

# **FASB SSARS and SAS:** ***An Update and Review for 2021***

## **Course Description**

---

The purpose of this course is to inform the reader of the various changes affecting accounting, compilation and review, and auditing engagements as well as a review and recall of existing standards. Topics include a summary of newly issued FASB statements, new statements issued by the Auditing Standards Board, changes in compilation and review, 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.

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

**CPE Credits:** 24 (CPA) (16 hours accounting, 8 hours auditing)

**Category:** Accounting and Auditing

**Prerequisite:** Basic understanding of U.S. GAAP, compilation and review, and auditing standards

**Advanced Preparation:** None

## **Course Learning Objectives**

---

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

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 2: Implementing the New Lease Standard- 2021. 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 3: Financial Instruments – Credit Losses ASU 2016-13 -2021**

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 4: Current Developments - Accounting and Financial Reporting - 2021**

1. Recognize one of the characteristics of a multi-employer pension plan
2. Recognize the impact that life expectancy has on the amount of a pension liability
3. Recognize when a state might be able to charge sales tax under the Wayfair decision
4. Recognize the types of arrangements that qualify the private company accounting alternative election related to goodwill amortization and acquisitions

5. Recognize the accounting alternative for leases under common control in ASU 2018-17.

## **Chapter 5: Implementing the New Revenue Standard ASC 606 - 2021 Guidance for Private Companies**

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. Recognize how an entity should account for a temporary impairment
5. Recall how an entity should present an unrealized gain or loss on an equity security under ASU 2016-01
6. Identify how a mutual fund that invests in debt and equity securities should classify the investment, and
7. Recall a change made to the exemption for fair value disclosures with respect to trade receivables and payables.

## **Chapter 6: Financial Instruments 2021: 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. Recognize how an entity should account for a temporary impairment
5. Recall how an entity should present an unrealized gain or loss on an equity security under ASU 2016-01
6. Identify how a mutual fund that invests in debt and equity securities should classify the investment
7. Recall a change made to the exemption for fair value disclosures with respect to trade receivables and payables

## **Chapter 7: SSARS No. 25 - Materiality in a Review of Financial Statements and Adverse Conclusion**

1. Recognize a precondition for an accountant to accept a SSARS engagement
2. Recall whether the preparation of financial statements standard is an attest or nonattest service
3. Identify whether a report is required in a preparation of financial statements engagement
4. Recognize what the reporting requirements are, if any, when a "no assurance" legend is omitted from prepared financial statements under the AR-C 70 standards
5. Identify where to disclose GAAP departures in a preparation of financial statements engagement
6. Identify factors that should consider in determining materiality in a review engagement

7. Recognize a change that SSARS No. 25 makes to the accountant's review report
8. Identify the term that GAAP uses for management's assessment of an entity's going concern
9. Recall some of the items that should be documented in a review engagement

## **Chapter 8: New Auditing and Attestation Standards: SAS Nos. 134-143 and SSAE Nos. 19-22**

1. Recall the location of certain sections in the auditor's report
2. Recognize the categorization of an adverse opinion
3. Identify a change that SAS No. 136 makes to the limited-scope ERISA audit
4. Recognize one of the changes made by AU-C 703 to ERISA audits
5. Recall the reporting requirement when an auditor obtains other information in an audit
6. Identify a reference that is made in the new definition of materiality
7. Recognize the definition of certain types of paragraphs made by SAS No. 139
8. Recognize an example of an attribute of information obtained as audit evidence per SAS No. 142
9. Identify an attribute of audit evidence referenced in SAS No. 142
10. Identify how inherent and control risk should be assessed under the SAS No. 143 requirements
11. Recall the three approaches that an auditor can use to perform further audit procedures required by SAS No. 143
12. Identify a change made by SSAE No. 19
13. Recognize one of the four types of engagements within SSAE No. 21's new definition of attestation engagement
14. Identify an example of subject matter that is within the scope of SSAE No. 22's review.