



51A Middle Street Newburyport, MA 01950
Phone: 800-588-7039 Fax: 877-902-4284
contact@bhfe.com www.bhfe.com

Course Information

Course Title: **FASB Review 2022 #312122**

Recommended CPE credit hours for this course

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

CPA 16

National Registry of CPE Sponsors ID Number: 107615.
Sponsor numbers for states requiring sponsor registration:
Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)
Hawaii Board of Public Accountancy: 14003
New York State Board of Accountancy (for ethics): 002146
Ohio State Board of Accountancy: M0021
Pennsylvania Board of Accountancy: PX178025
Texas State Board of Accountancy: 009349

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.

Course Content

Publication revision date: 4/20/2022
Course book: *FASB Review*, by Steven C. Fustolo, CPA, MBA.
Final exam (online): Eighty questions (multiple-choice).

Program Delivery Method: Self-Study (NASBA QAS Self-Study/interactive)

Subject Codes/Field of Study

NASBA (CPA): Accounting

Course Level, Prerequisites, and Advance Preparation Requirements

Program Level: Overview.

This program is appropriate for professionals at all organizational levels.

Prerequisites: Basic understanding of U.S. GAAP

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 Objectives

As a result of studying each assignment, you should be able to meet the objectives listed below for each individual assignment.

After reading the Chapter 1 course material, you will be able to:

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

After reading the Chapter 2 course material, you will be able to:

- Recognize some types of concentrations that might require disclosure under the risk and uncertainty rules including supply-chain shortages
- Identify the definition of near term
- Recall the frequency in which an entity should test goodwill for impairment
- Recognize some exit and disposal costs
- Recall how to classify business interruption insurance proceeds on the financial statements

- Identify the benchmark used to determine going concern
- Identify a method that can be used to measure variable consideration revenue
- Recognize an example of a construction-type contract
- Identify an advantage of a remote accounting function
- Recall how to adjust a deferred tax account when there is a change in tax law
- Recognize a change made by the CARES Act to the deductibility of interest
- Recognize how to account for PPP loan forgiveness
- Identify how to treat the forgiveness of a PPP loan for tax purposes, and

After reading the Chapter 3 course material, you will be able to:

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

After reading the Chapter 4 course material, you will be able to:

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

After reading the Chapter 5 course material, you will be able to:

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

After reading the Chapter 6 course material, you will be able to:

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

2022 FASB REVIEW

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ABOUT THE AUTHOR

STEVEN C. FUSTOLO, CPA

Mr. Fustolo is a partner with the Boston CPA firm of James J. Fox & Company. He is a frequent lecturer and author of numerous tax and accounting issues affecting closely held businesses. An AICPA author, Mr. Fustolo's articles have been featured in *The Practical Accountant* and other publications. He is the author of numerous books and publications including: *Practice Issues: Compilation and Review*, *Accounting and Auditing Reference Guide*, *Everything You Never Wanted to Know About GAAP*, *Enron: Fraud, Deception and the Aftermath*, *FASB Review for Industry*, *Current Developments: Accounting and Financial Reporting*, *Making Money with Special Engagements*, *Understanding the Variable Interest Entity Rules*, *FASB, SSARS and SAS Update and Review*, *Tax Basis Accrual Financial Statements*, *Accounting for the New Lease Standard*, and numerous other books and manuals that have been published by Practitioners Publishing Company (PPC) and Commerce Clearing House (CCH.) Mr. Fustolo's recent best-selling courses entitled *The Impact of the Tax Cuts and Jobs Act on GAAP and Financial Reporting*, *Implementing the New Revenue Standard (ASC 606)- Guidance for Private Companies*, and *Accounting and Financial Reporting for COVID-19 and the CARES Act*, have received accolades from the financial media. Mr. Fustolo is the recipient of several Outstanding Discussion Leader awards from many professional organizations including the New York and Florida Societies of CPAs. Mr. Fustolo's course entitled *FASB, SSARS and SAS Update and Review* continues to be regarded as one of the top live CPE programs in the country today with ratings that average 4.91 on a scale of 5.0. He speaks regularly for professional groups including being a guest lecturer at the AICPA Advanced Accounting and Auditing Technical Symposium. Mr. Fustolo is the recipient of the Elijah Watts Sells Award (AICPA) and Silver Medal (Massachusetts) for scores received on the CPA Examination.