

Accounting Standard Updates Due for FY2024 and Beyond

Updates Impacting **FY2024 Financial Statements**

UPDATE	WHAT CHANGED?	KEY CONSIDERATIONS
Convertible Instruments (ASU 2020-06)	Rules for separating the derivative part of convertible instruments (e.g., convertible bonds, convertible notes)	Assess the impact on your existing convertible instruments and determine if past financial statements need to be restated.
Business Combinations and Revenue Contracts (ASU 2021-08)	Updates to accounting for unsatisfied revenue contracts in business acquisitions	Ensure proper documentation and support for the accounting treatment of acquired revenue contracts.
Supplier Finance Arrangements	New disclosure requirements for arrangements involving intermediaries, where a third party (e.g., bank) facilitates early payment to vendors	Develop processes to gather and report the required information for the new disclosure requirements.
Leases Under Common Control (ASU 2023-01)	Updates to leasing guidance involving common control , where the property owner also owns or controls the leasing company	Review your leasing arrangements to identify any common control situations, especially for sister companies or properties owned by related parties.

Proposed Updates for **Post-2024 Reporting**

- 01 Additional guidance on accounting for crypto assets and new disclosure requirements
- 02 Increased disclosure expectations for income tax footnotes

Quick Tips for Compliance

- Consult with **regulatory experts**.
- Review **existing contracts**.
- Discuss and **prepare for future updates**.

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