

REVENUE RECOGNITION: INVESTOR CONSIDERATIONS

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The views expressed by the presenter are his or her own personal views and do not reflect those of the PCAOB, members of the Board, or the PCAOB staff.



CFA Institute



THE TEN QUESTIONS

- # 1 – Should investors **expect a change** in revenue recognition for all investee companies?
- # 2 – How is the investee company's **industry being impacted**?
- # 3 – What **disclosure** is the investee company making regarding the **impact of adoption**?
- # 4 – What **method of adoption & transition** is the investee company choosing?
- # 5 – Is **only the revenue caption** on the income statement changing?
- # 6 – Is **cash flow** changing?
- # 7 – Will **ratios** be impacted?
- # 8 – Will **valuation multiples** change?
- # 9 – Will the company's **non-GAAP measures** change?
- #10 – Are there **disclosures** which will describe revenue and the change in revenue?