INFORMATION

None noted