

Learning Objectives

The objective of this course is to review the impact that COVID-19 has on accounting and financial reporting, and the changes made by the 2020 CARES Act, including accounting for Paycheck Protection Program (PPP) loans and forgiveness.

Topics include: Disclosures of risks and uncertainties; going-concern reporting and disclosure issues; impairment issues related to goodwill and other long-lived assets; accounting for variable consideration revenue and onerous contracts; dealing with inventory costs and stock market investment losses; collectability of trade receivables; exit and termination benefit obligations; contingencies, and accounting and auditing engagement matters. With respect to the CARES Act, the course discusses the accounting for PPP loans and forgiveness, accounting for tax changes made by the CARES Act, and more.

After reading the course 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
- 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
- Recognize how to report on 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 remote auditing
- Recall how to present debt issuance costs in the financial statements
- Recognize how to account for PPP loan forgiveness
- Identify how to treat the forgiveness of a PPP loan for tax purposes, and
- Identify an example of a circumstance in which an emphasis-of-matter paragraph might be necessary.