



### **Course Objectives**

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

- Identify types of subsequent events that require disclosure
- 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 the formula for testing goodwill impairment
- Recall how to classify business interruption insurance proceeds on the financial statements
- Identify a method that can be used to measure variable consideration revenue
- Recognize an example of a construction-type contract
- Identify a tax-law change made by the CARES Act, and
- Recognize how a company should present CARES Act loan forgiveness on its financial statements.

### **Course Outline**

**I. Accounting and Financial Reporting Issues Related to COVID-19 and the CARES Act**

**II. Subsequent Events: ASC 855, *Subsequent Events***

**III. Disclosure of Risks and Uncertainties**

**IV. Goodwill Impairment**

**V. Writedowns and Disclosures of Stock Market Investments**

- A. Disclosure of Stock Losses
- B. Impairment Losses- Investments in Equities Securities
- C. Impairment Test- Equity Securities Without a Readily Determinable Fair Value

**VI. Inventory Costs and Valuation Issues**

- A. Overview
- B. GAAP Review of Inventories

**VII. Business Interruption Insurance Recovery and Presentation**

**VIII. Revenue and Contracts**

- A. Variable Consideration Revenue
- B. Losses on Onerous Contracts

**IX. Loan Modifications and Covenants**

**X. Income Tax Issues- CARES Act**

- A. Tax Rate for Deferred Income Taxes under the 2020 CARES Act
- B. Deferred Income Tax Assets from NOLs- the 2020 CARES Act
- C. New 50% Limitation on Interest Deduction- the 2020 CARES Act

**XI. Accounting for CARES Act Loans- Paycheck Protection Program**