

# FINANCIAL INSTITUTIONS REVENUE RECOGNITION REMINDER CHECKLIST

By Paul Bridge and Joe LaClair

## REMINDER CHECKLIST

This document is intended to be used as a reminder of ASC 606 requirements and other reporting considerations, but it is not intended to be a complete checklist. Rather, judgment will be required in order to consider specific circumstances regarding requirements for ASC 606 assessments. Any “no” responses should generally prompt additional consideration.

Considerations	Yes	No	N/A	Comments
Does the ASC 606 assessment clearly identify the material revenue streams scoped in and scoped out of ASC 606, and the basis for such conclusions?				
Have immaterial revenue streams been evaluated in the aggregate to determine if they are material when aggregated?				
For transaction streams identified as scoped out, are references included regarding the applicable ASC Topics which address those transactions?				
The Assessment should include the following: <ul style="list-style-type: none"> <li>• Method of adoption</li> <li>• Address net vs. gross presentation</li> <li>• Include the ASC 606 disclosures</li> <li>• Disclosures presented in accordance with ASC 606-50</li> </ul>				
Do revenue streams exist that are partially governed by ASC 606 and partially by another ASC Topic?				
If partially impacted revenue streams exist, (in other words, another standard specifies how revenue recognition is recognized, but aspects of that revenue are not covered by that topic/standard), did the company allocate the transaction price relating to parts of the contract dealt with by other Topics and apply the requirements of the other Topics to the transaction price allocated AND apply the requirements of Topic 606 to the transaction price allocated to parts of the contract not dealt with by another Topic?				
For revenue streams in scope of ASC 606, address each five-step process for every revenue stream <b>and for each distinct contract:</b>  Step 1: Identify the Contract Step 2: Identify Separate Performance Obligations Step 3: Determine the Transaction Price				

<p>Step 4: Allocate Transaction Price to Performance Obligations</p> <p>Step 5: Recognize Revenue when or as Each Performance Obligation is Satisfied</p>				
<p>Have internal controls over the assessment and implementation been designed, implemented and assessed for effectiveness?</p>				
<p>Have you considered the potential tax implications that may be triggered as a result of ASC 606 adoption, and has your organization put in place new data collection and retention policies that may be required to substantiate tax changes? Possible tax implications could include:</p> <ul style="list-style-type: none"> <li>• Tax accounting method changes</li> <li>• Book-tax differences</li> <li>• Cash taxes</li> <li>• ASC 740 - Deferred taxes, current/non-current taxes payable - at adoption/prospective</li> <li>• Federal, state, indirect and foreign taxes</li> <li>• Transfer pricing</li> </ul>				

For additional details on how ASC 606 may apply to your organization, access our full *Financial Institutions Reminder Checklist* [here](#).

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