

Navigating ASC 606 and 340-40

February 14, 2022

In May 2014, the FASB and the IASB published their largely converged standards on revenue recognition—ASU 2014-09 and IFRS 15, both titled *Revenue from Contracts* with *Customers*—which supersede and replace virtually all existing U.S. GAAP and IFRS revenue recognition guidance, affecting almost every revenue-generating entity.



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Since then, the FASB has also issued several Accounting Standards Updates containing technical amendments designed to clarify and expand on this new guidance.

The 2022 edition of our revenue guide, *<u>Revenue from Contracts with Customers: Navigating</u> <u>the guidance in ASC 606 and ASC 340-40</u>, has been updated to reflect technical amendments issued after December 2018 and features new illustrative examples and additional Grant Thornton insights. Appendix B summarizes the changes in this edition compared to the 2018 version of this publication.*

In this guide, you will find:

- select FASB examples and guidance
- discussions, insights, and examples from the Joint Transition Resource Group for Revenue Recognition (TRG) meetings
- Grant Thornton insights on various topics
- practical insights on how the guidance might differ from legacy GAAP
- illustrative examples to demonstrate how to apply the guidance

Source: Grant Thornton Insight January 13, 2022

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