Revenue Recognition

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Disclaimer

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Objective of Panel Discussion

- The objective of the Standing Advisory Group ("SAG") panel discussion is to hear from panelists and provide an opportunity for discussion about the Financial Accounting Standards Board's ("FASB") newly adopted standard on the recognition of revenue and related audit considerations. Given the importance of this standard and significant changes expected, we anticipate that this topic will be discussed further with SAG members at future meetings.

- The presentations and discussion will consist of the following:

  - A high level overview of the newly adopted standard with an emphasis on, and illustrations of, areas of significant change and judgment

  - Audit considerations under the newly adopted standard from the perspective of both a larger and smaller audit firm

  - Discussion with SAG members to obtain their preliminary input on what, if anything, the PCAOB should do regarding the issuance of audit guidance, amendments to its existing standards, or development of a new auditing standard given the issuance of this new accounting standard.

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Revenue Recognition Panel Discussion

Panelists:

- Larry Smith – *FASB, Board Member*

- Philip Santarelli – *Chief Risk Officer, ParenteBeard, LLC*

- Alison Spivey – *Partner in Professional Practice – National Accounting, Ernst & Young LLP*

Moderator:

- Jay D. Hanson – *PCAOB, Board Member*

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SAG Member Discussion

The PCAOB is considering whether to develop guidance, amend its existing standards or issue a new standard on auditing revenue given the newly adopted accounting standard on revenue recognition. SAG members are invited to discuss such audit considerations and express their preliminary views.

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