

EY Diploma in Application of US GAAP

8-day comprehensive programme
to prepare you for applying
accounting rules and procedures
that comprise US GAAP

New programme starts:
18-19 November 2020

ONLINE LIVE

Course Co-ordinator
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The EY logo, consisting of the letters 'E' and 'Y' in a bold, white, sans-serif font. A yellow triangle points to the right from the top of the 'Y'.

Building a better
working world

Objectives

- ▶ To apply in a practical context, advanced accounting principles and techniques.
- ▶ To evaluate and apply the requirements of US GAAP.
- ▶ To analyse, interpret and report on financial statements and related information to different user groups.
- ▶ To increase competency to deal with the challenges of implementing US GAAP.



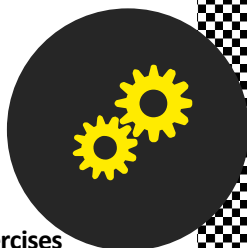
Who is it for?

- ▶ The course is designed for individuals working in financial functions in industry and commerce (finance directors, controllers, chief accountants and bookkeepers). The course presumes knowledge of basic accounting procedures and double entry bookkeeping. No prior knowledge of accounting standards is required. The course is conducted in English.



Course structure

- ▶ This is a modularised course programme, which will comprise a mixture of lectures, questions and answer sessions, practical exercises and illustrations, home study, home tests, and finally an exam for your diploma. Delegates will receive full course notes in English and Polish, examples, progress tests and a final examination.
- ▶ There is a total of eight days face-to-face tuition divided into eight modules. Modules may be booked separately. During the time between courses the candidates are expected to study at home in their own time and solve tests. Candidates' tests will be sent to us for marking and the full solutions will be sent to the candidates to check their work. There will be a hot line available in order to communicate with the tutor any problems or any questions.
- ▶ Participants will receive an EY Academy of Business diploma on successful completion of the final exam at the end of the programme.
- ▶ If participants do not wish to participate on the full programme, they are welcome to select the modules they wish to attend but, without completing the whole programme, progress tests and the final exam, candidates will not receive a diploma.



Examination

There will be an examination of two hours at the end of the programme. On completion of the programme a diploma will be awarded on passing the examination.



PROGRAMME

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Module A

Introduction to US GAAP

- ▶ A short introduction to the programme.

Regulatory framework and fundamental concepts

- ▶ Who makes the accounting rules? This will be introduced by a brief history of financial reporting in the US and the necessity for the SEC, the FASB and the PCAOB.
- ▶ The sources of US GAAP and what is the codification.
- ▶ The conceptual framework behind US GAAP. We will discuss its importance in the context of developing accounting standards.

Presentation of financial statements

- ▶ The formats of financial statements under US GAAP: statement of position, net income statement, statement of cash flows, statement of changes in equity and a discussion on the concept of comprehensive income.
- ▶ We will introduce some of the specific language of accountants in the US.
- ▶ Related party disclosures.
- ▶ Presenting stockholders' equity.
- ▶ Subsequent events and going concern
- ▶ A summary of the filing requirements with the SEC.

Property plant and equipment

- ▶ Basis of valuation of property, plant and equipment.
- ▶ The depreciation methods under US GAAP.
- ▶ Changes in depreciation method or useful life. We will introduce the difference between a change in estimate and a change in accounting principle.
- ▶ Interest capitalization:
Which assets can interest be capitalized on and for what period can it be capitalized? Calculating the rate and amount of interest to be capitalized.

- ▶ Impairment of long-lived assets:
When to test an asset for recoverability, how to decide if an impairment has occurred and the calculation of the amount of the impairment under US GAAP, grouping long-lived assets for the purposes of the impairment calculation and the accounting entries involved.
- ▶ Held for sale assets and discontinued operations.
- ▶ Asset retirement obligations.

Module B

Revenue from contracts with customers (ASC 606)

- ▶ The five step model of recognizing revenue
- ▶ Accounting for contract modifications
- ▶ The concepts of performance obligations and variable consideration
- ▶ Unbundling of contracts
- ▶ When revenue is recorded at a point in time or over time
- ▶ Real estate sales and construction contracts under ASC 606.
- ▶ Recognition of contract revenue and costs and recognition of expected losses on contracts .
- ▶ Accounting for contract costs, warranties and principal versus agent issues related to revenue recognition.
- ▶ Presentation and disclosure under ASC 606.

