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Course Information

Course Title: How to Audit Liabilities #369218

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: 002146
Ohio State Board of Accountancy: M0021
Texas State Board of Accountancy: 009349

Course Description

This course clarifies for the auditor every action needed to audit liabilities. It describes the characteristics of liabilities from an auditing perspective, and then goes on to describe the steps required to audit many types of liabilities, including accounts payable, accrued liabilities, and debt. There is a particular emphasis on the search for unrecorded liabilities. Background information concerning the accounting for liabilities is inserted into the text as needed.

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: 2/3/2018.

Author: Steven M. Bragg, CPA.

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

Instructions for taking this course

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.

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

Learning Objectives

- Recognize the key characteristics of liabilities.
 - Note the circumstances in which inherent risk is considered to be more likely.
 - Cite the different activities that can be used to examine accrued liabilities.
 - Describe the different types of analytical procedures that can be applied to liabilities.
 - Recognize the accounting rules related to loss contingencies and the fair value option.
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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 the following books and courses:

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Table of Contents

Chapter 1 - Auditing Liabilities	1
Auditor Objectives	1
Auditing Characteristics of Liabilities.....	2
Auditing Activities	2
Inherent Risk Assessment	2
Material Misstatement Assessment.....	3
Substantive Procedures	3
Obtain Payables and Debt Listing	4
Vouch Payables and Debt.....	4
Test the Valuation of Debt	4
Confirm Payables and Debt.....	5
Confirm Authorizations.....	9
Examine Other Liabilities	9
Conduct Analytical Procedures	10
Search for Unrecorded Liabilities	11
Evaluate Debt Provisions	12
Identify Related Parties	12
Review Presentation.....	12
Internal Controls Used by the Client.....	13
Timing of Auditing Activities	14
Additional Activities for the First Audit.....	14
Review Questions.....	15
Chapter 2 - Accounting for Liabilities	16
Loss Contingencies	16
Amortization of Premiums and Discounts.....	17
Fair Value Option.....	18
Review Questions.....	20
Answers to Chapter Questions	21
Glossary	22
Index	23