

# 2021 FASB Review for Industry

## 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 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 the method for valuing certain types of inventory
- Recognize how business interruption insurance recoveries may be presented on the statement of income
- Identify certain GAAP going-concern terminology
- Identify certain tax law changes made by the CARES Act, and
- Recognize how a company should present and account for CARES Act PPP loans and related forgiveness on its financial statements.

After reading the Chapter 2 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 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, and
- Recall the potential impact that the new lease standard might have on a lessee's EBITDA and debt-equity ratios.

After reading the Chapter 3 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, and
- Identify some of the disclosures required by ASU 2016-13.

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

- Identify a characteristic of a multi-employer plan
- Recall the color coding of funded status of a multi-employer plan

- Recognize the impact of changes in life expectancy on pension benefit obligations.
- Recognize an argument for not amortizing goodwill
- Identify an impact of the Wayfair decision on company sales taxes, and
- Identify an example of a customer-related asset.

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

- Recognize the types of agreements that qualify as contracts under the revenue standard
- Recall a condition that must be met to identify a separate performance obligation
- Identify at least one method that is used to record revenue in Step 5 of the revenue standard
- Recognize when a good is considered transferred to a customer under ASC 606
- Recognize how to account for the transfer of a product with a right to return
- Recall the general rule that determines whether an entity should record revenue gross or net
- Recall how certain contract costs are accounted for under the revenue standard, and
- Recognize certain disclosures required by the revenue standard for nonpublic entities.

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

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