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Course Information

Course Title: *Law Firm Accounting*

#378924

Number of continuing education credit hours recommended for this course:

CPA: 3 (All states)

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

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 0004761 (Ethics #0011467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy: 002146

Ohio State Board of Accountancy: CPE .51PSR

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

Course Description

A law firm has a number of unique accounting requirements. It is strongly focused on the proper identification of chargeable hours, correctly structured billings, distributable income calculations, partner accounts, practice group reporting, realization rates, and much more. *Law Firm Accounting* provides the accountant with the information needed to set up a charge code system, account for ongoing business transactions, prepare financial statements, and issue a broad array of reports that are specifically targeted at the needs of a law firm. In short, it addresses every aspect of the accounting for a law firm.

Course Content

Publication/Revision date: 8/13/2024.

Author: Steven M. Bragg, CPA.

Final exam (online): Fifteen 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: None

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 Assignment & Objectives

- Recognize how the modified cash basis varies from accrual basis accounting, and how this impacts the recognition of various transactions.
- Specify the circumstances that can lead to the under-realization or over-realization of hourly rates.
- Specify the types of billing arrangements in which a law firm typically engages.
- Identify the accounting techniques that can be used to reduce the amount of reported income.
- State the types of expenses that are categorized as compensation or operating expenses.
- Describe the derivation of distributable income.
- Specify how the financial statements change when shifting from the modified cash basis to the accrual basis of accounting.
- Identify the contents of the line items commonly found in the statement of cash flows.
- Recognize the uses to which the various management reports and metrics can be put.
- Identify the controls that can minimize instances of fraud within a law firm.
- Specify the controls applicable to the handling of cash within a law firm.

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 300 books and courses, including *New Controller Guidebook*, *GAAP Guidebook*, and *Payroll Management*.

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