Intangible assets and goodwill

- ▶ Goodwill and negative goodwill accounting.
- ▶ Definite and indefinite life intangibles.
- ▶ Intangible assets arising in business combinations.
- ▶ The impairment test on goodwill.
- ▶ Research and development costs.
- ▶ Software development both for sale and internal use.

Inventories

- ▶ Costs to be included in inventory.
- ▶ Lower of cost and net realizable value and when to use lower of cost and market.
- ▶ Methods of allocating costs to units of production: FIFO, LIFO and average cost.

Changes in accounting policy and accounting changes

- ▶ Accounting changes and error corrections.
- ▶ The difference between a change in estimate and change in principle..



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Module C

Accounting for leases under ASC 842

- ▶ The need for a new standard on leasing
- ▶ Identifying whether a lease is finance or operating for lessees.
- ▶ Accounting for finance leases including the allocation of interest and capital elements and depreciation of the asset.
- ▶ When to use the imputed rate of interest in the lease and when the incremental borrowing rate of the lessee should be used.
- ▶ Accounting for operating leases for lessees and the balance sheet impact.
- ▶ Lessor accounting for sales-type and operating leases.
- ▶ Sale and leaseback transactions.
- ▶ Accounting for subleases

Deferred taxation

- ▶ ASC 740 on deferred taxes.
- ▶ Temporary and permanent differences.
- ▶ Classification of temporary differences.
- ▶ Deferred tax on acquisition of a subsidiary.
- ▶ Deferred tax assets and valuation allowances, net operating losses carried forward.
- ▶ Uncertainty in income taxes

Contingent losses and gains and other cost-related items

- ▶ Contingent gains and losses.
- ▶ Uncollectible receivables, product warranties, loan guarantees and other loss contingencies.
- ▶ Environmental liabilities.
- ▶ Compensated absences.
- ▶ Disclosure of certain significant risks and uncertainties.
- ▶ Advertising costs.
- ▶ Costs associated with exit or disposal activities.

Module D

Group accounting

- ▶ The concept of groups and consolidated accounts.
- ▶ The consolidated balance sheet.
- ▶ Goodwill and negative goodwill .
- ▶ Valuation considerations of the consideration and the assets acquired.
- ▶ The consolidated statement of net income.

Fair value measurement

- ▶ The use of fair value measurement in financial reporting and as it relates to acquisitions.

Module E


Earnings per share

- ▶ Basic and diluted EPS.
- ▶ Complex capital structures including convertible instruments and the treatment of options in the calculation of EPS.

Statement of Cash flows

- ▶ Some basic principles as to why such a statement is necessary and gross versus net reporting.
- ▶ The categories of operating, investing and financing activities under US GAAP.
- ▶ The direct and indirect methods of reporting cash flows from operating activities.

Segment reporting

- ▶ Identifying an operating segment for reporting purposes.
 - ▶ What has to be disclosed?
 - ▶ Enterprise wide disclosures.
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Module F

Investment in debt and equity securities

- ▶ When to use the various classifications of held-for-trading, held-to-maturity and available-for-sale for debt securities.
- ▶ The basis for valuation in the balance sheet and the impact on earnings.
- ▶ The impact on percentage holding if common stock is held.
- ▶ Investments in equity securities (ASC 321)
- ▶ The new credit-impairment model under ASC 326

Accounting for equity investees and joint ventures

- ▶ The concept of significant influence.
- ▶ Equity accounting effects on the income statement and balance sheet.
- ▶ The impact of impairment on goodwill in an equity investee.

Accounting for derivative financial instruments (ASC topic 815)

- ▶ What is a derivative? How does ASC topic 815 define them and some exceptions?
- ▶ Embedded derivative instruments.
- ▶ Cash flow and fair value hedges.
- ▶ The fair value option for financial assets and liabilities.
- ▶ Recent changes to hedge accounting under ASU 2017-12

Long term debt – interest and issue costs

- ▶ The treatment of notes issued.
- ▶ The treatment of discounts and premiums.
- ▶ Loan origination fees and costs.
- ▶ Impairment of loans.
- ▶ Extinguishment of debt.
- ▶ Convertible debt.

