

# FORVIS

## **Quarterly Perspectives: Financial Reporting & Beyond / Q3 2022**

October 20, 2022

# Meet the Presenters from the FORVIS A&A Professional Standards Group



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Regional Accounting and Auditing  
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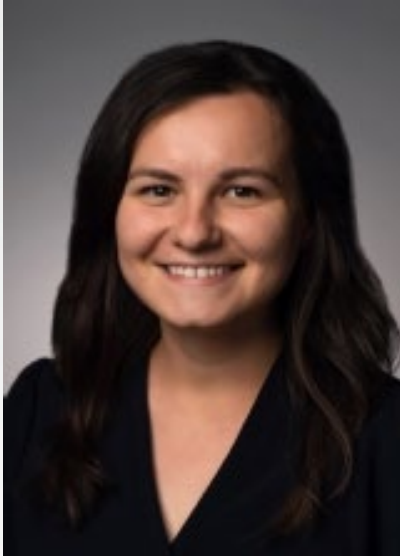


**Georgia Salinas**

Partner

National Financial Reporting

# Special Guest



**Yelena Sheremeta**

Senior Manager

National Tax Professional  
Standards Group

# Looking Back

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# What Has Caught Our Eye

- SEC rulemaking
  - Pay versus performance disclosures
  - ESG activities
- SEC's Investor Advisory Committee recommendation on Accounting Modernization

# Here and Now

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# A View “From the Hill”

- Insights into the Inflation Reduction Act of 2022
  - Large companies
  - Small companies
  - Individuals
- What is coming next after the election

# A Fast-Moving Lease Proposal

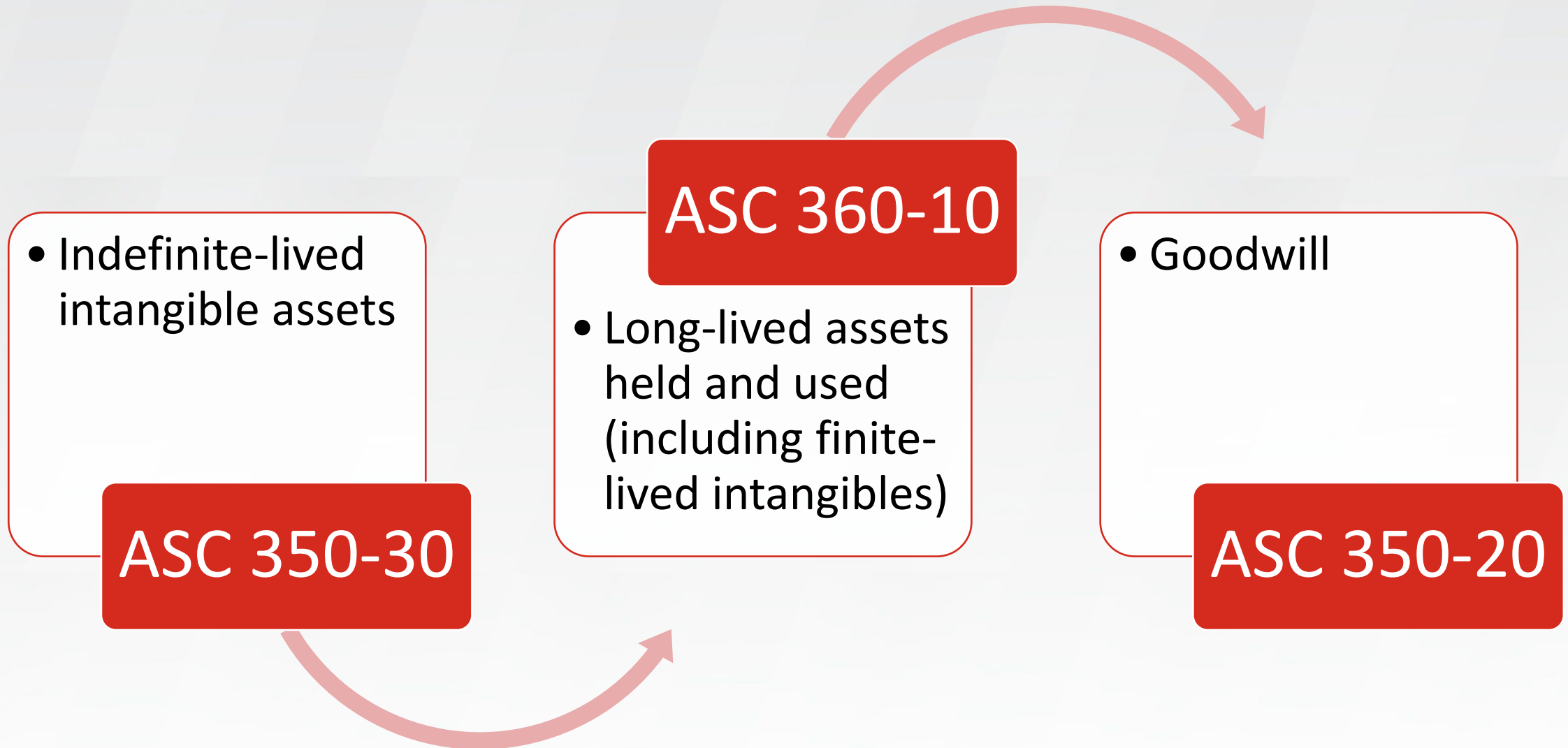
- Leases: Arrangements between entities under common control
  - Project added during September 21 FASB meeting
- Practical expedient to use written terms to determine whether a lease exists
  - Clarifies Board's intent
  - Elected on an arrangement-by-arrangement basis
  - Applies to entities that are not a) PBEs, b) NFP bond obligors, and c) EBPs that file with the SEC
- Accounting for leasehold improvements (“LHI”)
  - Amortize LHI over economic life as long as in use by lessee
  - If lessee ceases use, account for remaining LHI as a transfer between entities under common control
  - Applies to all entities ... even public companies!



# Planning for Year End

- Recent climatic events
  - Accounting for losses
  - Accounting for potential recoveries
- Impairment considerations
  - Order of impairment model application
  - Consideration of ASU 2017-04
- Things auditors may be asking for in this environment
  - Support around standard costing given current inflation
  - Identification of acquired assets and related valuation for business combinations
  - Modification of contracts (e.g., revenue contracts, leases)

# Impairment Models



# Conversations You Should Be Having

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# New and Old Accounting Standards

- ASC 842 adoption when there are just a few leases
- CECL adoption for non-financial institutions
- Impairment of investments

# Selected FORsights

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WEBINAR

- [Learn the latest updates From the Hill](#)
- [Register for Quarterly Perspectives: Financial Reporting and Beyond Q4 2022](#)
- [Watch our webinar recording on Leases](#)
- [Read about the SEC's New Pay Versus Performance Disclosures](#)
- [Explore 3Q updates from the FASB](#)
- [Learn 3Q updates from the SEC](#)

WEBINAR

# Thank you!

Please join us again on Thursday, January 12, 2023,  
at 11AM (EST)

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