

# Accounting & Audit Update

*Jeff Wheeler*

*Joe Jalbert*

*Drew Nagus*

*Maria Alemian*

*Jess Bouchard*

**BAKER  
NEWMAN  
NOYES**

# Panel Discussion

- Accounting for & general update on PPP loans
- Other potential accounting & auditing issues due to the pandemic:
  - Debt restructuring
  - Asset impairment
  - Lease abatement
  - Discontinued operations
  - Going concern evaluation & conclusions
- Current & future ASU's up for implementation & adoption
- Questions & answers

# ASU Effective dates

- 2020-05: Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities → Effective dates extended one year to 1/1/2020 for 606 and to 1/1/2022 for 842 if you have not yet adopted
- 2020-04: Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting → Effective through December 31, 2022
- 2017-12 Hedging: Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities → Effective date extended to 1/1/2021
- 2018-13: Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement → Effective 1/1/2020
- 2019-06: Intangibles—Goodwill and Other (Topic 350), Business Combinations (Topic 805), and Not-for-Profit Entities (Topic 958): Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities → Effective upon election to adopt
- 2019-12: Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes → Effective 1/1/2022
- 2017-04: Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment → Effective 1/1/2022

# ASU Effective dates

- 2018-17: Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities → Effective 1/1/2021
- 2018-15: Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract → Effective 1/1/2021
- 2020-06: Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging— Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity → Effective on 1/1/2024
- 2020-01: Investments—Equity Securities (Topic 321), Investments—Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815)—Clarifying the Interactions between Topic 321, Topic 323, and Topic 815 → Effective 1/1/2022
- 2018-14: Compensation—Retirement Benefits—Defined Benefit Plans—General (Subtopic 715-20): Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans → Effective 1/1/2022

# Thank you for joining us!

*Up next: Governance and IT Roadmap in a Changing Environment:  
Adjusting to a Dynamic Workplace*