



Comprehensive Review of Financial Reporting Frameworks **Onsite Training Course**

Millions of privately held companies throughout the U.S. do not need or are not required to have financial statements prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP). Other financial reporting or accounting frameworks are available, which may be more suitable and cost-beneficial for these companies. This training course thoroughly analyzes those frameworks, teaching participants the architecture of each framework and how they differ from one another.

Financial reporting frameworks consist of two groups: generally accepted accounting principles (GAAP), and special-purpose frameworks (SPFs). Special purpose frameworks include cash basis, modified cash basis, tax basis, regulatory basis, contractual basis, and other non-GAAP bases of accounting that utilize a definite set of logical, reasonable criteria that are applied to all material items appearing in the financial statements, such as the AICPA's Financial Reporting Framework for Small- and Medium-Sized Entities (FRF for SMEs). While all these frameworks can enable credible financial reporting, the choice of an accounting framework is essentially a matter of weighing the features of the different frameworks against the needs of the financial statement users.

In light of the extensive amount and complicated nature of recent financial reporting standards and changes, practitioners and their clientele may benefit from freshly assessing their financial reporting needs and the accounting framework that best fits those needs. This training course navigates participants through the principles, suitability, and pros and cons of each framework, better equipping participants to make those assessments.

Course Outline

- **Overview of Financial Reporting Frameworks.** Participants learn about the line-up of available GAAP and non-GAAP frameworks, the standard setters that oversee those frameworks, the authoritative or nonauthoritative nature of the frameworks, and the appropriateness of their use.
- **Principles of Each Framework.** This segment of the course familiarizes participants with the essential elements of the following frameworks:

- Cash-Basis of Accounting
- Modified Cash-Basis of Accounting
- Tax-Basis of Accounting
- FRF for SMEs
- **Comparison with U.S. GAAP.** Comparisons of key principles and criteria among the frameworks and with U.S. GAAP are presented. Participants learn the similarities and differences among the bases of accounting.
- **Illustrations and Examples.** The application of certain principles of the accounting frameworks are presented, helping participants better internalize a deeper comprehension of the requirements of the frameworks. In addition, illustrative financial statements are considered.
- **Auditor and Accountant Reports.** The implications of the use of the various frameworks with respect to reporting in audit, review, and compilation engagements are examined. Participants gain an understanding of the applicable professional literature and reporting responsibilities. In addition, sample reports are presented.
- **Decision Tool for Adopting an Accounting Framework.** Participants are furnished with the knowledge and tools necessary to make an informed decision about which financial reporting framework is most suitable for an entity's financial reporting needs.
- **Case Studies.** Real-life examples of assessing the financial reporting needs of entities, changing financial reporting frameworks, and educating financial statement users are featured.
- **Educating Clients and Financial Statement Users.** This segment of the course enables participants to educate clients and financial statement users about the accounting frameworks. Clients and those who use their financial statements, such as lenders and investors, will need to understand the accounting frameworks and how such frameworks will support their ability to make informed business or credit decisions and control costs.

Please email us at cpea@aicpa.org or call us at (334) 260-2326 to book your firm's training today!

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