

Accounting:

FASB Updates for 2022

Course Description

The purpose of this course is to inform the reader of the various changes affecting accounting and financial reporting, as well as a review and recall of existing accounting standards. Topics include a summary of newly issued FASB statements, current and pending developments, the new lease standard, practice issues, a discussion of accounting and financial reporting issues related to COVID-19, the CARES Act and PPP loans, accounting and disclosures for the Employee Retention Credit (ERC) and Pass-Through Entity (PTE) tax, and more.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase.

Course Level: Overview. This program is appropriate for professionals at all organizational levels.

CPE Credits: 16 (CPA)

Category: Accounting

Prerequisite: Basic understanding of US GAAP.

Advanced Preparation: None

Course Learning Objectives

Chapter 1: Implementing the New Lease Standard- 2022

1. Recognize a key change made to GAAP by the new lease standard
2. Identify a type of lease that exists for a lessee under ASU 2016-02
3. Recall a type of lease for which the ASU 2016-02 rules do not apply
4. Recognize some of the criteria that determine whether a contract is or is not a lease
5. Identify how a lessee should account for initial direct costs
6. Recall how a lessor should initially account for initial direct costs for a lease in certain instances
7. Identify how a lessor should account for lease payments received on the income statement for an operating lease
8. Recognize how certain existing leases are accounted for on the implementation date of ASU 2016-02
9. Recall the potential impact that the new lease standard might have on a lessee's EBITDA and debt-equity ratios.

Chapter 2: Accounting and Financial Reporting for COVID-19, the CARES Act and PPP Loans

1. Recognize some types of concentrations that might require disclosure under the risk and uncertainty rules
2. Identify the definition of near term
3. Recall the frequency in which an entity should test goodwill for impairment
4. Recognize some exit and disposal costs
5. Recall how to classify business interruption insurance proceeds on the financial statements
6. Identify the benchmark used to determine going concern
7. Recognize how to report on going concern
8. Identify a method that can be used to measure variable consideration revenue
9. Recognize an example of a construction-type contract
10. Identify an advantage of remote auditing
11. Recall how to present debt issuance costs in the financial statements
12. Recognize how to account for PPP loan forgiveness
13. Identify how to treat the forgiveness of a PPP loan for tax purposes, and
14. Identify an example of a circumstance in which an emphasis-of-matter paragraph might be necessary.

Chapter 3: Accounting and Disclosures for the Employee Retention Credit (ERC) and the Pass-Through Entity (PTE) Tax

1. Recognize the type of expense that is the basis for measuring the amount of the ERC.
2. Identify where to present the ERC in the statement of income using the ASC 958 conditional contribution model.
3. Recognize where to present the ERC in the statement of income using the IAS 20 grant model.
4. Identify an action step to be taken to correct the previous presentation and disclosure of an ERC in the prior year statement of income.
5. Recognize the proper presentation of the ERC in a tax-basis statement of income.
6. Recognize a technique that has been attempted to circumvent the SALT deduction limitation.
7. Identify how to account for the PTE tax in an entity's financial statements.
8. Recognize the requirements for recording deferred state income taxes with respect to the PTE tax election.
9. Identify disclosures that should be made for the PTE tax.

Chapter 4: ASU 2016-13 Financial Instruments Credit Losses

1. Recognize the model that ASU 2016-13 uses to deal with credit losses
2. Identify how credit losses should be recorded under new ASU 2016-13
3. Identify some of the disclosures required by ASU 2016-13

Chapter 5: Current Developments: Accounting and Financial Reporting

1. Identify the elements that are the target of the FASB's disaggregation project
2. Recognize one of the characteristics of a multi-employer pension plan
3. Recognize the impact that life expectancy has on the amount of a pension liability
4. Identify the basic rule of the LIFO Conformity Requirement
5. Recognize how the IPIC external index for LIFO is used for GAAP
6. Recall the type of investment that is eliminated by ASU 2016-01
7. Identify when a sustainability disclosure is required by an SEC company
8. Recognize an example of a contract that is exempt from the scope of the revenue standard
9. Identify one of the two approaches that is used to recognize revenue using the new revenue standard
10. Recall a change to the accounting for goodwill that is proposed by the FASB
11. Recognize how to present deferred income taxes on the balance sheet under ASU 2015-17
12. Recognize the basis that most marijuana businesses have to use
13. Recognize when a state might be able to charge sales tax under the Wayfair decision

Chapter 6: Selected Accounting Standards Updates (ASUs)

1. Identify the private company election to perform a triggering event evaluation
2. Recognize the types of arrangements that qualify for the private company accounting alternative election related to goodwill amortization and acquisitions
3. Recognize the accounting alternative for leases under common control in ASU 2018-17.