



BEACON HILL
FINANCIAL EDUCATORS

51A Middle Street Newburyport MA 01950
Phone: 800-588-7039 Fax: 877-902-4284
contact@bhfe.com www.bhfe.com

Course Information

Course Title: *Case Studies in Financial Statement Fraud 293820*

Number of continuing education credit hours recommended for this course:

In accordance with the standards of the National Registry of CPE Sponsors CPE credits have been granted based on a 50-minute hour.

CPA: 1 (All states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy (ethics): 002146

Ohio State Board of Accountancy: M0021

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

Course Description

This course is based on two recent financial statement fraud cases; Dewey & LeBouef and ContinuityX. Dewey & LeBouef was a high-profile law firm that, at its peak, had over 3,000 employees and over 1,400 lawyers. It is alleged that personnel at Dewey & LeBouef made inappropriate financial adjustments starting in 2008 to meet its bank lending covenants and planned to conceal these adjustments from its “clueless auditor”. Dewey & LeBouef declared bankruptcy in 2012.

ContinuityX was an internet services reseller that, according to an SEC complaint, fabricated 99% of its revenue. It was audited by a firm that was fined and disciplined by the SEC and the partner responsible for the audit was also fined and permanently suspended from practicing before the SEC. ContinuityX declared bankruptcy in 2013.

Both cases involve financial statement fraud, auditor deception and some lessons to be learned.

Program Delivery Method: NASBA QAS Self-Study (interactive)

Subject Codes/Field of Study

NASBA (CPA): Auditing

Course Level, Prerequisites, and Advance Preparation Requirements

Program level: Overview

Prerequisites: None

Advance Preparation: None

Course Content

Publication/revision date: 1/30/2020

Authors: Joseph Helstrom, CPA & Patricia McCarthy, MBA

Final exam (online): Five questions (multiple-choice).

Instructions for taking this course

Note: Downloading the PDF of this course will enable Bookmarks for easier navigation (on the left side of the document window, open the bookmarks pane).

You must complete this course within one year of the date of purchase (if you do not complete the course within one year, contact us to determine whether an updated edition of the course is available, in which case we will provide you with a PDF of the updated course and the online exam at no charge).

A passing grade of at least 70% is required on the final exam for this course. You may retake the exam if you do not pass it on the first attempt (no charge).

Complete the course by following the learning objectives listed below, studying the text, and studying the review questions at the end of each major section (or at the end of the course). Once you have completed studying the course and you are confident that the learning objectives have been met, answer the final exam questions (online).

Instructions for Taking the Final Exam Online

- Login to your account online at www.bhfe.com.
- Go to "My Account" and view your course.
- Select "Take Exam" for this course and follow instructions.

Additional Information

- The exam may be started, stopped, then resumed at a later date.
- The exam is "open book," it is not timed, and it may be retaken if not passed on the first attempt (no charge).
- Results (correct, incorrect answers) and certificate appear immediately upon passing the exam.
- CFP® and EA credits are reported weekly.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Objectives

- Recognize the primary elements of financial statement fraud in the Dewy & LeBouef and ContinuityX cases
- Associate the primary elements of financial statement fraud in the cases in this course with audit procedures that may have detected the fraud

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