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Course Information

Course Title: **FASB Review 2024**

#312124

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: 0004761 (Ethics #0011467)

Hawaii Board of Public Accountancy: 14003

New York State Board of Accountancy (for ethics): 002146

Ohio State Board of Accountancy: CPE .51 PSR

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

Course Description

The objective 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, the new standard on the allowance for credit losses, post-implementation issues involving the new lease standard, discussion of accounting and financial reporting issues in the post-COVID-19 economy including impact of high inflation and interest rates, accounting and disclosures for 2024 issues related to the Employee Retention Credit (ERC) and Pass-Through Entity (PTE) tax, newly issued accounting standards updates (ASUs), and more.

Course Content

Publication revision date: 4/24/2024

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.

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.

Learning Objectives

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

- Recognize examples of assets that are and are not subject to the ASC 326-20 expected credit loss model
- Recognize the model that ASU 2016-13 uses to deal with credit losses
- Recall how an entity should present the allowance for credit losses on the balance sheet
- Identify how credit losses should be recorded under new ASU 2016-13
- Recognize some of the disclosures required by ASU 2016-13
- Identify examples of entities that are under common control
- Identify how a decline in fair value of a held-to-maturity debt security should be handled under GAAP
- Recognize the new impairment model for available-for-sale debt securities under ASC 326-30
- Identify how an entity should implement the ASU 2016-13 rules

After reading the Chapter 2 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.
- Recognize the proper presentation of the ERC in a tax-basis statement of income.
- Identify how to account for an ERC filing in 2023.
- 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 3 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
- Identify some of the types of benefits a lessee can obtain from a leased asset
- Identify a threshold for a lease term to be considered a major part of an asset's remaining economic life
- Recognize who an entity might not want to use the risk-free rate to compute the present value of lease payments
- Identify how a lessee should account for initial direct costs
- Recognize items that are and are not components of a lease term
- Recall the method a lessee should use to record interest expense on a lease obligation
- Identify some types of leases for a lessor
- 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
- Recall how a lessor should classify certain cash receipts on the statement of cash flows
- Recognize how certain existing leases are accounted for on the implementation date of ASU 2016-02
- Identify how deferred income taxes will be treated for lessees under ASU 2016-02
- Recall the potential impact that the new lease standard might have on a lessee's EBITDA and debt-equity ratios, and
- Recall the IRS rules as when an entity should and should not capitalize a lease for tax purposes.

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

- Review how to account for a joint venture
- Identify how to measure a crypto asset and record it on the balance sheet and income statement
- Recall some of the new disclosures for income taxes required by ASU 2023-09

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

- Recognize some types of concentrations that might require disclosure under the risk and uncertainty rules
- Identify the definition of near term
- Recall the frequency in which an entity should test goodwill for impairment
- Recall how to classify business interruption insurance proceeds on the financial statements
- Recognize the relationship a change in interest rates has on real estate values
- Identify the benchmark used to determine going concern
- Recognize how to report on going concern in an engagement
- Identify a method that can be used to measure variable consideration revenue
- Recognize an example of a construction-type contract
- Identify an advantage of remote auditing
- Recognize a reason to justify using LIFO for GAAP. and
- Identify whether the LIFO IPIC approach is acceptable for GAAP.

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

- Identify the goal of the FASB's Disaggregation-Income Statement Expenses 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 shift in the types of retirement plans over the past decade
- Recall an example of a financial instrument subject to the concentration of credit risk disclosure
- Identify the requirements of the SEC's ESC disclosures
- Recall the general GAAP rule for management's evaluation of going concern
- Recognize the VIE accounting alternative for leases under common control in ASU 2018-17
- Recognize when a state might be able to charge sales tax under the Wayfair decision
- Review the accounting for a net operating loss, and
- Recall the rule for deductibility of interest in IRC 163(j).
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2024 FASB REVIEW

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