

# Accounting: *FASB Updates for 2020*

## Course Description

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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, practice issues, and more.

**Completion Deadline & Exam:** This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

**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

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### Chapter 1: Accounting and Financial Reporting for COVID-19 and the CARES Act

1. Identify types of subsequent events that require disclosure
2. Recognize some types of concentrations that might require disclosure under the risk and uncertainty rules
3. Identify the definition of near term
4. Recall the frequency in which an entity should test goodwill for impairment
5. Recognize the formula for testing goodwill impairment
6. Recall how to classify business interruption insurance proceeds on the financial statements
7. Identify a method that can be used to measure variable consideration revenue
8. Recognize an example of a construction-type contract
9. Identify a tax-law change made by the CARES Act, and

10. Recognize how a company should present CARES Act loan forgiveness on its financial statements.

## **Chapter 2: Current Developments- Accounting and Financial Reporting- 2020**

1. Identify a characteristic of a multi-employer plan
2. Recall the color coding of funded status of a multi-employer plan
3. Recognize an argument for not amortizing goodwill
4. Identify an example of a customer-related asset

## **Chapter 3: Implementing the New Revenue Standard ASC 606: 2020 Guidance for Private Companies**

1. Recognize the types of agreements that qualify as contracts under the revenue standard
2. Recall a condition that must be met to identify a separate performance obligation
3. Identify at least one method authorized to estimate variable consideration in a contract
4. Recognize information that can be used to allocate the transaction price to performance obligations
5. Identify at least one method that are used to record revenue in Step 5 of the revenue standard
6. Recognize when a good is considered transferred to a customer under ASC 606
7. Recognize how to account for the transfer of a product with a right to return
8. Recall the general rule that determines whether an entity should record revenue gross or net
9. Identify some of the general rules to account for license revenue
10. Recall how certain contract costs are accounted for under the revenue standard, and
11. Recognize certain disclosures required by the revenue standard for nonpublic entities.

## **Chapter 4: New Lease Standard- 2019: ASU 2016-02, Leases (Topic 842) and Other Amendments**

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 5: Financial Instruments 2020: Implementing ASU 2016-01**

1. Identify the category of securities for which ASU 2016-01 retains the three categories under existing GAAP
2. Recall one of the changes made by ASU 2016-01 to existing GAAP for financial instruments.
3. Recall how available-for-sale debt securities are measured on an entity's balance sheet
4. Identify how held to maturity securities are measured on the balance sheet
5. Recognize how an entity should account for a temporary impairment
6. Recall how an entity should present an unrealized gain or loss on an equity security under ASU 2016-01
7. Identify how a mutual fund that invests in debt and equity securities should classify the investment
8. Recall a change made to the exemption for fair value disclosures with respect to trade receivables and payables

## **Chapter 6: 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