

# CPA Exam Companion

## Introduction

The CPA Exam is a challenging but rewarding experience. It is the gateway to a successful career in accounting, and it can open doors to a wide range of opportunities. This book is designed to help you prepare for the CPA Exam and achieve your goals.

It provides a comprehensive overview of the exam, including the structure, content, and eligibility requirements. It also offers practical advice on how to study effectively, manage your time, and overcome test anxiety.

In addition to providing a solid foundation in the four main content areas of the CPA Exam (Financial Accounting and Reporting, Auditing and Attestation, Regulation, and Financial Management), this book also

covers the two additional content areas that are tested on the exam (Information Systems and Control, and Managerial Accounting).

This book is written in a clear and concise style, and it is packed with helpful examples and illustrations. It is also up-to-date with the latest changes to the CPA Exam.

Whether you are just starting to prepare for the CPA Exam or you are looking for a final review, this book is the perfect resource for you. It will help you master the material and pass the exam with confidence.

This book is also an excellent resource for accounting professionals who want to stay up-to-date on the latest developments in the field. It is a valuable tool for anyone who wants to succeed in the accounting profession.

## Book Description

Are you ready to conquer the CPA Exam and take your accounting career to the next level? Look no further! This comprehensive and up-to-date study guide is your ultimate companion on the road to CPA success.

Covering all four main content areas of the CPA Exam (Financial Accounting and Reporting, Auditing and Attestation, Regulation, and Financial Management) as well as the two additional content areas (Information Systems and Control, and Managerial Accounting), this book provides everything you need to know to pass the exam with flying colors.

Written by a team of experienced CPA Exam instructors and authors, this book is packed with clear and concise explanations, helpful examples, and practice questions. It also includes access to an online portal with hundreds of additional practice questions, mock exams, and other resources.

Whether you are just starting to prepare for the CPA Exam or you are looking for a final review, this book is the perfect resource for you. It will help you master the material, build your confidence, and achieve your goal of becoming a CPA.

Don't let the CPA Exam stand in your way of a successful accounting career. Order your copy of this essential study guide today and start your journey to CPA success!

This book is also an excellent resource for accounting professionals who want to stay up-to-date on the latest developments in the field. It is a valuable tool for anyone who wants to succeed in the accounting profession.

# Chapter 1: CPA Exam Overview

## Importance of the CPA Exam

The CPA Exam is a challenging but rewarding experience. It is the gateway to a successful career in accounting, and it can open doors to a wide range of opportunities.

### **Increased Job Opportunities**

One of the most significant benefits of becoming a CPA is the increased job opportunities that it can provide. CPAs are in high demand, and they can work in a variety of settings, including public accounting firms, private companies, and government agencies. CPAs can also work in a variety of industries, including healthcare, manufacturing, and financial services.

### **Higher Earning Potential**

CPAs also earn higher salaries than non-CPAs. According to the AICPA, the median annual salary for

CPAs was \$73,300 in 2021. This is significantly higher than the median annual salary for all workers, which was \$58,260 in 2021.

### **Increased Credibility and Respect**

CPAs are also more credible and respected than non-CPAs. This is because the CPA Exam is a rigorous test that demonstrates that CPAs have the knowledge and skills necessary to perform their jobs competently. As a result, CPAs are often given more responsibility and authority than non-CPAs.

### **Career Advancement Opportunities**

CPAs also have more opportunities for career advancement than non-CPAs. This is because CPAs are often seen as leaders and experts in the accounting profession. As a result, CPAs are often promoted to higher-level positions more quickly than non-CPAs.

### **Personal Satisfaction**

Finally, becoming a CPA can also provide a sense of personal satisfaction. This is because CPAs play an important role in the economy and society. They help businesses to operate more efficiently and effectively, and they help individuals to make informed financial decisions.

For all of these reasons, the CPA Exam is an important milestone for anyone who wants to pursue a career in accounting.

# Chapter 1: CPA Exam Overview

## Exam Structure and Content

The CPA Exam is a comprehensive exam that covers a wide range of accounting and auditing topics. It is divided into four sections:

- **Financial Accounting and Reporting**
- **Audit and Attestation**
- **Regulation**
- **Financial Management**

Each section of the exam is divided into multiple parts. The Financial Accounting and Reporting section, for example, is divided into three parts:

- **Financial Statement Preparation**
- **Financial Statement Analysis**
- **Financial Reporting Framework**

The Audit and Attestation section is divided into two parts:



- **Auditing**
- **Attestation Services**

The Regulation section is divided into three parts:

- **Federal Taxation**
- **Business Law**
- **Governmental and Not-for-Profit Accounting**

The Financial Management section is divided into two parts:

- **Cost Accounting**
- **Managerial Accounting**

Each part of the exam covers a specific set of topics. The Financial Statement Preparation part of the Financial Accounting and Reporting section, for example, covers topics such as the preparation of financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The Auditing part of the Audit and Attestation section covers topics

such as the planning and execution of audits, and the preparation of audit reports.

The CPA Exam is a challenging exam, but it is also a rewarding one. Passing the exam can open doors to a wide range of career opportunities in accounting and auditing.

# Chapter 1: CPA Exam Overview

## Eligibility Requirements

The CPA Exam is open to candidates who meet certain eligibility requirements. These requirements vary from state to state, but there are some general requirements that apply to all candidates.

**1. Education:** Candidates must have a bachelor's degree from an accredited college or university. The degree must include a minimum number of accounting courses. The specific number of courses required varies from state to state, but it is typically around 24 semester hours.

**2. Experience:** Candidates must also have a certain amount of experience working in the accounting field. The amount of experience required varies from state to state, but it is typically around two years. The experience must be in a responsible position that requires the candidate to use their accounting skills.

**3. Examination:** Candidates must pass the CPA Exam. The exam is administered by the AICPA and is offered twice a year. The exam consists of four sections: Auditing and Attestation, Financial Accounting and Reporting, Regulation, and Business Environment and Concepts.

**4. Ethics:** Candidates must also meet certain ethical requirements. They must be of good moral character and must not have been convicted of any felonies or misdemeanors related to dishonesty or fraud.

**5. Residency:** Candidates must be residents of the state in which they are applying to take the CPA Exam. Some states also require candidates to be citizens of the United States.

These are the general eligibility requirements for the CPA Exam. Candidates should check with the board of accountancy in their state to find out the specific requirements for their state.

In addition to the general requirements, some states also have additional requirements for candidates who are applying to take the CPA Exam. For example, some states require candidates to have a master's degree in accounting or to have a certain number of years of experience in a public accounting firm.

Candidates who are not sure if they meet the eligibility requirements for the CPA Exam should contact the board of accountancy in their state. The board of accountancy will be able to provide candidates with more information about the eligibility requirements and the application process.

**This extract presents the opening three sections of the first chapter.**

**Discover the complete 10 chapters and 50 sections by purchasing the book, now available in various formats.**

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