Module G

Foreign currency transactions and translation 1 – Individual Companies

- ▶ The concept of functional currency.
- ▶ Monetary and non-monetary items and how they are treated.
- ▶ Forward exchange contracts, including hedging.


Foreign currency transactions and translation 2 – Group Financial Statements

- ▶ The concept of functional currency.
- ▶ The current rate method and the re-measurement basis and when to use them.
- ▶ Treatment of exchange differences.

Piecemeal acquisition and disposal of subsidiaries

- ▶ Piecemeal acquisition
- ▶ The accounting treatment depending on the shareholding remaining in the income statement and statement of position.
- ▶ The calculation of the consolidated profit or loss on disposal.
- ▶ Loss of control in a subsidiary

Complex group structures

- ▶ How are intermediate holding companies treated?
 - ▶ The calculation of percentage ownership for group accounting purposes.
 - ▶ The consolidation of variable interest entities
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Module H

Accounting for employment costs

- ▶ Short term benefits.
- ▶ Defined benefit and defined contribution schemes and their accounting issues.
- ▶ Current service and past service cost, interest cost, actuarial gains and losses and unrecognised gains and losses.

Share based payment

- ▶ The historical basis behind the need for such a standard.
- ▶ Equity versus cash settled transactions.
- ▶ Vesting conditions.
- ▶ Modification of awards of equity instruments.

SEC standard forms and filings

- ▶ For SEC companies, they need to file particular forms, some of which incorporate the US GAAP financial statements.
- ▶ The laws that govern the securities industry.
- ▶ A brief guide to corporate filing.

Convergence with IFRS

- ▶ With the elimination on the necessity for a reconciliation of IFRS financial statements and the SEC proposal to allow US domestic companies use IFRS, convergence is now a hot topic for US companies.

Revision

- ▶ In order to prepare for the final examination, we will go through a number of typical questions on topics covered throughout the course.

Other useful information

It is possible to organise “in company” training at customers’ individual request.

56 CPD (Continuous Professional Development) credit hours are awarded for successful completion of the full 8-day programme.

Our courses fulfil the requirements of the professional development schemes of international professional bodies such as: ACCA, IIA, PMI®, etc. PDUs or CPUs are granted after attending the US GAAP programme.



Application

If you are interested in the “EY Diploma in Application of US GAAP” training programme, please complete the [application form](#) and submit it at least two weeks before the start of the course.

Please contact the Course Co-ordinator if you have any questions: aleksandra.trych@pl.ey.com



Modules (1 day each)	Group 2020/2021	Discounted price	Standard price
A	18 November 2020	860 zł or 200 Euro net per 1-day module Discounted price for the 8-day programme if paid upfront: Option 1 - 6690 zł or 1520 Euro net per person. Option 2 - 6790 zł or 1550 Euro net per person. Option 3 - 7000 zł or 1600 Euro net per person	1,075 zł or 245 Euro net per 1-day module Standard price for the entire 8-day programme is: Option 1 - 8600 zł or 1960 Euro net Option 2 - 8700 zł or 1990 Euro net Option 3 - 8910 zł or 2040 Euro net
B	19 November 2020		
C	16 December 2020		
D	17 December 2020		
E	17 February 2021		
F	18 February 2021		
G	17 March 2021		
H	18 March 2021		
Exam	April 2021		

OPTIONS

- 1** The course combines lectures, question and answer sessions, practical exercises and examples
- 2** In addition, participants receive online tests to prepare for the final exam
- 3** In addition, participants receive online tests to prepare for the final exam, e-mail contact with the tutor and access to two e-learning courses on the platform: <http://e-learningacademyofbusiness.pl/archiwum/kategoria/56/us-gaap>



Course organization

The courses run from 9 am to 4:30 pm ONLINE LIVE or in Warsaw – you can join us online from wherever you are in the world! Two breaks for coffee and snacks are scheduled during the day and a lunch break at 1pm.



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