51A Middle Street, Newburyport, MA 01950
Phone: 800-588-7039
contact@bhfe.com www.bhfe.com

Course Information

Course Title: Revenue Recognition #361623

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: 4 (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(for ethics): 002146
Ohio State Board of Accountancy: M0021
Pennsylvania Board of Accountancy: PX178025
Texas State Board of Accountancy: 009349

Course Description

The recognition of revenue is among the most misunderstood areas of accounting, leading to ongoing arguments between management and auditors about how to account for various sales transactions. Revenue Recognition brings clarity to the topic by focusing on Topic 606, Revenue from Contracts with Customers, which describes the five-step process for recognizing many types of revenue. The discussion includes the establishment of a contract, the determination of performance obligations, and how to set and allocate prices. The course covers many ancillary topics as well, including the treatment of variable consideration, noncash consideration, price discounts, subsequent price changes, consignments, licensing, repurchase agreements, disclosures, and more. In short, when there is an issue about revenue recognition, consult this course.

Course Content

Publication/Revision date:3/7/2023.
Author: Steven M. Bragg, CPA.
Final exam (online): Twenty questions (multiple-choice).

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

Subject Codes/Field of Study

NASBA (CPA): Accounting

Course Level, Prerequisites, and Advance Preparation Requirements
Program level: Overview
Prerequisites: Basic familiarity with accounting practices.
Advance Preparation: None

Instructions for Taking This Course

- **Log in to your secure account at www.bhfe.com. Go to "My Account."**
- **You must complete this course within one year** of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **To retain the course-PDF after completion (for future reference) and to enable enhanced navigation:** From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- **Complete the course by** following the learning objectives listed for the course, studying the text, and, if included, 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 Online Exam

- **Log in to your secure account at www.bhfe.com. Go to "My Account."**
- A passing grade of at least **70%** is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

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

Learning Objectives

- Identify the evaluation criteria for a contract, the components of the transaction price, and when a contract modification triggers treatment as a new contract.
- Recognize the accounting treatment pertaining to customer acceptance clauses, rights to acquire additional goods, donations, asset repurchases, and breakage.
- Recognize the situations under which contract liabilities occur, and when disaggregation is used.
- Specify the methods used to control which third parties are recognized as customers, and to control the use of justification documents for standalone pricing.

About the Author

Steven Bragg, CPA, has been the chief financial officer or controller of four companies, as well as a consulting manager at Ernst & Young. He received a master's degree in finance from Bentley College, an MBA from Babson College, and a Bachelor's degree in Economics from the University of Maine. He has been a two-time president of the Colorado Mountain Club, and is an avid alpine skier, mountain biker, and certified master diver. Mr. Bragg resides in Centennial, Colorado. He has written more than 250 books and courses, including New Controller Guidebook, GAAP Guidebook, and Payroll Management.

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