

## Learning Objectives

- 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.
- 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 audit 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.
- Identify whether the LIFO IPIC approach is acceptable for GAAP.
- Recall the net operating loss rules.

I. Introduction

II. Accounting and Auditing Issues Related to the Post-COVID Economy

III. Disclosure of Risks and Uncertainties - Supply-Chain Concentrations

IV. Asset Impairments - Long-Lived Assets - 2022 and 2023 Issues

A. Long-Lived Tangible Assets - Real Estate and Equipment Impairment

B. Goodwill Impairment Issues

C. Ordering of Impairment Tests

V. Writedowns and Disclosures of Stock Market and Bond Investments

A. Debt Securities - Unrealized Losses in 2022 or 2023

B. Equity Securities - Unrealized Losses in 2022 and 2023

C. Disclosure of Stock Losses After Year End

VI. Inventory Costs and Valuation Issues

A. GAAP's Lower of Cost and Net Realizable Value for FIFO and Average Cost Inventories

B. Impact of Capacity on GAAP Inventory Valuations

VII. Trade Receivables and the Allowance for Doubtful Accounts

VIII. Exit and Termination Costs

IX. Post-Covid Contingencies and Exposure to Third-Party and Employee Claims

X. Business Interruption Insurance Recovery and Presentation - Post COVID Damage

XI. Going Concern in the 2022-2023 Inflationary Economy

A. GAAP Requirements - Going Concern

B. Auditing and Review Engagement Requirements - Going Concern

XII. Joint and Several Risk - Multi-Employer Plan Obligations

XIII. Revenue and Contracts

A. Variable Consideration Revenue

B. Losses on Onerous Contracts - Impact of Inflation on Unrealized Losses

XIV. Loan Modifications and Covenants in Light of Higher Interest Rates

XV. Remote Engagements

A. Remote Audits in 2022 and 2023

B. Accounts Receivable Confirmations

C. Physical Inventory Observations

D. Employee Fraud and the Current Internal Control Environment

XVI. LIFO in a New High-Inflation Environment

XVII. GAAP Income Tax Issues - 2022 and 2023

A. NOL Carryforwards and Deferred Tax Assets

B. Higher Interest Rates and the Limitation on Interest Deduction - 2022 and 2023